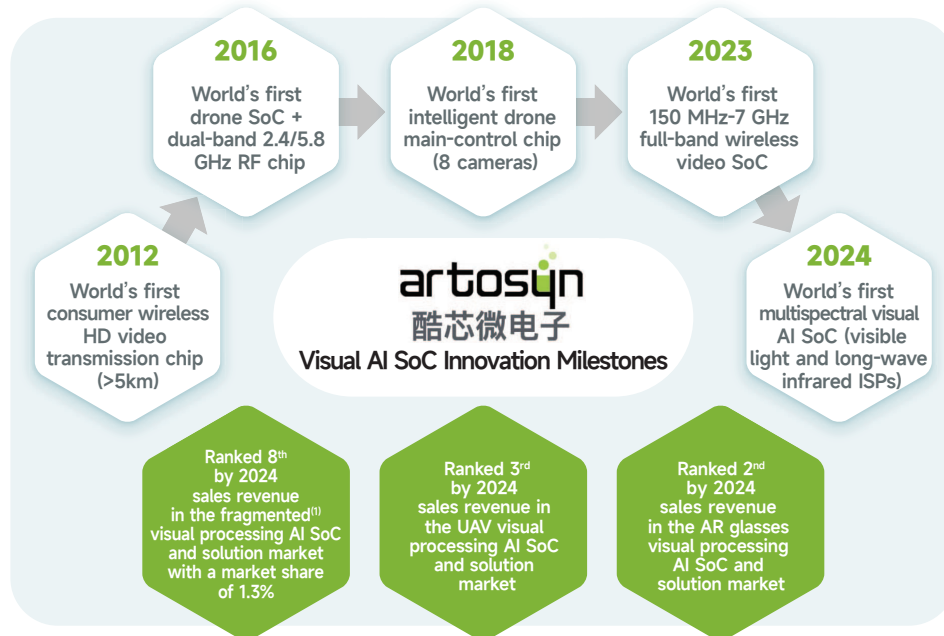


SUMMARY

This summary aims to give you an overview of the information contained in this Document and should be read in conjunction with the full text of this Document. As this is only a summary, it does not contain all the information that may be important to you. You should read this Document in its entirety before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in investing in the [REDACTED] are set out in “Risk Factors”. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. Various expressions used in this section are defined or explained in “Definitions” and “Glossary of Technical Terms” in this Document.

WHO WE ARE

We are a market-leading visual processing AI SoC supplier in China with solid solutions capabilities. By combining deep industry expertise with innovative technologies, we offer a diversified product portfolio designed for both consumer and industrial AI applications. Seamlessly integrated into UAVs, AIoT and smart wearables applications, our products continuously expand the application landscape and enhance the utility of smart devices. The following diagram sets out our market positions and track record of introducing pioneering IC/SoC products since inception. According to Frost & Sullivan:



Note:

- (1) The China visual processing AI SoC and solution market is broad-based and highly diversified by application, driven by demand across a wide range of end-use scenarios.

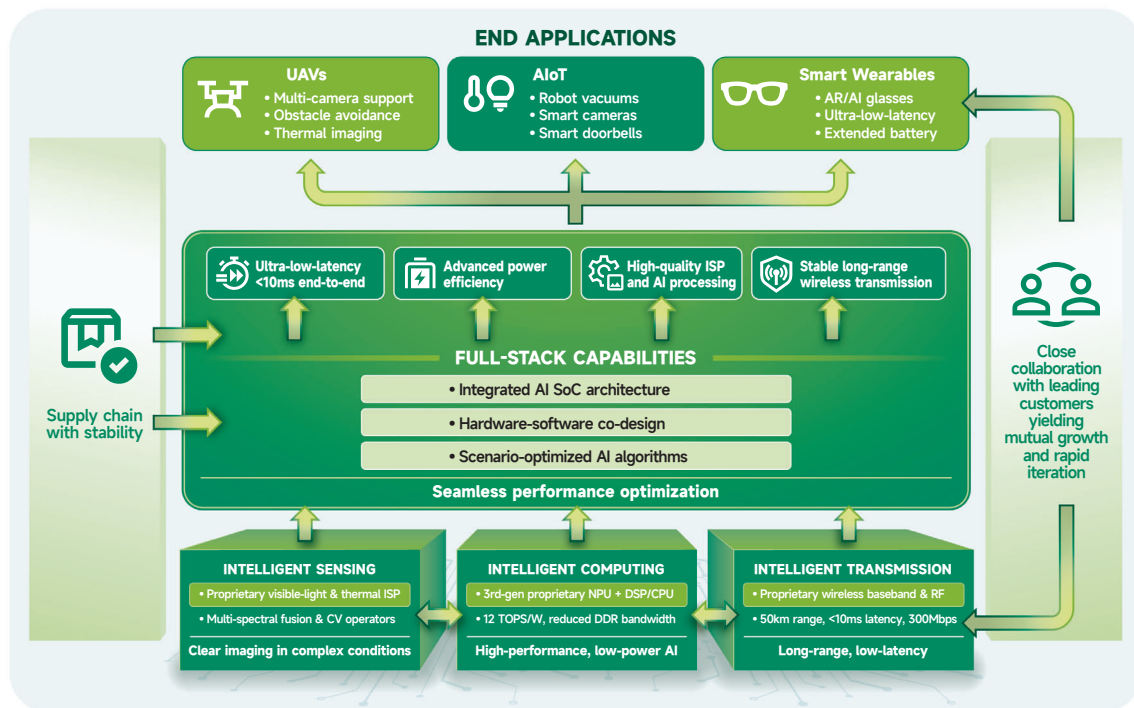
SUMMARY

OUR BUSINESS MODEL

We are a leading visual processing AI SoC supplier in China with integrated solution capabilities. We operate under a fabless business model, focusing on the research and development, design and sales of AI SoC products and solutions. We provide integrated solutions centered on visual processing AI SoCs and wireless video transmission SoCs. Our offerings combine IC design, software toolkits, scenario-optimized algorithms and engineering support, enabling customers to shorten development cycles and accelerate time-to-market in rapidly evolving AI application environments. By addressing the mismatch between long chip iteration cycles and fast-evolving software and AI applications, our full-stack approach allows customers to utilize our core technology IPs and incorporate new application requirements more efficiently.

Guided by market insights, we empower customers in UAVs, AIoT and smart wearables with visual processing solutions devised to address their product needs. To support these applications, we have established a comprehensive technical framework built around the integration of intelligent sensing, computing and transmission. Based on these core capabilities, we deliver SoCs and solutions that integrate proprietary ISP, NPU and wireless transmission technologies, supported by strong hardware-software co-design capabilities and end-to-end IC design expertise.

The following diagram illustrates our business structure.



OUR MISSION

To empower innovation across AI markets through full-stack proprietary visual processing technology.

SUMMARY

OUR VISION

To become a global leader in visual processing AI SoC products and solutions bridging physical world and digital intelligence to deliver world-class products and experiences.

COMPETITIVE LANDSCAPE AND MARKET OPPORTUNITY

We operate across three core application scenarios — UAVs, AIoT and smart wearables — where visual processing AI SoCs play critical roles in intelligent control, video transmission and on-device edge computing. The visual processing AI SoC and solution market has recorded significant growth in both China and global markets, supported by broader adoption of high-performance visual computing in multiple application scenarios. In China, the visual processing AI SoC product and solution market grew from RMB8.3 billion in 2020 to RMB34.3 billion in 2024, representing a CAGR of 42.4%, driven by increasing adoption in downstream applications including UAVs, smart wearables, security analysis, AIoT terminals, as well as new energy vehicles. Supported by continued expansion of application scenarios and improvements in industry supply capabilities, the China market is projected to reach RMB99.3 billion by 2029, with a CAGR of 24.7% between 2025 and 2029. Globally, the visual processing AI SoC product and solution market increased from RMB14.6 billion in 2020 to RMB55.9 billion in 2024, achieving a CAGR of 39.8%, and is expected to further expand to RMB148.3 billion by 2029, with a CAGR of 22.8% over the forecast period, as visual processing AI SoC product and solutions continue to penetrate a wide range of end-use markets.

As demand increasingly shifts from standalone SoCs toward integrated, scenario-optimized solutions, our vertically integrated capabilities across IC design, proprietary IP and algorithm optimization enable us to deliver differentiated products tailored to fragmented application scenarios where specialized, locally optimized solutions outperform general-purpose alternatives.

OUR CORE PRODUCTS

Our core products are distinguished by high-computing power, low power consumption, and low video transmission latency. These attributes represent the defining advantages of our proprietary-IP-empowered visual processing AI SoCs over general-purpose AI SoCs. Our products are the intelligent engines that power smart devices and accelerate the use of AI.

Our comprehensive visual processing AI SoC and video transmission SoC products and solutions are widely used in UAVs, AIoT and smart wearables industries. The following descriptions illustrate how our products and solutions are applied to the relevant end products:

- **UAVs.** As a pioneer in the UAV sector since 2012, we have had over a decade of industry engagement to establish a robust market presence and deep domain expertise. Our core offerings include high-performance visual processing AI SoCs that feature integrated visible light and thermal imaging capabilities, alongside advanced wireless video transmission SoCs. Our comprehensive portfolio provides integrated solutions for intelligent flight, long-distance video transmission and edge computing, covering the full range of consumer and industrial scenarios applicable to low-altitude economy.

SUMMARY

- AIoT.** Leveraging our (i) compact AI SoCs featuring low-power, efficient AI computing and (ii) industry-leading wireless video transmission SoCs featuring long communication range and low-latency, we have established a robust presence in the AIoT markets. Our footprint encompasses robotic vacuum cleaners, lawn-mowing robots, smart doorbells, wireless IP cameras and access control systems. Furthermore, we are strategically expanding into emerging consumer segments, including thumb cameras and handheld gimbal cameras.
- Smart Wearables.** We were among the first to develop high-performance, low-power and compact visual AI SoCs with dedicated designed features AR/AI glasses. We are strategically expanding our product footprint to include solutions for the smart watches and smart earphones, further diversifying our presence across the smart wearables market.
- Technology Services.** In addition to offering visual processing AI SoC products and solutions for strategic customers, we offer proprietary algorithms design and technology services to aid our customers' product development, encompassing production line configuration and maintenance protocol development. We also selectively grant strategic customers with access to our proprietary IPs and software as well as product design services, facilitating deep collaboration and system-level integration.

The following table sets forth a breakdown of our revenue by products and price range, or the upper-limit of the price range of our major products, as applicable, for the periods presented.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	RMB per Unit	RMB'000	RMB per Unit	RMB'000	RMB per Unit	RMB'000	RMB per Unit
				(Unaudited)		(Unaudited)		
SoC products								
UAVs	65,835	—	276,636	—	233,773	—	193,784	—
UAV — Chips	4,078	62.0-263.0	4,794	45.8-267.4	1,849	61.9-267.0	41,884	37.1-261.1
UAV — Modules	61,757	174.7-2,465.5	271,842	127.4-2,998.6	231,924	127.4-3,057.1	151,900	127.4-2,831.9
AIoT	34,530	—	153,879	—	98,593	—	112,028	—
AIoT — Chips	12,884	33.4-177.0	46,398	45.2-223.4	26,197	45.2-214.7	47,211	29.8-159.3
AIoT — Modules	21,646	69.5-2,920.4	107,481	69.5-3,362.8	72,396	69.5-2,846.6	64,817	69.5-3,308.0
Smart Wearables — Chips	43	No more than 120.0	4,383	No more than 150.0	903	No more than 150.0	6,896	No more than 220.0
Subtotal	100,408		434,898		333,269		312,708	
Technology Services⁽¹⁾	4,673		13,799		10,080		28,589	
Total	105,081		448,697		343,349		341,297	

Note:

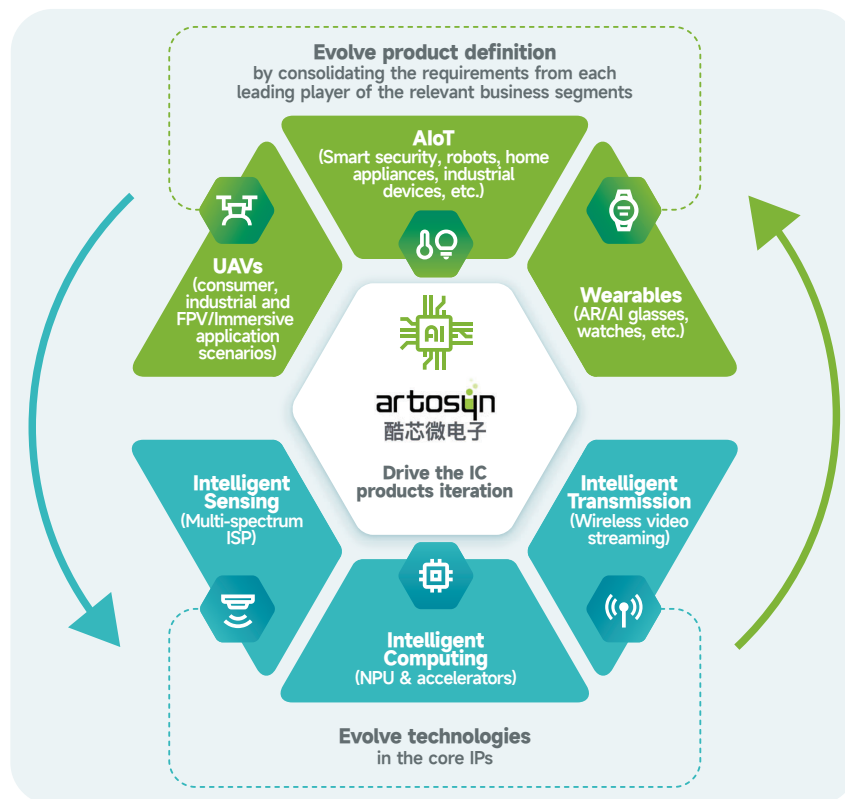
(1) Technology services primarily consist of non-recurring engineering such as product design services and IP incomes.

SUMMARY

OUR TECHNOLOGIES AND VALUE PROPOSITION

Our technologies and value proposition are founded on robust full-stack in-house R&D capabilities and a forward-looking approach to product defining. We have established a strong technical foundation spanning intelligent sensing, computing and transmission through solid IC architecture design, deep vertical integration of high-performance SoC architectures, proprietary core technology IPs, and dedicated algorithms and software. This integrated technology stack enables us to deliver visual processing AI SoC and wireless video transmission SoC products and solutions that achieve an advanced balance among performance, power efficiency.

The following diagram illustrates our value propositions.



Our technologies are centered on next-generation IC architectures and platform-level integration designed to support advanced edge-AI workloads. Our current development includes the AR95 series, which adopts an advanced process to improve power efficiency, cost structure and on-device AI inference performance for smart wearables and multimodal edge-AI applications. We have also developed the AR804X series, a highly integrated platform that combines image signal processing, AI computation and wireless transmission to support autonomous platforms such as drones and robotics. In parallel, we are advancing technologies in areas including in-memory computing SoCs and AI application processors SoCs for edge computing use cases, further strengthening our architecture depth and system-level integration capabilities.

SUMMARY

Building on these attributes, we enable customer product innovation through differentiated and forward-looking product specifications that are defined early in the development cycle. Our product defining capability, supported by our comprehensive portfolio of proprietary core technology IPs, fundamentally differentiates us from peers that rely primarily on standardized solutions. Through this approach, we have established a proven track record of world-first innovations that have empowered leading customers to achieve competitive advantages and market leadership within their respective segments.

OUR STRENGTHS

We believe that the following competitive strengths contribute to our success:

- Leader in pioneering visual processing AI SoCs and solutions in China
- Well-recognized first-mover with strong industry expertise
- Solid technology matrix fueling innovations
- Robust engineering capabilities supported by solid supply chain
- Strong management and R&D team with deep industry roots

OUR STRATEGIES

We will focus on the following key strategies to achieve our mission and vision:

- Enhancing market leadership through continuous product iterations and SoC product portfolio upgrade
- Advancing frontier technologies with strategic partners
- Exploring diverse growth paths in partnership with industry leaders in multiple product areas
- Exploring investment and acquisition opportunities
- Expanding overseas to building a world-class brand

SUMMARY

RESEARCH AND DEVELOPMENT

We operate a customer-driven research and development model underpinned by a strong engineering culture, with a focus on early-stage product defining, close collaboration and disciplined execution across the full product lifecycle. By engaging customers from the earliest stages of product planning, we incorporate evolving application requirements directly into our R&D roadmap and define SoC architectures early in the commercialization cycle, supporting demand from smart device markets such as UAVs, AIoT and smart wearables.

We are strategically investing in next-generation IC architectures to secure our technological leadership in key growth markets. Our recent R&D focus is on two core series designed to advance performance and enable new applications. See “Business — Research and Development” for more details on our two ongoing R&D projects.

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

During the Track Record Period, our customers primarily consisted of direct sales customers who were mainly UAV companies, technology manufacturers, and distributors. We generated revenue of RMB76.0 million, RMB341.7 million and RMB200.4 million from the provision of SoC products and technology services to our top five customers in 2023, 2024 and the nine months ended September 30, 2025, respectively, accounting for 72.3%, 76.1% and 58.8% of our total revenue, respectively. In addition, during the Track Record Period, revenues generated from our largest customer in each year/period accounted for 50.9%, 33.1% and 34.1% of our total revenue, respectively.

Major Suppliers

During the Track Record Period, our suppliers primarily consisted of (i) foundries and module manufacturers and (ii) packaging and testing service providers. In 2023, 2024, and the nine months ended September 30, 2025, we incurred purchases amounts of RMB63.4 million, RMB232.6 million and RMB140.3 million primarily for wafers, modules, and packaging services from our top five suppliers, respectively, accounting for 36.9%, 65.5% and 61.2% of our total purchases, respectively. In addition, during the Track Record Period, purchases amounts incurred from our largest supplier in each year/period accounted for 12.1%, 27.0% and 30.3% of our total purchases, respectively.

SUMMARY

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present our summary of consolidated financial information as of and for the years ended December 31, 2024 and the nine months ended September 30, 2025. We have derived this summary from our financial information set forth in the Accountants’ Report set out in Appendix I to this Document. The summary financial data set forth below should be read together with our consolidated financial statements and the related notes, as well as the section headed “Financial Information”.

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
					(Unaudited)		(Unaudited)	
Revenue	105,081	100.0	448,697	100.0	343,349	100.0	341,297	100.0
Cost of sales	<u>(93,363)</u>	<u>(88.8)</u>	<u>(304,266)</u>	<u>(67.8)</u>	<u>(235,717)</u>	<u>(68.7)</u>	<u>(190,189)</u>	<u>(55.7)</u>
Gross profit	11,718	11.2	144,431	32.2	107,632	31.3	151,108	44.3
Other net income	5,234	5.0	5,180	1.2	1,027	0.3	4,020	1.2
Selling and marketing costs	(29,172)	(27.8)	(29,662)	(6.6)	(18,686)	(5.4)	(20,657)	(6.1)
Administrative expenses	(73,613)	(70.1)	(67,551)	(15.1)	(52,388)	(15.3)	(21,634)	(6.3)
Research and development costs	<u>(136,546)</u>	<u>(129.9)</u>	<u>(139,884)</u>	<u>(31.2)</u>	<u>(82,652)</u>	<u>(24.1)</u>	<u>(62,012)</u>	<u>(18.2)</u>
(Loss)/profit from operations	<u>(222,379)</u>	<u>(211.6)</u>	<u>(87,486)</u>	<u>(19.5)</u>	<u>(45,067)</u>	<u>(13.1)</u>	<u>50,825</u>	<u>14.9</u>
Changes in the carrying amount of redemption liabilities	(85,553)	(81.4)	(127,634)	(28.4)	(110,563)	(32.2)	(51,085)	(15.0)
Other finance costs	<u>(341)</u>	<u>(0.3)</u>	<u>(1,129)</u>	<u>(0.3)</u>	<u>(596)</u>	<u>(0.2)</u>	<u>(2,000)</u>	<u>(0.6)</u>
Finance costs	<u>(85,894)</u>	<u>(81.7)</u>	<u>(128,763)</u>	<u>(28.7)</u>	<u>(111,159)</u>	<u>(32.4)</u>	<u>(53,085)</u>	<u>(15.6)</u>
Loss before taxation	(308,273)	(293.4)	(216,249)	(48.2)	(156,226)	(45.5)	(2,260)	(0.7)
Income tax	<u>—</u>	<u>0.0</u>	<u>(32)</u>	<u>0.0</u>	<u>—</u>	<u>0.0</u>	<u>(17)</u>	<u>0.0</u>
Loss for the year/period	<u>(308,273)</u>	<u>(293.4)</u>	<u>(216,281)</u>	<u>(48.2)</u>	<u>(156,226)</u>	<u>(45.5)</u>	<u>(2,277)</u>	<u>(0.7)</u>
Loss per share								
Basic and Diluted (RMB)	<u>(11.40)</u>		<u>(7.96)</u>		<u>(5.75)</u>		<u>(0.08)</u>	
Loss for the year/period	(308,273)	(293.4)	(216,281)	(48.2)	(156,226)	(45.5)	(2,277)	(0.7)
Other comprehensive income for the year/period								
Item that is or may be reclassified subsequently to profit or loss:								
Exchange differences on translation of:								
— financial statements of an overseas subsidiary	<u>7</u>		<u>29</u>		<u>(1)</u>		<u>(47)</u>	
Total comprehensive income for the year/period	<u>(308,266)</u>	<u>(293.4)</u>	<u>(216,252)</u>	<u>(48.2)</u>	<u>(156,227)</u>	<u>(45.5)</u>	<u>(2,324)</u>	<u>(0.7)</u>

SUMMARY

Non-HKFRS measures

To supplement our consolidated financial statements which are presented in accordance with HKFRS, we also use adjusted net profit (non-HKFRS measure) as an additional financial measure, which is not required by, or presented in accordance with HKFRS. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies.

We defined adjusted net profit (non-HKFRS measure) as profit for the years/period adjusted by adding back changes in the carrying amount of redemption liabilities and equity-settled share-based transactions, which are non-cash items. We exclude changes in the carrying amount of redemption liabilities, which primarily relate to the ordinary shares with redemption rights issued to investors, which will be converted into equity of the Company upon [REDACTED], and equity-settled share-based payment expenses, as such changes are non-recurring in nature. Therefore, these items are added back to the adjusted net profit (non-HKFRS measure) with a view to eliminating the potential impacts of such items. Our Directors believe that the presentation of such non-HKFRS measure when shown in conjunction with the corresponding HKFRS measure provides useful information to [REDACTED] and management in better reflecting our underlying operating performance and facilitating a better comparison of our underlying operating performance from period to period. Adjusted net profit (non-HKFRS measure) is not a measure required by, or presented in accordance with, HKFRS. The use of adjusted net profit (non-HKFRS measure) has limitations as an analytical tool, which should not be considered in isolation from, or as a substitute for analysis of, our results of operations or financial position as reported under HKFRS.

The following table reconciles our adjusted net profit for the years (non-HKFRS measure) presented to the most directly comparable financial measure calculated and presented in accordance with HKFRS:

	For the year ended		For the nine months ended	
	December 31,		September 30,	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(Unaudited)	(Unaudited)
Loss for the year/period	(308,273)	(216,281)	(156,226)	(2,277)
<i>Add:</i>				
Changes in the carrying amount of redemption liabilities	85,553	127,634	110,563	51,085
Equity-settled share-based payment expenses	<u>37,954</u>	<u>79,495</u>	<u>36,371</u>	<u>(1,847)</u>
Adjusted net profit/(loss) (non-HKFRS measure)	<u><u>(184,766)</u></u>	<u><u>(9,152)</u></u>	<u><u>(9,292)</u></u>	<u><u>46,961</u></u>

SUMMARY

Revenue

For the years ended December 31, 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, our total revenue amounted to RMB105.1 million, RMB448.7 million, RMB343.3 million and RMB341.3 million, respectively.

Revenue by products

We derived revenues mainly from (i) sales of SoC products, including chips and modules and (ii) provision of technology services. Our revenue from the sales of SoC products consists of sales of products applied to three core end-products: UAVs, AIoT and smart wearables. Our revenue from the sales of SoC products increased significantly in 2024, due to several reasons: (i) general recovery of the semiconductor market in 2024 following an industry-wide downturn in 2023, (ii) growth in sales in all product segments. In turn, such increase was tied to our relevant product development stage whereby we commenced mass production and volume deliveries for new generation products commencing in 2024, and (iii) we commenced sales of products applied to smart wearables in the AR market, which expanded our products’ end application scenarios and our customer base, contributing further to revenue growth. Our revenue from the sales of SoC products remained relatively stable at RMB333.3 million and RMB312.7 million in the nine months ended September 30, 2024 and 2025, respectively.

Our revenue from provision of technology services consists of both product design services and IP incomes. Our revenue from technology services increased significantly from RMB4.7 million in 2023 to RMB13.8 million in 2024 mainly because of the recognition of income from IP licensing, amounting to RMB8.3 million. Our revenue from technology services increased from RMB10.1 million in the nine months ended September 30, 2024 to RMB28.6 million in the nine months ended September 30, 2025, primarily due to the increase of product design services for smart wearables products.

Revenue by sales channel

We primarily promote and sell our SoCs and technology services through direct sales, while distribution sales to customers constitute a smaller portion of our sales. For further details of our sales network, please see “Business – Our Customers – Distribution” in this Document.

The following table sets forth our revenue breakdown by sales channel in absolute amount and as a percentage of our total revenue for the periods indicated.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
					(Unaudited)		(Unaudited)	
Direct sales	101,717	96.8%	277,545	61.9%	191,338	55.7%	297,796	87.3%
Distribution sales	<u>3,364</u>	<u>3.2%</u>	<u>171,152</u>	<u>38.1%</u>	<u>152,011</u>	<u>44.3%</u>	<u>43,501</u>	<u>12.7%</u>
Total	<u><u>105,081</u></u>	<u><u>100.0%</u></u>	<u><u>448,697</u></u>	<u><u>100.0%</u></u>	<u><u>343,349</u></u>	<u><u>100.0%</u></u>	<u><u>341,297</u></u>	<u><u>100.0%</u></u>

SUMMARY

Gross Profit and Gross Profit Margin

For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB11.7 million, RMB144.4 million, RMB107.6 million and RMB151.1 million, respectively, and our gross profit margin was 11.2%, 32.2%, 31.3% and 44.3%, respectively. The following table sets forth our gross profit and gross margin for the periods indicated.

	Year ended December 31,		Nine months ended	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(Unaudited)	(Unaudited)
Revenue	105,081	448,697	343,349	341,297
Cost of sales	<u>(93,363)</u>	<u>(304,266)</u>	<u>(235,717)</u>	<u>(190,189)</u>
Gross profit	11,718	144,431	107,632	151,108
Gross profit margin	11.2%	32.2%	31.3%	44.3%

Gross profit and gross profit margin by products

The following table sets forth a breakdown of our gross profit and gross profit margin by products and services for the years ended December 31, 2023, 2024 and the nine months ended September 30, 2024 and 2025.

	Year ended December 31,				Nine months ended September 30,			
	2023		2024		2024		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
					(Unaudited)		(Unaudited)	
SoC products								
UAVs	9,012	13.7	90,875	32.9	74,200	31.7	84,130	43.4
UAV — Chips	1,233	30.2	2,700	56.3	898	48.6	28,284	67.5
UAV — Modules	7,779	12.6	88,175	32.4	73,302	31.6	55,846	36.8
AIoT	4,773	13.8	53,390	34.7	33,741	34.2	42,397	37.8
AIoT — Chips	1,811	14.1	10,340	22.3	3,385	12.9	17,584	37.2
AIoT — Modules	2,962	13.7	43,050	40.1	30,356	41.9	24,813	38.3
Smart Wearables —								
Chips	(11)	(25.6)	231	5.3	106	11.7	1,681	24.4
Technology Services⁽¹⁾	(2,056)	(44.0)	(65)	(0.5)	(415)	(4.1)	22,900	80.1

Note:

(1) Technology services primarily consist of non-recurring engineering such as product design services and IP incomes.

SUMMARY

During the Track Record Period, the gross profit and gross profit margin of our UAV — Chips, AIoT SoC products, Smart Wearables — Chips increased materially. The increase was largely attributable to our product development cycle, whereby we commenced to introduce new generation SoC products in 2024 that contributed positively to our gross profit and gross profit margin.

Similarly, the gross profit and gross profit margin for our technology services segment also increased substantially in the nine-months ended September 30, 2025. Material changes in our gross profit and gross profit margin for our technology services segment was due to the type of services we provided. In 2023 and 2024, our technology services were mainly to aid our customers’ product development, which were often offered as auxiliary services to our product sales. The material increase in our gross profit and gross profit margin for the nine-months ended September 30, 2025 was attributable to our product design services for smart wearable products. Such design services include IP and chip customization.

On the other hand, while the gross profit margin for our UAV-Modules increased during the Track Record Period, the gross profit for such product segment decreased during the nine-months ended September 30, 2025 when compared to the same period in 2024. Such result was mainly due to switching supplier and we had to complete the engineering phase of production, which in turn, limited our product supply. Under such circumstance, we elected to prioritize sales to strategic customers and our gross profit was affected accordingly.

Summary of Consolidated Statements of Financial Position

	Year ended December 31,		Nine months ended September 30,
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
			(Unaudited)
Total non-current assets	79,006	103,623	88,659
Total current assets	199,937	281,089	325,549
Total non-current liabilities	—	7,243	5,434
Total current liabilities	1,458,308	1,693,591	1,729,067
Net current liabilities	(1,258,371)	(1,412,502)	(1,403,518)
Net liabilities	(1,179,365)	(1,316,122)	(1,320,293)

SUMMARY

As of September 30, 2025, we had net current liabilities of RMB1,403.5 million, as compared to RMB1,412.5 million as of December 31, 2024, primarily due to (i) an increase of RMB51.1 million in the carrying amount of the redemption liabilities, and (ii) a decrease of RMB47.3 million of cash and cash equivalents, partially offset by (i) an increase of RMB39.6 million of inventories and (ii) an increase of RMB52.1 million of trade and other receivables.

As of December 31, 2024, we had net current liabilities of RMB1,412.5 million, as compared to RMB1,258.4 million as of December 31, 2023, primarily due to (i) an increase RMB127.6 million of the carrying amount of the redemption liabilities, (ii) an increase of RMB59.7 million of loans and borrowings, primarily to supplement cash flow in support of operations, and (iii) an increase of RMB49.3 million of trade and other payables. These increases were partially offset by an increase of RMB55.9 million of cash and cash equivalents.

Our net current liabilities and net liabilities during the Track Record Period was largely attributable to changes in our redemption liabilities, as it constituted a major component of our current liabilities and net liabilities. As our redemption liabilities are tied to the ordinary shares with redemption rights issued to investors which shall be converted into equity of the Company upon [REDACTED], such item shall not affect our liquidity upon conversion of such shares.

SUMMARY

Summary of Consolidated Statements of Cash Flows

	Year ended December 31,		Nine months ended	
	2023	2024	September 30, 2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (unaudited)	<i>RMB'000</i> (unaudited)
Net cash (used in)/generated from operating activities	(142,461)	45,453	3,691	(40,457)
Net cash used in investing activities	(43,105)	(41,659)	(26,022)	(12,433)
Net cash (used in)/generated from financing activities	(6,620)	51,970	33,807	5,534
Net (decrease)/increase in cash and cash equivalents	(192,186)	55,764	11,476	(47,356)
Effect of foreign exchange rate changes	7	101	13	73
Cash and cash equivalents at beginning of the year/period	285,434	93,255	93,255	149,120
Cash and cash equivalents at end of the year/period	93,255	149,120	104,744	101,837

We had net operating cash inflow of RMB45.5 million in 2024. In 2023, we had net operating outflow of RMB142.5 million, primarily attributable to loss before taxation of RMB308.3 million, adjusted changes in working capital, which primarily resulted from (i) an increase in inventories of RMB5.6 million and (ii) decrease in other non-current assets of RMB5.3 million partially offset by non-cash and non-operating items. In the nine months ended September 30, 2025, we had net operating outflow of RMB40.5 million, primarily attributable to our loss before taxation of RMB2.3 million, as adjusted by changes in working capital, which primarily result from (i) an increase in trade and other receivables of RMB52.2 million and (ii) an increase in inventories of RMB47.5 million, partially offset by non-cash and non-operating items.

SUMMARY

Key Financial Ratios

	For the years ended		For the nine
	December 31,	2024	months ended
	2023		September 30,
			2025
			(Unaudited)
Gross profit margin ⁽¹⁾	11.2%	32.2%	44.3%
Current ratio ⁽²⁾	0.14	0.17	0.19
Current ratio (with redemption liabilities removed from current liabilities) ⁽³⁾	2.82	1.57	2.00

Notes:

- (1) Represents gross profit for the period divided by revenue for the same year, expressed as a percentage.
- (2) Current ratio is calculated based on the current assets divided by current liabilities.
- (3) Current ratio is calculated based on the current assets divided by current liabilities (with redemption liabilities removed from current liabilities).

For a detailed discussion of factors affecting our key financial ratios during the Track Record Period, see “Financial Information — Key Financial Ratios”.

[REDACTED]

[REDACTED]

SUMMARY

[REDACTED]

[REDACTED]

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Single Largest Group of Shareholders comprises Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan. Each of Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan is a Pre-[REDACTED] Employee Incentive Platform.

Pursuant to the Concert Party Agreement entered into among Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan dated January 5, 2026, all the Concert Parties (i) have acknowledged and confirmed that, since January 1, 2017 (or in the cases of Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan, since their respective establishment in 2019), they have been acting in concert in matters in relation to, inter alias, the Company's operation and management, and exercising the Shareholders' rights, including but not limited to the right to vote at general meetings of our Company and the right to propose resolutions, in accordance with the consensus achieved among them, (ii) agreed to continue such acting in concert relationship so long as they are directly or indirectly interested or hold directorship of the Company, and (iii) Shanghai Lingmou,

SUMMARY

Shanghai Huimou and Shanghai Jixuan shall act in accordance with the consensus achieved among Mr. Yao, Dr. Shen, Mr. Zhong. In particular, (i) Shanghai Jixuan is a limited partnership where Mr. Yao serves as the general partner; and (ii) each of Shanghai Lingmou and Shanghai Huimou is a limited partnership where Dr. Shen serves as the general partner. Therefore, Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan together form our Single Largest Group of Shareholders. As of the Latest Practicable Date, Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan collectively held approximately 32.8% of the total issued share capital of our Company. And upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), they will in aggregate hold approximately [REDACTED]% of the total issued share capital of our Company.

PRE-[REDACTED] INVESTORS

Our Company obtained investment from the Pre-[REDACTED] Investors. For details of the principal terms of the Pre-[REDACTED] Investments and the identity and background of the Pre-[REDACTED] Investors, see “History, Development and Corporate Structure – Pre-[REDACTED] Investments” in this Document.

DIVIDEND

During the Track Record Period, we did not declare any dividends or had a formal dividend policy or a fixed dividend payout ratio. After completion of the [REDACTED], our Shareholders will be entitled to receive any dividends we declare. We may distribute dividends by way of shares or cash, or a combination of both shares and cash. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial condition, 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 Law and approval by our Shareholders.

We intend to distribute cash dividends to our Shareholders at least on an annual basis, subject to the discretion of our Directors in accordance with our Articles of Association and the applicable laws and regulations in the PRC and Hong Kong. Our future declarations of dividends will be subject to the approval of our Shareholders. See “Risk Factors – Risks Relating to the [REDACTED] – We cannot ensure whether, when, or in what amount we will pay dividends in the future” in this Document.

RISK FACTORS

Our business faces risks, including those set out in the section headed “Risk Factors”. As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the “Risk Factors” section in its entirety before you decide to invest in our Shares. Some of the major risks that we face include:

- If we fail to respond to market trends or to develop new or enhanced solutions and products in a timely manner, our business, results of operations and prospects may be adversely affected.
- We rely on third-party manufacturing partners, and any adverse developments relating to such partnership may adversely affect our business, financial condition and results of operations.

SUMMARY

- Our R&D efforts are not guaranteed to yield the results we anticipate.
- Cyclical fluctuations in the semiconductor industry may adversely affect our results of operations and cash flows.
- The growth of our business depends on the growth and performance of downstream customers and the end markets they serve, and any volatility or slowdown in such markets may adversely affect our business, financial condition and results of operations.
- Intensifying technological and capability-based competition in the visual processing AI SoC product and solution industry may adversely affect our business, operating results and growth prospects.
- Failure to meet our customers' quality and reliability requirements may adversely affect our business and financial condition.
- Inaccurate demand forecasting or mismatches between supply and customer demand may adversely affect our operating results.
- Intensifying pricing pressure from downstream markets may adversely affect our revenue, gross profit margin and cash flows.
- Our sales may be affected by seasonality.

[REDACTED] EXPENSES

Assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] range stated in this Document), the [REDACTED], [REDACTED] together with the [REDACTED], SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the [REDACTED], which are payable by us are estimated to be approximately RMB[REDACTED] (equivalent to HK\$[REDACTED]), of which RMB[REDACTED] are expected to be charged to our consolidated statements of comprehensive income and RMB[REDACTED] are expected to be deducted from equity following the [REDACTED]. The [REDACTED] expenses consist of RMB[REDACTED] [REDACTED]-related expenses and RMB[REDACTED] non-[REDACTED]-related expenses (including fees and expenses of legal advisors and the reporting accountant of RMB[REDACTED] and other fees and expenses of RMB[REDACTED]), representing approximately [REDACTED]% of our [REDACTED] from the [REDACTED]. The [REDACTED] expenses above are the latest practicable estimate and are provided for reference only, and actual amounts may differ.

SUMMARY

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] after deducting the [REDACTED] and expenses payable by us in the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per H Share in this Document. We intend to use the [REDACTED] from the [REDACTED] for the following purposes and in the amounts set out below, subject to changes in light of our evolving business needs and changing market conditions:

- approximately [REDACTED]%, or HK\$[REDACTED], will be used for further upgrade of our SoC product portfolio. We plan to develop products with enhanced performance, greater efficiency, and stronger competitiveness, based on our existing and market-validated product.
- approximately [REDACTED]%, or HK\$[REDACTED], will be used for supporting product applications in our targeted usage scenario, including consumer and industrial UAVs, AIoT applications including cameras as well as consumers and industrial robotics, and smart wearables devices such as AR/AI glasses and smartwatches.
- approximately [REDACTED]%, or HK\$[REDACTED], will be used for investment and acquisition activities, in which we aim to identify and invest in targets with potential synergistic effects.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] million, will be used for the working capital and general corporate purposes.

For further details, please refer to the section headed “Future Plans and Use of [REDACTED]” in this Document.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

In December 2025, our Company completed the series C financing through equity transfers and capital increases. For further details, please refer to “History, Development and Corporate Structure — Pre-[REDACTED] Investments”.

Our Directors confirm that, since September 30, 2025 (being the latest end date of the periods reported in the Accountants’ Report included in Appendix I to this document) and up to the date of this Document, there has been no material adverse change in our financial or trading position and there is no event which would materially affect the information shown in our consolidated financial information included in the Accountants’ Report in Appendix I to this Document.