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. You should read the whole document before you decide to [**REDACTED**] *in the* [**REDACTED**].

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

OVERVIEW

We are a globally leading fabless design house and supplier of vision AI SoCs. Under our core framework of "vision + AI" and core capabilities of "perception + computation + connectivity," we design and develop SoCs that enhance AI capabilities and enable visual intelligence of edge devices across industries. We have a diversified product portfolio. Our vision AI SoCs is integrated into and widely deployed across a broad spectrum of edge devices, including smart security, smart AIoT and smart automotive.

According to Frost & Sullivan:

- We are the world's largest provider of vision AI SoCs in terms of shipment volume in 2024, with a market share of 26.7%.
- Our vision AI SoC for security ranked first globally in terms of shipment volume in 2024, with a market share of 41.2%.
- Our vision AI SoC for robotics ranked second globally in terms of shipment volume in the first half of 2025, with a market share of 23.0%.

A vision AI SoC is a system-on-a-chip specifically engineered for visual data processing, integrating a neural processing unit ("NPU") to efficiently handle image- and video-based AI workloads. By "vision AI," we mean artificial intelligence that enables devices to interpret visual data, such as images and video, in a manner analogous to the human visual system, allowing them to recognize objects and understand the content of images or video in real time. By embedding this capability directly on the chip, a vision AI SoC is able to perform low-latency inference at the edge, triggering on-device functions or outputs immediately without the need for cloud connectivity.

We have built a foundational AI SoC core technology platform, based on a library of reusable, proprietary core IPs, comprehensive AI processor development kits and audio-video AI algorithm library for multi-industry applications. Leveraging our SoC design capabilities, we are able to rapidly deploy and scale our core IPs across diverse applications, swiftly respond to varied customer needs while delivering flexible, system-level solutions that maximize the utilization efficiency of chips and algorithms. Our agile, integrated approach also empowers our innovation in edge AI and enables us to consistently launch next-generation SoC products that set high benchmarks.

We leverage market insight cultivated over years of experience in the SoC design industry to identify high growth potential markets that align with our core strengths. Firmly rooted in vision AI SoCs, we strategically focus on markets where we can establish and sustain industry leadership. Our solutions are widely adopted in a diverse range of edge devices, including smart security, smart AIoT and smart automotive, and we continue to expand into fast-growing markets including 3D perception application scenarios. Building on our strong market position in domestic service robots, we have successfully penetrated the broader smart robotics market, leveraging our network video recorder ("**NVR**") SoC expertise to seize opportunities in on-device AI inference SoCs. In addition, we are actively positioning ourselves in emerging sectors, such as automotive LiDAR and motion imaging devices such as AI glasses. Our recent strategic acquisition has further strengthened our SoC platform's competitiveness in connectivity and low-power solutions, reinforcing our ability to deliver integrated edge AI solutions.

We have build a large, sticky base of high value end customers. We work closely with leading enterprise customers to track industry trends and align technology roadmaps, and have established a resilient dual track supply chain system spanning domestic and international markets to serve customers nationwide and worldwide and co-create a collaborative AI industry ecosystem. Our core technology capabilities, comprehensive product portfolio, high value customer base and resilient supply chain have earned us broad recognition in the rapidly growing global vision AI SoC market. We are proud to have served the world's major security brands, including a substantial majority of the top ten global security brands, and the world's leading service robot manufacturers, such as global leaders in household cleaning robots. As of December 31, 2025, our SoC solutions have been adopted by over 400 end customers globally.

Our financial performance demonstrated consistent strength and growth during the Track Record Period. In 2025, our revenue reached RMB2,969.8 million, representing a 26.2% year-on-year increase, while our net profit reached RMB307.7 million, representing a 20.1% year-on-year increase.

MARKET OPPORTUNITIES

We operate in a rapidly expanding global market for vision AI SoC solutions, driven by the accelerating adoption of edge AI and the proliferation of intelligent devices. The emergence of smaller, more efficient distilled AI models has made it possible to enable edge intelligence across applications such as smart security, motion imaging, smart robotics, smart automotives and other AIoT devices. According to Frost & Sullivan, the AI penetration rate of global vision SoC has reached 39.1% in 2024, driving the vision AI SoC market size to 246.0 million in terms of shipment volume. By 2029, the AI penetration rate of global vision SoC is projected to reach 84.8%, with the market size growing at a CAGR of 31.1% from 2024 to reach 954.3 million in 2029 in terms of shipment volume.

3D perception technologies, particularly LiDAR, with the complementary fusion with camera data, are becoming essential for advanced intelligent systems across a wide range devices such as automotive, robotics and consumer drones. According to Frost & Sullivan, the global shipments of LiDAR SPAD SoC is projected to grow from 0.4 million in 2024 to 12.3 million in 2029 at a CAGR of 98.4%.

OUR CORE TECHNOLOGIES

Through years of dedicated research and development ("**R&D**"), we have developed a foundational technology platform engineered to deliver high-performance, power-efficient and scalable vision AI SoC solutions for edge devices. It integrates a library of self-developed core IPs, comprehensive AI processor development kits and an audio-video AI algorithm library. Through ongoing innovation, we have also accumulated core IPs encompass critical domains covering image signal processing, audio processing, display, 3D perception, multi-mode video codec and high-speed, high-precision analog circuit technology. Through this technology platform, and leveraging our SoC design capabilities, we are able to efficiently execute product design and development and achieve technological iteration, while staying aligned with industry advancements and evolving market demands.

OUR COMPETITIVE STRENGTHS

We believe the following strengths position us well to capitalize on future industry opportunities and achieve sustained growth: (i) global leader in vision AI SoCs, providing a comprehensive range of edge AI solutions that address the full spectrum of market needs; (ii) strong core technology matrix, featuring a foundational technology platform and SoC system architecture capabilities, that advances vision AI SoC technological innovation; (iii) co-building an open and collaborative ecosystem along the AI value chain while continuously deepening global strategic layouts; (iv) resilient dual track supply chain that achieves reliable, agile product delivery; and (v) we maintain a visionary management team and a deep bench of talent.

OUR STRATEGIES

We plan to pursue the following strategies: (i) continue advancing cutting-edge technology development; (ii) continuously enrich our edge AI SoC portfolio to build multiple growth trajectories; (iii) embrace global customers and strengthen our position as a world-leading vision AI SoC solution provider; (iv) selectively explore global investment and acquisition opportunities to achieve synergies and organic growth; and (v) attract global elites and enrich our talent pool.

OUR CUSTOMERS AND SUPPLIERS

During the Track Record Period, our customers are primarily distributors, and to a lesser extent, we sell SoCs directly to end customers. In 2023, 2024 and 2025, our five largest customers in each year during the Track Record Period contributed revenue of RMB1,758.9 million, RMB1,951.1 million and RMB2,620.1 million, respectively, accounting for 86.9%, 82.9% and 88.2% of our total revenue, respectively. Revenue from our largest customer in each year of the Track Record Period accounted 39.1%, 37.5% and 35.3% of our total revenue, respectively. See "Business — Our Customers" for more details. During the Track Record Period, we generated a majority of our revenue from Chinese mainland, while also sold to other countries and regions which mainly include Hong Kong, Taiwan, China, and Singapore.

During the Track Record Period, our suppliers primarily consisted of wafer foundries, memory wafers suppliers, and OSAT service providers. In 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB959.1 million, RMB1,209.0 million and RMB1,558.0 million, respectively, representing 77.8%, 82.3% and 80.0% of our total purchases, respectively. In addition, purchases from our largest supplier in each year during the Track Record Period accounted for 20.6%, 29.8% and 24.2% of our total purchases in 2023, 2024 and 2025, respectively. See "Business — Our Suppliers" for more details.

COMPETITIVE LANDSCAPE

We operate in a highly competitive industry, with increasing demand for innovative and efficient products. Given the diverse downstream applications of vision AI SoCs, the global vision AI SoC market is characterized by numerous participants. Leading companies have pioneered technological capabilities and diversified product portfolios across multiple applications and gained scale advantages. We compete with both foreign and domestic companies in the industry. Our competition primarily revolves around technical innovation, product performance, cost-efficiency and market responsiveness. In 2024, we ranked as the world's largest provider of vision AI SoCs in terms of shipment volume, with a market share of 26.7%. We remained focused on R&D in cutting-edge technology, enriching our edge AI SoC portfolio, acquiring global customers and strengthening our position as a world-leading vision AI SoC solution provider and selectively exploring investment and acquisition opportunities globally to achieve synergies and organic growth, to maintain and enhance our competitive position in the market.

RISK FACTORS

Our business and the [**REDACTED**] involve certain risks, which are set out in the section headed "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) failure to acquire new customers or retain existing customers; (ii) changing market conditions, including the introduction of new technologies and high-end products, shifts in customer preferences and industry cycles; (iii) changes to industry standards and technical requirements relevant to our products and markets; (iv) fluctuations in our revenue and gross profit and sustainability of historical growth rates; (v) increasing competition; (vi) fluctuations in downstream demand and the market acceptance of our customers' products; (vii) effective management of our growth; (viii) risks associated with our products and quality control; (ix) increases in costs of the materials and other components used in our products; and (x) risks associated with our distribution network.

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Revenue	2,020,426	2,352,510	2,969,827
Cost of sales	(1,310,098)	(1,504,620)	(1,958,541)
Gross profit	**710,328**	**847,890**	**1,011,286**
Other income and gains	136,097	176,414	172,980
R&D expenses	(493,916)	(602,350)	(651,951)
Selling and distribution expenses	(22,217)	(22,280)	(33,283)
Administrative expenses	(92,413)	(110,073)	(115,615)
Other expenses	(29,399)	(226)	(30,355)
Finance costs	(14,355)	(26,923)	(30,280)
Profit before tax	**194,125**	**262,452**	**322,782**
Income tax credit/(expense)	10,588	(6,192)	(15,043)
Profit for the year	**204,713**	**256,260**	**307,739**
Attributable to:			
Owners of the parent	204,713	256,260	308,367
Non-controlling interests	–	–	(628)
Other comprehensive income:			
Exchange differences on translation of foreign operations	(103)	(220)	(106)
Other comprehensive income for the year, net of tax	(103)	(220)	(106)
Total comprehensive income for the year	**204,610**	**256,040**	**307,633**
Attributable to:			
Owners of the parent	204,610	256,040	308,261
Non-controlling interests	–	–	(628)

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted profit (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe that this measure provides useful information to [**REDACTED**] and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure should not be considered as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted profit (non-IFRS measure) as profit for the year adjusted by adding back share-based payment expense and [**REDACTED**] for the [**REDACTED**]. The following table presents our non-IFRS financial measures for the periods indicated.

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Profit for the year	204,713	256,260	307,739
Add:			
Share-based payment expense[(1)]	32,435	36,758	32,708
[**REDACTED**]	–	–	[**REDACTED**]
Adjusted profit (non-IFRS measure)	**237,148**	**293,018**	[**REDACTED**]

Notes:

(1) Non-cash in nature.

Revenue Breakdown by Types of Goods or Services

During the Track Record Period, our revenue was primarily derived from the sale of products, mainly including SoCs with end applications in smart security, smart AIoT and smart automotive. The following table sets forth our revenue breakdown by types of goods or services in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Smart Security	1,442,338	71.4	1,587,629	67.5	1,934,793	65.1
Smart AIoT	342,496	17.0	474,750	20.2	658,159	22.2
Smart Automotive	186,973	9.3	244,960	10.4	317,606	10.7
Bluetooth SoC[(1)]	–	–	–	–	27,421	0.9
Others[(2)]	47,038	2.2	45,053	1.9	31,671	1.1
Provision of services[(3)]	1,581	0.1	118	–	177	–
Total	**2,020,426**	**100.0**	**2,352,510**	**100.0**	**2,969,827**	**100.0**

Notes:

(1) We consolidated revenue from Frequen which specialized in providing Bluetooth SoC chips, following the Frequen acquisition in October 2025.

(2) Primarily included sale of auxiliary IC products and evaluation board.

(3) Primarily represented technical services, including non-recurring engineering development and supply chain services.

Our revenue continued to increase during the Track Record Period, driven by the recovery across end markets that resulted in higher shipment volumes across all product lines.

Gross Profit and Gross Profit Margin

The following table sets forth our gross profit and gross profit margin breakdown by end applications of our SoCs:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Smart Security	492,152	34.1	526,195	33.1	621,907	32.1
Smart AIoT	154,457	45.1	209,272	44.1	246,114	37.4
Smart Automotive	79,133	42.3	96,411	39.4	128,970	40.6
Bluetooth SoC	–	–	–	–	5,300	19.3
Others[1]	3,497	7.4	3,062	6.8	3,763	11.9
Subtotal	729,239	36.1	834,940	35.5	1,006,054	33.9
Inventory write-down	(20,492)	N/A	12,832	N/A	5,055	N/A
Total	**708,747**	**35.1**	**847,772**	**36.0**	**1,011,109**	**34.0**

Note:

(1) Primarily included sale of auxiliary IC products and evaluation board.

Subject to the industry-wide fluctuations in the SoC chips markets, we are committed to enhancing and stabilizing our gross profit and gross margin over the long term by further enriching our product portfolio, broadening our customer base and maintaining a strong focus on high-margin product categories. For a detailed discussion of our results of operations during the Track Record Period, see "Financial Information — Period-to-period Comparison of Results of Operations."

Summary of Consolidated Statements of Financial Positions

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

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total current assets	1,687,854	2,724,712	3,242,636
Total non-current assets	1,752,212	1,574,553	1,972,366
Total assets	**3,440,066**	**4,299,265**	**5,215,002**

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total current liabilities	889,159	871,509	1,465,580
Total non-current liabilities	461,081	459,335	450,576
Total liabilities	**1,350,240**	**1,330,844**	**1,916,156**
Net current assets..	798,695	1,853,203	1,777,056
Total liabilities	**1,350,240**	**1,330,844**	**1,916,156**
Net assets	**2,089,826**	**2,968,421**	**3,298,846**
Share capital	378,947	421,060	421,715
Reserves	1,710,879	2,547,361	2,815,374
Non-controlling interests	–	–	61,757
Total equity	**2,089,826**	**2,968,421**	**3,298,846**
Total liabilities and equity	**3,440,066**	**4,299,265**	**5,215,002**

Our net current assets increased from RMB798.7 million as of December 31, 2023 to RMB1,853.2 million as of December 31, 2024, primarily due to the increase of our total current assets as well as the decrease of our total current liabilities. Our total current assets increased from RMB1,687.9 million as of December 31, 2023 to RMB2,724.7 million as of December 31, 2024, primarily due to the increase of financial assets at fair value through profit or loss of RMB885.0 million and the increase in debt investments at fair value through other comprehensive income of RMB284.9 million, partially offset by the decrease in time deposits of RMB155.2 million. Our total current liabilities decreased from RMB889.2 million as of December 31, 2023 to RMB871.5 million as of December 31, 2024, primarily due to (i) the decrease of trade and bills payables of RMB31.5 million and (ii) the decrease in interest-bearing bank borrowings of RMB31.4 million, partially offset by the increase of amounts due to related parties of RMB35.7 million.

Our net current assets decreased by 4.1% from RMB1,853.2 million as of December 31, 2024 to RMB1,777.1 million as of December 31, 2025 due to the increase of our total current liabilities, which outweighed the increase of our total current assets. Our total current assets increased from RMB2,724.7 million as of December 31, 2024 to RMB3,242.6 million as of December 31, 2025, primarily due to (i) the increase of our cash and cash equivalents of RMB47.7 million, (ii) the increase of our trade receivables of RMB127.2 million, (iii) the increase of our inventories of RMB159.5 million, (iv) the increase of financial assets at fair value through profit or loss of RMB248.5 million, partially offset by (i) the decrease of debt investments at fair value through other comprehensive income of RMB67.3 million and (ii) the decrease of time deposits of RMB46.4 million. Our total current liabilities increased from RMB871.5 million as of December 31, 2024 to RMB1,465.6 million as of December 31, 2025, primarily due to the increase in trade and bills payable of RMB185.2 million and increase in interest-bearing bank borrowings of RMB422.5 million, partially offset by the decrease in amounts due to related parties of RMB39.4 million.

Our net assets increased from RMB2,089.8 million as of December 31, 2023 to RMB2,968.4 million as of December 31, 2024, primarily attributable to the increase in our retained profits of RMB188.7 million attributable to our profit for the year of RMB256.3 million, offset by dividends declared of RMB42.1 million and transfer from retained profits of RMB25.4 million in 2024. Our net assets increased from RMB2,968.4 million as of December 31, 2024 to RMB3,298.8 million as of December 31, 2025, primarily attributable to the increase in our retained profits of RMB204.3 million attributable to our profit for the year of RMB308.4 million, offset by dividends declared of RMB84.2 million and transfer from retained profits of RMB19.9 million in 2025.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flow for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash from operating activities	434,519	418,782	446,420
Net cash used in investing activities	(1,213,556)	(906,952)	(641,667)
Net cash from financing activities	549,112	481,102	247,610
Net (decrease)/increase in cash and cash equivalents	**(229,925)**	**(7,068)**	**52,363**
Cash and cash equivalents at beginning of year	459,372	235,708	232,035
Effect of foreign exchange rate changes, net	6,261	3,395	(4,652)
Cash and cash equivalents at end of year	**235,708**	**232,035**	**279,746**

Key Financial Ratios

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

	As of/For the year ended December 31,		
	2023	2024	2025
Gross profit margin(1)	35.2%	36.0%	34.1%
R&D expense ratio(2)	24.4%	25.6%	22.0%
Current ratio(3)	1.9	3.1	2.2
Quick ratio(4)	1.1	2.2	1.6
Gearing ratio(5)	35.4%	24.8%	36.8%
Trade receivables turnover days(6)	21.3	19.7	22.0

Notes:

(1) Calculated by dividing gross profit by revenue for the year multiplied by 100%.

(2) Calculated by dividing R&D expense by revenue for the year multiplied by 100%.

(3) Calculated by dividing total current assets by total current liabilities as of the end of the year.

(4) Calculated by dividing total current assets minus inventory by total current liabilities as of the end of the year.

(5) Calculated by dividing total interest-bearing bank and lease liabilities by total equity as of the end of the year multiplied by 100%.

(6) Calculated by dividing the average of opening balance and closing balance of trade receivables (excluding provision for impairment) for a year by revenue for the relevant year and multiplied by 365 days.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

Since March 2024, our Company has been listed on the ChiNext Market of the Shenzhen Stock Exchange. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had no instances of non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any respect, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the [**REDACTED**] attention in relation to our compliance record on the Shenzhen Stock Exchange.

Based on the public searches on the websites of the Shenzhen Stock Exchange and the CSRC, there are no records of non-compliance of our Group with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC. Therefore, nothing has come to the PRC Legal Advisor's attention that, during the Track Record Period and up to the Latest Practicable Date, the Group had any instance of non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any respect. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has been completed and [**REDACTED**] H Shares are issued pursuant to the [**REDACTED**]; (ii) the [**REDACTED**] is not exercised, and (iii) [**REDACTED**] Shares (excluding treasury shares) are issued and outstanding following the completion of the [**REDACTED**].

	Based on an [REDACTED] of HK$[REDACTED] per H Share	**Based on an [REDACTED] of HK$[REDACTED] per H Share**
[**REDACTED**] of our H Shares[(1)]	HK$[**REDACTED**]	HK$[**REDACTED**]
Market capitalization of our Shares upon the completion of the [**REDACTED**][(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]
Unaudited [**REDACTED**] adjusted net tangible asset per Share[(3)]	HK$[**REDACTED**] (RMB[**REDACTED**])	HK$[**REDACTED**] (RMB[**REDACTED**])

Notes:

(1) The calculation of [**REDACTED**] of our H Shares is based on [**REDACTED**] H Shares expected to be issued immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

(2) The calculation of market capitalization of our Shares is based on the assumption that (i) [**REDACTED**] H Shares will be in issue immediately after completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised) based on the [**REDACTED**] range; and (ii) [419,970,389] A Shares listed on the ChiNext market of Shenzhen Stock Exchange with an average closing price of the Company for the five trading days immediately preceding the Latest Practicable Date at RMB[77.62] (or approximately HK$[88.29]) per A Share.

(3) The unaudited [**REDACTED**] adjusted net tangible asset per Share as of December 31, 2025 is calculated after making the adjustments referred to in "Appendix II — Unaudited [**REDACTED**] Financial Information" in this document. The number of Shares used in deriving unaudited [**REDACTED**] adjusted net tangible asset per Share are [**REDACTED**] Shares as of December 31, 2025 which were in issue, assuming that the [**REDACTED**] had been completed on December 31, 2025, but does not take into account of any Shares which may be allotted and issued by our Company pursuant to the exercise of the [**REDACTED**] or any Shares which may be issued or repurchased by our Company for the vesting of restricted Shares under the Restricted Share Incentive Plans.

For the calculation of the unaudited [**REDACTED**] adjusted net tangible asset per Share attributed to our Shareholders, see the section headed "Unaudited [**REDACTED**] Financial Information" in Appendix II to this document.

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the stated range of the [**REDACTED**] of between HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**]), we estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**], fees and estimated [**REDACTED**] payable by us in connection with the [**REDACTED**], assuming [**REDACTED**] is not exercised.

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:

(a) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated for R&D initiatives, aiming to drive technological innovation and iteration, enrich and optimize our product portfolio, and establish a multidimensional product matrix. Specifically,

  (i) approximately [**REDACTED**]% will be used for the development of vision AI SoC. We plan to continue advancing the R&D of vision AI SoCs, integrating AI capabilities into all vision SoCs, updating and upgrading existing products, and launching new SoC models in response to market needs; and

  (ii) approximately [**REDACTED**]% will be used for the development of 3D perception SoC, mainly the LiDAR SPAD SoC. We plan to continue R&D on LiDAR SPAD SoCs, introduce new 3D perception SoCs, and build a full range of high-, mid- and entry-level products to meet market demand;

(b) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be allocated for strategic investments and/or acquisition to fulfill our long-term growth objectives and further strengthen our overall competitive position;

(c) approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used as a supplement to the working capital and other general corporate purposes.

The above allocation of the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the mid-point of the estimated [**REDACTED**] range. To the event that our [**REDACTED**] are either more or less than expected, we will increase or decrease the allocation of the [**REDACTED**] to the above purposes on a pro rata basis. For further details, please refer to the section headed "Future Plans and Use of [**REDACTED**]" in this document.

[**REDACTED**]

[**REDACTED**] represent professional fees, [**REDACTED**] and other fees incurred in connection with the [**REDACTED**]. We estimate that our [**REDACTED**] will be approximately RMB[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range) and no exercise of the [**REDACTED**]), representing [**REDACTED**]% of the [**REDACTED**] (based on the mid-point of our indicative [**REDACTED**] for the [**REDACTED**] and assuming that the [**REDACTED**] is not exercised) of the [**REDACTED**]. We expect to incur [**REDACTED**] of RMB[**REDACTED**], of which RMB[**REDACTED**] has been recognized in the consolidated statements of profit or loss as administrative expenses as of December 31, 2025, and RMB[**REDACTED**] is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and RMB[**REDACTED**] is expected to be recognized as a deduction in equity directly upon the [**REDACTED**]. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our [**REDACTED**] are composed of (i) [**REDACTED**] of RMB[**REDACTED**], and (ii) [**REDACTED**] related expenses of RMB[**REDACTED**], which consist of fees and expenses of legal advisors and reporting accountants of RMB[**REDACTED**] and other fees and expenses of RMB[**REDACTED**].

DIVIDENDS

During the Track Record Period, we declared and paid final dividends in respect of the previous year of nil, RMB42.1 million and RMB84.2 million in 2023, 2024 and 2025, respectively.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have a formal standalone dividend policy or fixed dividend payout ratio. As set forth in our Articles of Association, we shall prioritize cash dividends for profit distribution. Specifically, where we achieve profitability in the current fiscal year and have positive accumulated undistributed profits, and there are distributable profits available after offsetting losses and making appropriations to various reserve funds and provisions, we shall distribute cash dividends. In the absence of any major external investment plans or significant cash expenditures, the cumulative profits distributed in cash within any three consecutive fiscal years shall be no less than 30% of the average annual distributable profits realized during such three-year period. Generally, our Board will make dividend proposals, taking into account factors including industry characteristics, stage of development, business model, profitability of relevant year/period, any significant capital expenditure plans and other factors that our Board deems to be appropriate. Our Shareholders in a general meeting may approve declaration of dividends.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, being the end date of our latest audited financial statements, and there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this document.