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## SUMMARY

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*This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be in conjunction with, the full text of this document. You should read the entire document before you decide to [REDACTED] in the [REDACTED].*

*There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in “Risk Factors” in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].*

## OVERVIEW

We are a smart cockpit solution provider in China, with software development capabilities and product coverage from terminal to cloud. According to Frost & Sullivan, we qualify as a typical Tier-1 smart cockpit solution provider, with a business model and revenue composition that demonstrate the defining characteristics of directly serving OEM customers. Leveraging our full-stack self-developed software platform and in-vehicle hybrid architecture with multi-modal AI Agent, we offer smart cockpit software solution, integrated software and hardware solution and one-stop, end-to-end technical services, focused on providing user-centric products with personalized and forward-thinking interactive experience. Our integrated cockpit and parking solution service volume ranked first nationwide in terms of installed volume of vehicles equipped with integrated cockpit and parking solution. In 2025, we ranked fifth in both smart cockpit solution providers and cockpit infotainment system providers based on domestic SoCs in China by shipment volume. According to Frost & Sullivan, around 20% of the approximately 250 automobile OEMs in China has utilized our smart cockpit solution as of the Latest Practicable Date. We possess the ability to respond to changes in our smart cockpit solution across luxury, mid-range and budget vehicles, as well as two-wheelers, by launching relevant products expeditiously, but also to stimulate customer demand and strengthen our position in the smart cockpit solution industry. We have implemented a dual-track strategy of enhancing localization efforts on our existing customer base while simultaneously expanding our presence in additional markets. We are dedicated to achieving breakthroughs in product functionality and performance as we allocate substantial resources towards R&D to enhance and solidify our competitive advantages in smart cockpit solution. Our R&D expenditures for the years ended December 31, 2023, 2024 and 2025 amounted to RMB103.4 million, RMB209.6 million and RMB268.1 million, respectively.

## OUR OFFERINGS

We offer smart cockpit software solution and integrated software and hardware solution for our customers, focusing on delivering user-centric products that enhance user experience before, during and after driving. For instance, before entering the vehicle, our smart cockpit solution are capable of remotely configuring vehicle settings via mobile application, allowing drivers to effortlessly manage different cockpit functions while driving and following the journey, our smart cockpit solution can establish connection and adjust smart home devices prior to arrival. According to Frost & Sullivan, in 2023, 2024 and 2025, we serviced vehicle models from 12 of the top 15 best-selling passenger vehicle brands in China with our smart cockpit software solution and integrated software and hardware solution.

### Smart Cockpit Software Solution

We provide smart cockpit software solution, which comprise different components including smart cockpit system, 360-degree images, map navigation, AI Agent and audio-video entertainment. Customers are afforded the flexibility to select various software functionalities that can be customized to align with their vehicle’s design and application software. These options are also available for our

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customers to select separately for incorporation into our solution upon request. Moreover, we offer customization of our proprietary software, as well as secondary modifications to customers’ software based on specific requirements, along with software upgrades for our existing products.

### *AI Agent*

Our AI Agent relies on multi-modal large-modal technology to understand user intentions and provide proactive service recommendations, while our intelligent scenario engine facilitates the dynamic integration and accurate execution of vehicle functions through modular orchestration and the fusion of data from multiple sources. Together, they create a closed-loop system, where the AI Agent gathers user profiles through frequent interactions, which in turn drives the ongoing development of the intelligent scenario engine.

### *Map Navigation*

Our map navigation products utilize map navigation SDK provided in some instances by SeeWay.ai and in other instances by a different major map service provider in China. Our map navigation products cater to a variety of scenarios such as ADAS views and wide-lane panoramic perspectives.

### *WeLink3*

In November 2024, we completed development of WeLink3 that pioneers on expanding the functionality of wired or wireless mobile phone screen mirroring, and incorporates public screen projection protocols that are supported by mobile devices, such as DLNA, which can be integrated and switched with existing smart cockpit functional modules, achieving a breakthrough in reverse control of the mobile phone via the smart cockpit screen across all platforms including Android, Apple iOS and Harmony OS, completing the full mirroring interaction logic, and successfully extending the mobile application systems seamlessly into the vehicle system. It also features a pioneering floating window interaction design, which allows for flexible dragging and scaling, enabling users to modify its position and dimensions while seamlessly blending with the original vehicle design.

For details on our smart cockpit software solution, see “Business — Our Offerings — Smart Cockpit Software Solution.”

### **Integrated Software and Hardware Solution for Smart Cockpit**

Our integrated software and hardware solution integrate our domain controllers, our smart cockpit software, which may also be purchased separately by our customers, as well as various hardware components, such as display screens and microphones, which we source from our suppliers. Our integrated software and hardware solution premise on integration between hardware systems and versatile software setup. Each of our integrated software and hardware solution consists of a high-performance, modularized and centralized domain controller integrating multi-layered software and algorithmic functional operating systems and cloud platform connectivity, conducive to maximizing adaptability and expandability. The modular design of our centralized domain controller, combined with standardized software interface, boosts compatibility of our solution across a wide range of vehicle architecture. For details on our integrated software and hardware solution, see “Business — Our Offerings — Integrated Software and Hardware Solution for Smart Cockpit.”

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### OUR CORE TECHNOLOGIES

#### Smart Cockpit Software Solution

Our smart cockpit’s overall software relies on our Panshi Core and Tiangong OS technology to achieve software and hardware decoupling and integrates a layered design concept, taking into account the differentiated characteristics of numerous previous projects and different vehicle operation systems of our Company, establishing a platform-independent communication encapsulation layer that balances both universality and flexibility. It encapsulates all the data interfaces required for interaction between the upper-layer software and the cockpit system, while introducing a modular design approach, allowing each application module to be flexibly adjusted and freely combined according to actual business needs, enabling convenient access and use.

#### AI Agent

We are dedicated to transforming the smart cockpit interactive experience by creating an AI Agent technology system focused on our AI Agent and our intelligent scenario engine. This system acts as the primary interactive hub of our smart cockpit software solution, aimed at overcoming the constraints of conventional passive responses. By thoroughly comprehending user intent and proactively foreseeing needs, it provides forward-thinking, personalized intelligent services. Through the establishment of a terminal to cloud collaborative intelligent interaction hub, we achieve a profound integration of multi-modal data and dynamic decision-making, establishing a strong foundation for seamless, natural and proactive interactions within intricate cockpit environments.

#### Smart Cockpit Cloud Platform

Our Smart Cockpit Cloud Platform relies on microservices architecture, paired with a high-performance distributed storage engine and containerized cluster dynamic scaling technology. Even when faced with peak traffic impacts or the heavy pressure of massive data storage, the system can still respond smoothly and operate efficiently. The design of the multi-access gateway significantly broadens the platform’s compatibility boundaries, enabling it to handle complex and variable business scenarios. By using intelligent gateways, the platform can connect to various agents and multiple large models, delivering integrated AI capabilities. The platform supports one-click automated deployment, simplifying the cumbersome operation and maintenance processes, and significantly reducing the potential risk of human error.

#### Hardware System

Our hardware system is equipped with a wide range of audio and video, camera, and data input-output interfaces, providing a computing platform for functions such as immersive sound in smart cockpits and vehicle linkage. Our hardware system adopts a modular design concept, dividing the smart cockpit functions into modules, with each module available in our Domain Controllers specifications. Standardized module components can be flexibly combined according to the cockpit needs of vehicles at different price levels for different projects.

#### Basic Software

Our unified central computing platform not only plays a critical role in connecting and uniformly managing underlying hardware, middleware software, and user applications but also serves as a robust foundational support for the software and hardware architecture of smart vehicles.

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### **Full-stack self-developed and optimized software platform**

Our smart cockpit software platform serves as the fundamental backbone of the entire smart cockpit system. Its primary role is to coordinate and oversee various hardware resources, ensuring the establishment of a stable and efficient operating environment for higher-level applications. The software platform offers a versatile and expandable operating system framework, facilitates precise fault identification and prevention, and includes a user-friendly and effective upgrade process. The integration of the 3D engine with the multimedia system creates an engaging interactive experience within the cockpit environment, while the communication system and protocol stack ensure a stable and dependable channel for information exchange in the cockpit.

For details on our core technologies, see “Business — Our Core Technologies.”

### **OUR COMPETITIVE STRENGTHS**

We believe that the following strengths have contributed to our success and differentiated us from our competitors: (i) a smart cockpit solution provider in China with software development capabilities and product coverage from terminal to cloud; (ii) full-stack self-developed software platform to create customized products for automobile OEMs and drive market trends; (iii) leveraging key technologies such as our self-developed AI Agent on developing user-centric smart cockpit solution offering ultimate personalized and forward-thinking interactive experience; (iv) our technical expertise allows us to sustain a substantial customer base and foster enduring partnerships with OEMs; (v) supported by investors and strategic partner from the automotive and technology fields; and (vi) highly experienced senior management and R&D team. For details, see “Business — Our Competitive Strengths.”

### **OUR STRATEGIES**

We plan to execute the following strategies to drive our future growth: (i) continuous development to capture industry and market opportunities; (ii) enhance operational efficiency with own AI-based production facility; (iii) strengthening and broadening our clientele; and (iv) enhancing management and workforce talent pool. For details, see “Business — Our Strategies.”

### **CUSTOMERS AND SUPPLIERS**

Our customers primarily consist of OEMs and Tier-1 suppliers, the majority of which are based in the PRC. Our strong industry reputation and recognition enables us to maintain long-term business relationships with our customers. Our aggregate sales to our five largest customers in 2023, 2024 and 2025 were approximately RMB458.6 million, RMB441.5 million and RMB560.6 million, accounting for 96.2%, 92.2% and 79.3% of our total revenue for the respective years. For details, see “Business — Our Customers.”

Our aggregate purchases from our five largest suppliers in 2023, 2024 and 2025 were approximately RMB161.0 million, and RMB226.4 million and RMB256.4 million, accounting for 37.7%, 50.0% and 41.0% of our total costs of sales for the respective periods. For details, see “Business — Our Suppliers.” To the best of our knowledge, save for SeeWay.ai, our non-executive Director and chairman of the Board of our Company, Mr. Cheng Peng, our non-executive Directors, Mr. Jiang Sheng and Mr. Huang Weiguo, our executive Director, Mr. Wang Jianqin, none of our Directors, their respective close associates or any Shareholder who owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest customers or suppliers during the Track Record Period.

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During the Track Record Period, to the best knowledge of our Directors, one of our top five customers was also one of our top five suppliers. SeeWay.ai, being our largest customer during the Track Record Period, was also our largest supplier for the years ended December 31, 2024 and 2025 and our second largest supplier for the year ended December 31, 2023. For details, see “Business — Overlapping of Major Customer and Supplier.”

### COMPETITIVE LANDSCAPE

By facilitating HMI and context-specific offerings, the smart cockpit delivers a broader range of user-centric services and fosters a vibrant intelligent system. OEMs are already leveraging large-scale AI models to deliver highly personalized driving experiences, dynamically processing real-time data from in-vehicle sensors, vehicle status, and driver preferences. This capability enables them to enhance smart cockpit products and services and facilitates the exploration of different business models. For further information on these trends, see “Industry Overview — Overview of Global and China’s Smart Cockpit Solution Industry — Definition and Classification of Smart Cockpit Solution.”

### SALES AND MARKETING

We generally sell our smart cockpit software solution and integrated software and hardware solution through direct sales. During the Track Record Period and up to the Latest Practicable Date, we did not sell our solution to any distributor. Our sales teams in Shenzhen and Beijing are responsible for sales of our hardware products and smart cockpit software solution, respectively. Our sales personnel possess on average of over five years of experience in the field, equipping them with a profound understanding of market trends, customer demands, and the features and benefits of our products. They are well-positioned to offer professional and trustworthy guidance to our customers. For further information, see “Business — Sales and Marketing.”

### THE SEEWAY.AI GROUP

SeeWay.ai, directly and indirectly through NavInfo Hong Kong, Mapbar Technology, AutoAI Hong Kong, comprises the SeeWay.ai Group, who are collectively interested in approximately 33.97% of the issued share capital of our Company as of the Latest Practicable Date. Immediately upon the completion of the [REDACTED], SeeWay.ai Group will be interested in not more than [REDACTED]% of the total issued Shares (assuming the [REDACTED] is not exercised). Upon [REDACTED], SeeWay.ai Group will not be our controlling Shareholders (as defined under the Listing Rules). For details, see “Relationship with SeeWay.ai Group”.

There is a clear delineation between our principal business and those of SeeWay.ai and its close associates. We are a smart cockpit solution provider in China which principally operates in the industry as a smart cockpit software and integrated software and hardware solution provider; whilst SeeWay.ai is a new-type Tier-1 full-stack automotive intelligence solution provider integrating software and hardware. Our relationship with SeeWay.ai is mutually beneficial in nature and we are able to enhance each other’s business strengths by utilizing our combined capabilities to function as either a Tier 1 or Tier 2 supplier, depending on the specific requirements of various projects and customer demands.

### CONNECTED TRANSACTIONS

We have entered into certain transactions with certain connected persons (as defined under Chapter 14A of the Listing Rules), and following the [REDACTED], the transactions contemplated thereunder will continue and constitute continuing connected transactions under Chapter 14A of the Listing Rules. We have applied to the Stock Exchange for, and the Stock Exchange [has granted] to us, a waiver from strict compliance with the announcement, circular, independent shareholders’ approval

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and annual reporting requirements as applicable, as set out in Chapter 14A of the Listing Rules in respect of such continuing connected transactions. For details of the connected transactions, see “Connected Transactions”.

### PRE-[REDACTED] INVESTMENTS

Since our establishment, we have attracted certain Pre-[REDACTED] Investors and completed three rounds of financing to raise funds for the development of our business. For further information of the principal terms of the Pre-[REDACTED] Investments and the identity and background of our major Pre-[REDACTED] Investors, see “History, Reorganization and Corporate Structure — Pre-[REDACTED] Investments.”

### MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

In line with the commercial consensus between our Company and Didi Technology and as part of our strategic M&A expansion, on August 16, 2024, our Company entered into (a) an equity transfer agreement with Didi Technology and Ruilian Xingchen; and (b) a capital increase agreement with, among others, Didi Technology, pursuant to which Didi Technology agreed to acquire additional stake in our Company by injecting (i) Didi Technology’s entire equity interest in Ruilian Xingchen (at an agreed value of RMB450,000,000, corresponding to approximately 11.06% equity interest in our Company) and (ii) cash in the amount of RMB220,000,000 (corresponding to approximately 5.41% equity interest in our Company). According to Rule 4.05A of the Listing Rules, the acquisition of Ruilian Xingchen would have been classified at the date of [REDACTED] for our [REDACTED], as a major transaction under Chapter 14 of the Listing Rules. For details of the acquisition of Ruilian Xingchen, see “History, Reorganization and Corporate Structure — Major Acquisitions, Disposals and Mergers”.

### SUMMARY OF HISTORICAL FINANCIAL INFORMATION

#### Summary of Consolidated Statements of Profit or Loss

	For the year ended December 31,					
	2023		2024		2025	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
	<i>(RMB in thousands, except for percentages)</i>					
Revenue . . . . .	477,232	100.0%	478,756	100.0%	706,355	100.0%
Cost of sales . . . . .	(337,034)	(70.6%)	(339,160)	(70.8%)	(533,959)	(75.6%)
Gross profit . . . . .	140,198	29.4%	139,596	29.2%	172,396	24.4%
Other income and gains . . . . .	1,725	0.4%	10,259	2.1%	2,424	0.3%
Selling expenses . . . . .	(9,725)	(2.0%)	(10,099)	(2.1%)	(11,122)	(1.6%)
Administrative expenses . . . . .	(35,257)	(7.4%)	(43,435)	(9.1%)	(62,464)	(8.8%)
Research and development expenses .	(103,410)	(21.7%)	(209,623)	(43.8%)	(268,104)	(38.0%)
Impairment losses on financial assets . . . . .	(32,402)	(6.8%)	(8,984)	(1.9%)	(522)	(0.1%)
Other expenses and losses . . . . .	(19,387)	(4.1%)	(8,108)	(1.7%)	(39,833)	(5.6%)
Interest on redemption liabilities . . .	(205,525)	(43.1%)	(243,882)	(50.9%)	(303,078)	(42.9%)
Finance costs . . . . .	(1,958)	(0.4%)	(3,088)	(0.6%)	(3,951)	(0.6%)
LOSS BEFORE TAX . . . . .	(265,741)	(55.7%)	(377,364)	(78.8%)	(514,254)	(72.9%)
Income tax credit/(expense) . . . . .	408	0.1%	(508)	(0.1%)	181	0.0%
LOSS FOR THE YEAR AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR . . . . .	<u>(265,333)</u>	<u>(55.6%)</u>	<u>(377,872)</u>	<u>(78.9%)</u>	<u>(514,073)</u>	<u>(72.9%)</u>

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### *Non-HKFRS Measures*

To supplement our consolidated financial statements which are presented under HKFRS, we also use adjusted net loss (a non-HKFRS measure) as an additional financial measure, which is not required by or presented in accordance with HKFRS. We believe that such non-HKFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of certain items. We believe that such measure provides useful information to [REDACTED] and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of the adjusted net loss (a non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for the analysis of, our results of operations or financial condition as reported under HKFRS.

We define adjusted net loss (a non-HKFRS measure) as loss for the year adjusted for (i) interest on redemption liabilities and (ii) [REDACTED] expenses. Interest on redemption liabilities consists of interest incurred after the issuance of our financial instruments through which we granted preferred rights to certain investors to redeem their paid-in capital for cash upon specified events. Redemption liabilities will be derecognized upon completion of the [REDACTED], and [REDACTED] expenses are expenses relating to the [REDACTED]. For further information on our redemption liabilities, see Note 27 to the Accountants’ Report in Appendix IA to this document.

The following table sets forth a reconciliation of our loss for the year to adjusted net loss (a non-HKFRS measure) during the Track Record Period.

	For the year ended December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Loss for the year . . . . .	(265,333)	(377,872)	(514,073)
Adjusted for:			
Interest on redemption liabilities . . . . .	205,525	243,882	303,078
[REDACTED] expenses . . . . .	—	[REDACTED]	[REDACTED]
Non-HKFRS measure:			
Adjusted net loss (a non-HKFRS measure) .	<b>(59,808)</b>	<b>(132,709)</b>	<b>(188,179)</b>

### *Revenue*

During the Track Record Period, we generated revenue from sales of (i) smart cockpit software solution and (ii) integrated software and hardware solution for smart cockpit and others. The following table sets forth a breakdown of our revenue, in both absolute terms and as a percentage of our revenue for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
	<i>(RMB in thousands, except for percentages)</i>					
Smart cockpit software solution <sup>(1)</sup>						
Software development fees . . . . .	71,139	15.0	105,840	22.1	317,710	45.0
Software licensing fees . . . . .	93,279	19.5	137,578	28.7	89,761	12.7
<b>Subtotal . . . . .</b>	<b>164,418</b>	<b>34.5</b>	<b>243,418</b>	<b>50.8</b>	<b>407,471</b>	<b>57.7</b>

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	For the year ended December 31,					
	2023		2024		2025	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
	<i>(RMB in thousands, except for percentages)</i>					
Integrated software and hardware solution <sup>(2)</sup> . . . . .	312,364	65.4	234,682	49.1	295,174	41.8
Others <sup>(3)</sup> . . . . .	450	0.1	656	0.1	3,710	0.5
<b>Total revenue.</b> . . . . .	<b>477,232</b>	<b>100.0</b>	<b>478,756</b>	<b>100.0</b>	<b>706,355</b>	<b>100.0</b>

*Notes:*

- (1) Consist of smart cockpit software solution including AI Agent and map navigation. For details, see “Business — Our Offerings — Smart Cockpit Software Solution.”
- (2) Consist primarily of domain controllers and accessories. For details, see “Business — Our Offerings — Integrated Software and Hardware Solution for Smart Cockpit.”
- (3) Consists of income generated from subleasing office space that is under lease and leasing of fixed assets.

For details, see “Financial Information — Description of Major Components of Our Results of Operations.”

***Net loss***

In the years ended December 31, 2023 and 2024 and 2025, we recorded net losses of RMB265.3 million, RMB377.9 million and RMB514.1 million, respectively.

The fluctuations in our net losses from period to period were significantly influenced by interest on redemption liabilities, which represent our obligation to repurchase our own equity instruments in connection with the redemption rights and liquidation preferences granted to investors in our Series A, Series A+ and Series B financings. For further information on our redemption liabilities, see “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Liabilities — Redemption Liabilities” and Note 27 to the Accountants’ Report included in Appendix IA to this Document.

Capitalization of interest expense on redemption liabilities means that instead of requiring us to pay cash on redemption liabilities periodically, the holders of the redemption rights permit us to add the amount of accrued interest expense on redemption liabilities to the total balance of redemption liabilities on which interest subsequently accrues. Our interest on redemption liabilities increased by RMB38.4 million from 2023 to 2024, primarily due to incurrence of RMB770.0 million in new redemption liabilities in 2024 in connection with the Series B Financing. In addition, interest on redemption liabilities increased by RMB59.2 million from 2024 to 2025, again primarily due to the incurrence of substantial new redemption liabilities in connection with the Series B Financing in the second half of 2024.

Additional factors that significantly influenced the fluctuations in our net losses during the Track Record Period are discussed under the heading “—Adjusted Net Loss (a non-HKFRS Measure)” below.

***Adjusted Net Loss (a non-HKFRS Measure)***

Our adjusted net loss (a non-HKFRS measure) increased by RMB72.9 million from 2023 to 2024, primarily due to an increase of RMB106.2 million in research and development expenses and an increase of RMB8.1 million in administrative expenses, the effects of which were partially offset by (i)

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a decrease of RMB23.4 million in impairment losses on financial assets, (ii) a decrease of approximately RMB11.3 million in other expenses and losses and (iii) an increase of approximately RMB8.6 million in other income and gains.

In addition, our adjusted net loss (a non-HKFRS measure) increased by RMB55.5 million from 2024 to 2025. This increase in net adjusted net loss (a non-HKFRS measure) was primarily due to an increase of RMB58.5 million in research and development expenses and an increase of RMB1.0 million in selling expenses, the effects of which were partially offset by an increase of RMB32.8 million in gross profit.

For a detailed discussion of the reasons underlying the trends in income statement line items highlighted above, see “Financial Information — Year to Year Comparison of Results of Operations.”

### Summary of Consolidated Statements of Financial Position

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from the Accountants’ Report included in Appendix IA to this Document.

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment . . . . .	6,586	55,222	39,488
Right-of-use assets . . . . .	2,941	11,090	13,773
Goodwill . . . . .	299,559	585,997	585,997
Other intangible assets . . . . .	1,717	166,879	150,201
Prepayments, other receivables and other assets . . . . .	2,229	4,705	1,302
Deferred tax assets . . . . .	768	260	441
<b>Total non-current assets . . . . .</b>	<b>313,800</b>	<b>824,153</b>	<b>791,202</b>
<b>Current assets</b>			
Inventories . . . . .	110,269	144,680	239,396
Trade and bills receivables . . . . .	237,471	179,469	241,327
Prepayments, other receivables and other assets . . . . .	7,947	28,647	33,096
Financial investments at fair value through other comprehensive income . . . . .	—	50,827	41,980
Restricted cash . . . . .	2,376	—	3,269
Pledged deposits . . . . .	12,120	2,301	17,483
Cash and cash equivalents . . . . .	61,732	89,878	65,444
<b>Total current assets . . . . .</b>	<b>431,915</b>	<b>495,802</b>	<b>641,995</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and bills payables . . . . .	259,329	143,569	273,760
Contract liabilities . . . . .	4,813	18,180	8,000
Other payables and accruals . . . . .	74,077	73,350	93,140
Interest-bearing bank and other borrowings . . . . .	66,574	103,162	284,034
Lease liabilities . . . . .	8,065	4,001	9,001
Redemption liabilities . . . . .	2,774,585	3,788,467	4,091,545

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	As of December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
<b>Total current liabilities</b> . . . . .	<b>3,187,443</b>	<b>4,130,729</b>	<b>4,759,480</b>
<b>NET CURRENT LIABILITIES</b> . . . . .	<b>(2,755,528)</b>	<b>(3,634,927)</b>	<b>(4,117,485)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> . . . . .	<b>(2,441,728)</b>	<b>(2,810,774)</b>	<b>(3,326,283)</b>
<b>Non-current liabilities</b>			
Lease liabilities . . . . .	—	8,826	7,390
<b>Total non-current liabilities</b> . . . . .	<b>—</b>	<b>8,826</b>	<b>7,390</b>
<b>Deficiency in assets</b> . . . . .	<b>(2,441,728)</b>	<b>(2,819,600)</b>	<b>(3,333,673)</b>
<b>Deficit</b>			
Deficit attributable to Shareholders			
Share capital/paid-in capital . . . . .	117,632	145,080	145,080
Reserves . . . . .	(2,551,280)	(2,956,600)	(3,470,673)
Non-controlling interests . . . . .	(8,080)	(8,080)	(8,080)
<b>Total deficit</b> . . . . .	<b>(2,441,728)</b>	<b>(2,819,600)</b>	<b>(3,333,673)</b>

### *Net Current Liabilities*

We had net current liabilities of RMB2,755.5 million, RMB3,634.9 million and RMB4,117.5 million as of December 31, 2023, 2024 and 2025, respectively. Our net current liabilities position as of December 31, 2023, 2024 and 2025 was due to redemption liabilities of RMB2,774.6 million, RMB3,788.5 million and RMB4,091.5 million, respectively, as of those dates, which were classified as current liabilities. In addition to the very substantial impact that redemption liabilities (which will be derecognized through reclassification to equity upon completion of the [REDACTED]) had on our net current liabilities position, the year-on-year fluctuations in our net current liabilities position during the Track Record Period were significantly influenced by the following factors:

- From December 31, 2023 to December 31, 2024, (i) our total current assets increased by RMB63.9 million, primarily due to an increase of RMB50.8 million in financial instruments at fair value through other comprehensive income, an increase of RMB34.4 million in inventories and an increase of 28.1 million in cash and cash equivalents, the effects of which were partially offset by a decrease of RMB58.0 million in trade and bills receivables, while (ii) our total current liabilities (excluding the impact of redemption liabilities) decreased by RMB70.6 million, primarily due to a decrease of RMB115.8 million in trade and bills payables, the effect of which was partially offset by an increase of RMB36.6 million in interest-bearing bank and other borrowings.
- From December 31, 2024 to December 31, 2025, (i) our total current assets increased by RMB146.2 million, primarily due to an increase of RMB94.7 million in inventories, an increase of RMB61.9 million in trade and bills receivables and an increase of RMB15.2 million in pledged deposits, the effects of which were partially offset by a decrease of RMB8.8 million in financial investments at fair value through other comprehensive income and a decrease of RMB24.4 million in cash and cash equivalents, while (ii) our total current liabilities (excluding the impact of redemption liabilities) increased by RMB325.7 million, primarily due to an increase of RMB19.8 million in other payables and accruals, an increase of RMB180.9 million in interest-bearing bank and other borrowings and an increase of RMB130.2 million in trade and bills payables, the effects of which were partially offset by a decrease in contract liabilities of RMB10.2 million.

## SUMMARY

For more detailed information concerning the factors that influenced year-on-year fluctuations in our net assets position during the Track Record Period, see “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position.”

### *Net liabilities (deficiency in assets)*

Net liabilities (deficiency in assets) amounted to RMB2,441.7 million, RMB2,819.6 million and RMB3,333.7 million as of December 31, 2023 and 2024 and 2025, respectively.

Our net liabilities as of December 31, 2023 were mainly due to (i) our accumulated losses of RMB2,233.4 million as of January 1, 2023 and (ii) our net losses of RMB265.3 million in the year ended December 31, 2023 (which in turn were significantly influenced by RMB205.5 million in interest on redemption liabilities).

Our net liabilities as of December 31, 2024 were mainly due to (i) our accumulated losses of RMB2,498.7 million as of January 1, 2024, (ii) our net loss of RMB377.9 million for the year ended December 31, 2024, (iii) an aggregate increase of RMB770 million in paid-in capital and capital reserve, including (a) acquisition of a subsidiary (Ruilian Xingchen) in the aggregate amount of RMB450 million, which represents the Series B share exchange, contributions from equity holders in the aggregate amount of RMB320 million, which represents the Series B cash investment and (iv) recognition of RMB770 million in redemption liabilities in connection with the Series B Financing. For further information on redemption liabilities (including those recognized in connection with the Series B Financing), see Note 27 to the Accountants’ Report in Appendix IA to this document.

Our net liabilities as of December 31, 2025 were mainly due to (i) our accumulated losses of RMB2,876.6 million as of January 1, 2025 and (ii) our net losses of RMB514.1 million for the year ended December 31, 2025 (which in turn were significantly influenced by RMB303.1 million in interest on redemption liabilities).

We expect to return to a net asset position upon [REDACTED], taking into account the derecognition of our redemption liabilities with carrying amount of RMB4,091.5 million as of December 31, 2025 through reclassification to equity upon [REDACTED].

### Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated statements of cash flows for years indicated.

	For the year ended December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Net cash (used in) operating activities . . . . .	(47,312)	(190,290)	(208,885)
Net cash from/(used in) investing activities . .	(2,981)	(124,911)	15,684
Net cash from/(used in) financing activities . .	(13,628)	343,347	168,767
<b>Net increase (decrease) in cash and cash equivalents . . . . .</b>	<b>(63,921)</b>	<b>28,146</b>	<b>(24,434)</b>
Cash and cash equivalents at the beginning of the year . . . . .	125,653	61,732	89,878
Effects of change in foreign exchange rate . .	—	—	—
<b>Cash and cash equivalents at the end of the year . . . . .</b>	<b>61,732</b>	<b>89,878</b>	<b>65,444</b>

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## SUMMARY

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### *Net cash used in operations*

We have had net cash outflows from operations in every period during the Track Record Period, largely because we have chosen to incur a level of cash expenses for operating activities (including in cash expenses included in cost of sales, selling expenses, administrative expenses and research and development expenses) that is higher than the level of cash which we receive from customers for purchases of our products and services. This approach is consistent with the approach taken by many growth-stage technology companies, where extensive research and development expenses in particular are needed to keep pace with trends in technology and remain at the cutting edge of the industry while sales of products and services ramp up. Like many growth-stage technology companies, we have funded the excess of cash used in operations over cash inflows from operations with cash raised from financing activities, as discussed below. The substantial increase in cash flows used in operating activities in 2024 and 2025 resulted primarily from increased research and development expenses in cash, which in turn was primarily due to our acquisition of Ruilian Xingchen in August 2024 in connection with Didi Technology’s strategic investment in our Company in the Series B Financing, which led to an increase in employee compensation expense.

### *Net cash from/used in investing activities*

The net cash flows used in investing activities in 2023 related to ordinary course payments for purchases of property and equipment. The substantial increase in net cash flows used in investing activities from 2023 to 2024 reflected primarily the use of proceeds from the Series B Financing to settle the outstanding payments that Ruilian Xingchen owed to the vendors in respect of the property and equipment in the amount of RMB36.2 million and the intangible assets in the amount of RMB54.8 million. We also applied RMB50.5 million of the proceeds of the Series B financing for purchases of financial investments at fair value through other comprehensive income as a means of short- to medium-term investment pending application of such proceeds in operations. The effects of the foregoing factors were partially offset by RMB16.6 million in cash and cash equivalents of Ruilian Xingchen that we acquired in connection with our acquisition of 100% equity interest in Ruilian Xingchen. Our net cash from investing activities in 2025 was primarily due to proceeds of disposal of a time deposit.

### *Net cash from/used in financing activities*

Net cash flows used in financing activities in 2023 represented primarily repayment of bank borrowings in the amount of RMB84.5 million, which were partially offset by new bank borrowings in the amount of RMB76.5 million. Net cash flows from financing activities in 2024 represented the cash portion of the Series B financing (in the amount of RMB320 million) as well as RMB113.1 million in new bank borrowings, which were partially offset by RMB76.5 million in repayment of existing bank borrowings and RMB10.2 million in repayment of principal on leases. Our net cash from financing activities in 2025 resulted primarily from new bank borrowings in the amount of RMB284.0 million, net of repayment of existing bank borrowings in the amount of RMB103.1 million.

## **BUSINESS SUSTAINABILITY**

During the Track Record Period, we were subject to revenue volatility, primarily attributable to fluctuations and market uncertainties in OEM customers’ demand driven by evolving industry dynamics and declining demand for certain vehicle models. Concurrently, we undertook substantial research and development expenditures, with strategic emphasis on the advancement of our software baselines and chips platforms. These investments were aligned with our disciplined approach to product portfolio management and marketing execution, aimed at sustaining a comparatively high gross profit margin compared to industry peers. The development process requires a diverse team of R&D professionals, costly equipment and considerable computational resources.

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## SUMMARY

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For the years ended December 31, 2023, 2024 and 2025, we had net losses of RMB265.3 million, RMB377.9 million, and RMB514.1 million, respectively, and adjusted net losses (a non-HKFRS measure) of RMB59.8 million, RMB132.7 million and RMB188.2 million, respectively. Despite that we have been loss-making, our revenue for the years ended December 31, 2023, 2024 and 2025 amounted to RMB477.2 million, RMB478.8 million and RMB706.4 million in 2023, 2024 and 2025, respectively.

Our loss-making position during the Track Record Period was primarily attributable to the elevated technical demands and intricacies associated with the creation of smart cockpit solution. The development process necessitates substantial initial financial investments, as it requires a diverse team of R&D professionals, costly equipment, extensive collaboration, and considerable computational resources. Major aspects of our R&D activities that contributed substantially to our losses include diverse collaboration and platform-based R&D activities, investment in and development of algorithms, and enhancement of our domain controllers. We aim to maintain sustainability and achieve profitability in the future through the following:

### **Favorable Market Trends and Improving Product Offerings**

According to Frost & Sullivan, from 2021 to 2025, the global smart cockpit solution industry market size grew from RMB185.8 billion to RMB382.7 billion, with a CAGR of 19.8%. Driven by continuous technological advancements in smart cockpit systems, the penetration of these products is expected to increase further. By 2030, the global smart cockpit solution industry is expected to reach RMB842.4 billion, with a CAGR of approximately 17.1% from 2025 onward. We believe we are well positioned to fully capture the market potential and achieve sustainable significant growth in the future.

### ***Facilitating Penetration Across Various Product Lines***

OEMs frequently use an initial project to validate a supplier’s capabilities in technology, production and service. Once validated, the supplier’s collaboration with the OEM may extend to other vehicle models. Therefore, our proficiency across different automation levels allows us to penetrate OEMs’ multiple product lines. For example, in 2017, we secured a design win for our map navigation product for an automotive model of a major OEM in China. We used this initial project to demonstrate our technical capabilities, especially our ability to meet OEM’s customization requirements, and to refine our product functions swiftly and accurately. We saw this project as the first step in establishing a long-term, mutually beneficial partnership with OEMs. Subsequently, we have continuously obtained design wins for our smart cockpit software solution and hardware components for other automotive models of the OEM and other OEMs since the end of 2021.

### ***Customer Retention and Expansion***

The decision to adopt our smart cockpit software solution and integrated software and hardware solution into a vehicle model typically involves both OEM customers and Tier-1 suppliers and it is a balance of decision-making power between the two depending on the type of product and the stage of product development cycle. With our proven track record of stable collaborations with top-tier domestic and international OEMs, we expect to deepen our relationships with existing customers and expand our customer base in terms of breadth and depth. We have adopted certain initiatives for our marketing and promotional efforts which includes monitoring market development trends, using data drive research and industry insights.

## SUMMARY

### *Driving Greater Efficiency Through Efficient Chip Utilization, Development Autonomy and High Adaptability Supported by Middleware*

- *Greater efficiency through self-developed algorithms and efficient chip utilization.* Our in-house R&D capabilities allow us to have greater control and flexibility in our product development cycle. We continuously enhance efficiency by utilizing our proprietary algorithms to tailor for specific scenarios, optimize computing resources, and maximize the potential of high-performance chips.
- *Greater efficiency attributable to development autonomy.* Comparable companies lacking in-house R&D capabilities must incorporate algorithms from external suppliers, particularly for perception, planning and control algorithms related to smart cockpit solution. The reliance on external sources may increase the complexity of development management and potentially impact project timelines. Our in-house R&D capabilities enable us to resolve technical problems internally and eliminate the need for coordinating with external suppliers.
- *Greater efficiency attributable to high adaptability to different vehicle models supported by middleware.* The adaptability of our smart cockpit solution to different vehicle models requires the coordination among hardware, software and algorithms. We achieve this by using our in-house developed middleware, which serves as an inherently scalable platform for managing, allocating and scheduling software and hardware resources and makes it easier to implement new application software or update existing application software without having to overhaul the entire system.

### **Enhancing Operating Leverage**

During the Track Record Period, we incurred significant operating expenses, including R&D expenses, selling expenses and general and administrative expenses.

Our operating expenses as a percentage of total revenue increased from 31.1% in 2023 to 55.0% in 2024, and decreased to 48.4% in 2025. We expect our operating expenses as a percentage of revenue to decrease as we continue to ramp up our production and achieve revenue growth and improve the efficiency of our R&D, sales and marketing and administrative activities and our spending on such activities.

For detailed information on our strategy for achieving business sustainability, see “Business — Business Sustainability.”

### **KEY FINANCIAL RATIOS**

	As of/for the year ended December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Gross profit margin <sup>(1)</sup> . . . . .	29.4%	29.2%	24.4%
Research and development expenses as a percentage of revenue <sup>(2)</sup> . . . . .	21.7%	43.8%	38.0%
Gearing ratio <sup>(3)</sup> . . . . .	46.0%	15.6%	41.7%

*Notes:*

- (1) Calculated by dividing gross profit for the year by revenue for the year multiplied by 100%.
- (2) Calculated by dividing research and development expenses by revenue for the year multiplied by 100%.
- (3) Calculated as (i) the sum of trade and bills payables, financial liabilities included in other payables and accruals, interest-bearing bank borrowings and lease liabilities, less cash and cash equivalents (“**net debt**”) divided by (ii) the sum of redemption liabilities, equity and net debt, and then multiplied by 100%. For further information, see Note 39 to the Accountants’ Report in Appendix IA to this document.

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## SUMMARY

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### RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in “Risk Factors.” You should read that section in its entirety carefully before you decide to [REDACTED] in our Shares. Some of the major risks we face include: (i) the industry in which we operate is highly competitive. If we fail to compete successfully with our existing or potential competitors, our business, results of operations and financial condition may be materially and adversely affected; (ii) if we are unable to develop and introduce new solution that adapt to changing market demand and customer needs in a timely manner, our future business, results of operations, financial condition and competitive position would be materially and adversely affected; (iii) we have been and intend to continue investing significantly in R&D, which may not generate the results we expect and therefore may adversely affect our liquidity and profitability; (iv) we recorded net losses and had net operating cash outflows during the Track Record Period; and (v) there can be no assurance that our efforts in seeking design wins for our solution will succeed.

### WORKING CAPITAL SUFFICIENCY

Based on the cash and cash equivalents on hand, the available financing facilities, and the estimated net [REDACTED] available to us from the [REDACTED], as well as the classification of redemption obligations as of December 31, 2025 as financial liabilities, whose holders have agreed that their redemption rights will automatically be canceled upon [REDACTED] and the related liabilities will be re-classified to equity, our Directors are of the view that we have sufficient working capital for our present requirements and for at least the next 12 months from the date of this Document.

[REDACTED]

### DIVIDENDS

We did not declare or pay any dividend during the Track Record Period. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. We do not have a pre-determined dividend payout ratio. Regulations in the PRC currently permit payment of

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## SUMMARY

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dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that it is required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As confirmed by our PRC Legal Adviser, according to the PRC law, any future net profit after tax that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached 50% or more of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for, and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above. There is no assurance that dividends of any amount will be declared to be distributed in any year.

### LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. See “Risk Factors — Risks Relating to Our Business and Industry — “We may not be able to obtain or maintain adequate protection for our intellectual property rights, or the scope of such intellectual property rights protection may not be sufficiently broad, and we may be involved in litigation brought by third parties claiming infringement by us of their intellectual property rights, any of which could be time-consuming, cause us to incur substantial costs, and harm our business and competitive position.” and “We may be exposed to risks related to litigation and administrative proceedings that could materially and adversely affect our business, results of operations, and financial condition.”

During the Track Record Period and as of the Latest Practicable Date, save for the Baidu Litigation, we and our subsidiaries did not have any outstanding litigation or arbitration matters that could have a material adverse effect on our business, financial condition and results of operations. For details, see “Risk Factors — We may not be able to obtain or maintain adequate protection for our intellectual property rights, or the scope of such intellectual property rights protection may not be sufficiently broad, and we may be involved in litigation brought by third parties claiming infringement by us of their intellectual property rights, any of which could be time-consuming, cause us to incur substantial costs, and harm our business and competitive position.”

### FUTURE PLANS AND USE OF [REDACTED]

We estimate that the net [REDACTED] of the [REDACTED], after deducting the estimated [REDACTED] and other fees and expenses payable by us in connection with the [REDACTED], will be approximately HK\$[REDACTED], assuming the [REDACTED] is fixed at HK\$[REDACTED] per H Share (being the [REDACTED] of the indicative range of the [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per H Share), and that the [REDACTED] is not exercised.

We currently intend to use the net [REDACTED] of the [REDACTED] for the purposes and in the amounts as set out below:

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, to be allocated to establish our production capabilities. We aim to invest in constructing a new manufacturing site to further support our business expansion.
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], for technology R&D and expansion of our solution portfolio. We intend to focus our R&D initiatives on developing and optimizing our high-computing power smart cockpit software and integrated software and hardware solution.

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## SUMMARY

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- approximately [REDACTED]%, or approximately HK\$[REDACTED], for working capital and general corporate purposes.

For details, see “Future Plans and Use of [REDACTED].”

### [REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED], and other fees incurred in connection with the [REDACTED]. The estimated total [REDACTED] expenses (based on the [REDACTED] of the [REDACTED] and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately RMB[REDACTED] (equivalent to approximately HK\$[REDACTED]), accounting for approximately [REDACTED]% of our gross [REDACTED]. The estimated total [REDACTED] expenses consist of (i) [REDACTED]-related expenses (including but not limited to commissions and fees) of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), and (ii) non-[REDACTED] related expenses of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately RMB[REDACTED] (approximately HK\$[REDACTED]), and other fees and expenses of approximately RMB[REDACTED] (approximately HK\$[REDACTED]). Among the total estimated [REDACTED] expenses, approximately RMB[REDACTED] (approximately HK\$[REDACTED]) will be directly attributable to the [REDACTED] of our Shares, which will be deducted from equity upon the completion of the [REDACTED], and the remaining approximately RMB[REDACTED] (approximately HK\$[REDACTED]) will be expensed in our consolidated statements of comprehensive loss. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED], all of which was recognized in our consolidated statements of profit or loss. As of December 31, 2025, we recorded RMB[REDACTED] as deferred [REDACTED] costs under prepayments in our consolidated statements of financial position, to be accounted for as a deduction from equity upon the [REDACTED]. This calculation is subject to adjustment based on the actual amount incurred or to be incurred.

[REDACTED]

### RECENT DEVELOPMENTS

Our Directors confirm that, up to the date of Document, there has been no material adverse change in our financial, operational or trading position since December 31, 2025, being the date on which the latest audited consolidated financial information of our Group in Appendix IA in this Document was prepared, and there had been no event since December 31, 2025 that would materially affect the information shown in the Accountants’ Report set out in Appendix IA to this Document.