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 prospectus before you decide to invest in the **[REDACTED]**.

There are risks associated with any investment. Some of the particular risks in investing 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 invest in the* **[REDACTED]**.

OVERVIEW

We are a pioneer in building the foundational operating system for spatial intelligence, an emerging paradigm that transforms physical environments into computable, adaptive and continuously evolving systems powered by AI. Rather than viewing smart homes and buildings as collections of connected devices, we model and operate spaces as unified, semantic systems where "space, people, devices and behaviors" are represented, understood and acted upon through a consistent computational framework. This shift—from controlling devices to operating space—defines the next generation of the industry.

Our products and solutions are designed as a unified operating layer spanning device, edge and cloud. At the device level, intelligent sensors and controllers provide perception and actuation capabilities. At the edge level, hubs coordinate local intelligence and ensure reliability and low latency. At the system level, Aqara Studio orchestrates cross-device collaboration, semantic modeling and AI-driven decision-making. At the experience level, applications and interfaces provide intuitive access to spatial intelligence through natural interaction.

This layered yet unified architecture enables us to bridge fragmented protocols and ecosystems. Through capability mapping, diverse standards such as Matter, Zigbee, Wi-Fi, KNX, BACnet, OPC UA, Modbus, and even proprietary protocols are normalized into a consistent semantic model, enabling seamless interoperability and scalable system design across residential and commercial environments.

We are not simply delivering products; we are building a spatial intelligence infrastructure that serves as a platform for continuous innovation. By transforming physical spaces into programmable and intelligible systems, we unlock new possibilities in energy optimization, health and well-being, safety, and human-centric experience design.

Our platform is inherently extensible and ecosystem-driven. Through standardized APIs, modular components and developer tools, we enable system integrators, developers and partners to build, deploy and operate applications on top of our spatial intelligence platform. Over time, this creates a network effect where data, models and applications continuously enrich the system.

Spatial intelligence represents a fundamental shift in how technology interacts with the physical world. As the industry transitions from device connectivity to AI-driven space operation, we believe the ability to model, understand and govern physical environments through a unified semantic and execution framework will become the key determinant of long-term value. We have achieved breakthrough innovations across the four essential spatial intelligence technological capabilities; these capabilities are supported by a unified framework for coordinating devices, contexts and actions across residential and commercial environments. Our ***recognition & perception*** technologies achieve comprehensive real-time awareness of human, objects, physical spaces and environmental conditions with superior precision. Our ***cognition & decision-making*** technologies enable truly personalized proactive and anticipatory services by learning user behaviors and dynamically translating complex contexts into optimized, scenario-specific action commands. Our ***execution & reshaping*** technologies convert these decisions into actions to be executed through terminal devices, while the seamless integration of these devices into a diverse range of environments with sufficient redundancy. Central to the integration of these three dimensions of spatial intelligence are our ***connectivity & convergence*** technologies, which feature comprehensive multi-protocol capabilities, covering Zigbee, Wi-Fi and Matter, among others. Together, these technologies enable our platform to move beyond passive control to deliver proactive human-centric spatial intelligence that fundamentally reshapes how spaces respond to human needs. We consistently invest significantly in research and development to maintain our technological strength and drive innovation across all dimensions of spatial intelligence. These sustained investments have enabled us to build a substantial intellectual property portfolio, with 1,262 granted patents and 549 pending patents as of December 31, 2025, evidencing the depth and breadth of our technological capabilities.

We have achieved significant milestones in human-centric spatial intelligence:

(1) According to Frost & Sullivan, we are the world's largest PRC-based human-centric spatial intelligence infrastructure provider based on revenue in 2024.

(2) According to Frost & Sullivan, our product count ranks first as of Latest Practicable Date among PRC players in the human-centric spatial intelligence infrastructure industry, covering 50+ categories and 2,200+ SKUs.

(3) Included in the Hurun Report's list of Global Unicorns from 2022 to 2025.

(4) As of December 31, 2025.

(5) According to Frost & Sullivan, we ranked No. 1 by sales in the smart switch category on Tmall and JD.com, No. 1 by sales in the smart gateway category on Amazon U.S. and No. 1 by sales in the smart sensor category on Amazon Germany.

We have established a truly international commercialization and sales footprint at scale. Overseas revenue from Aqara-branded spatial intelligence products and solutions achieved a CAGR of 28.7% from 2023 to 2025. In addition, overseas revenue constitutes an increasingly significant portion of our revenue from Aqara-branded products and solutions, growing from 42.2% in 2023 to 66.5% in 2025. Our strong overseas growth is supported by our comprehensive global sales network covering over 90 countries and regions outside the PRC through a multi-channel strategy that integrates online and offline retail operations, including our strategic partnerships with premier global retailers and major e-commerce platforms. In China, we have built the largest sales network for human-centric spatial intelligence, according to Frost & Sullivan, with over 500 Aqara Home experience stores across more than 210 cities in 31 provinces, complemented by active presence on major e-commerce platforms. As of December 31, 2025, our combined global sales channels have enabled us to serve over 15 million users worldwide.

Our products and solutions are deeply integrated with household brands such as Amazon, Apple, Google, LG, Samsung and Xiaomi. In particular, we have achieved one of the most comprehensive integrations with the Apple Home ecosystem, with more than 340 product models under 15 product categories integrated into the Apple Home ecosystem, natively supporting Apple-specific features such as HomeKit Secure Video, Adaptive Lighting, Adaptive Temperature and Home Key. Our comprehensive integration with Apple includes full device support for the Apple ecosystem. Such deep integration with household brands demonstrates our ability to meet the stringent technical and quality standards of the world's most well-known companies while continuing to drive our own innovation.

During the Track Record Period, we achieved steady expansion, with revenue reaching RMB1,471.6 million in 2025. We have experienced significant growth in revenue from our proactive AI-driven products and solutions, which increased from RMB465.7 million in 2023 to RMB907.3 million in 2025, representing a CAGR of 39.6%. Our gross profit margin ascended from 29.7% in 2023 to 33.8% in 2024, and further surged to 38.4% in 2025. We incurred net losses during the Track Record Period. Our loss for the period was RMB159.5 million, RMB230.8 million and RMB322.4 million in 2023, 2024 and 2025, respectively. However, we have achieved profitability on an adjusted basis since 2023. Our adjusted profit (non-IFRS measure) was RMB45.3 million in 2023, RMB113.1 million in 2024 and RMB56.9 million in 2025.

Market Opportunities

Spatial intelligence refers to the seamless integration of AI within physical environments, enabling them to perceive, interpret and coordinate interactions among people, objects and spaces. Unlike traditional IoT systems, which operate based on preset rules and isolated devices, spatial intelligence incorporates AI to create collaborative, scenario-driven environments that can sense real-world conditions, interpret user intentions and make autonomous decisions in real-time. While AI has made significant progress in virtual domains, its true potential is only unlocked when the gap between digital intelligence and the physical spaces is bridged to achieve spatial intelligence.

As spatial intelligence continues to advance, human-centric spaces — which encompass residential and commercial spaces — have emerged as the most natural and promising domain for its development. Human-centric spaces are characterized by a high density of physical interactions, diverse behavioral scenarios, a wide array of intelligent devices and increasingly complex user demands — all of which create ideal conditions for the application and evolution of spatial intelligence. According to Frost & Sullivan, the global market for human-centric spatial intelligence products and solutions is projected to reach RMB10,143.0 billion by 2030, reflecting a CAGR of 14.7% from 2025 to 2030.

Human-centric spatial intelligence products and solutions consist of two key segments: infrastructure (which forms the foundational backbone comprising sensors, hubs and controllers) and terminal devices. The infrastructure segment represents the fastest-growing subsegment, driven by rapid advances in AI technologies, rising user demand for intelligent experiences and strong policy support for "AI+" initiatives. In particular, the infrastructure segment occupies the central strategic position as the foundational layer that enables and orchestrates all terminal devices, allowing diverse devices and services to be built upon it, generating compounding network effects as adoption scales. Furthermore, once deployed, infrastructure creates substantial switching costs and customer lock-in due to its embedded nature, resulting in high retention and recurring revenue opportunities. According to Frost & Sullivan, the global human-centric spatial intelligence infrastructure market is expected to reach a revenue of RMB1,859.3 billion by 2030, representing a CAGR of 18.6% from 2025. Growth in the PRC is expected to be equally strong, supported by robust national AI strategies, smart city initiatives and accelerated deployment of spatial intelligence technologies. The PRC market is projected to reach a revenue of RMB418.7 billion by 2030, representing a CAGR of 20.9% from 2025, according to the same source.

The increasing adoption of proactive AI is the defining characteristic of the spatial intelligence era. Proactive AI enables intent-driven control, predictive services and autonomous optimization, delivering significantly higher levels of efficiency, personalization and user experience across human-centric spaces. The application of proactive AI to spatial intelligence infrastructure began to take shape in 2023. After a period of steady initial growth from 2023 to 2025, a phase of rapid acceleration is projected to begin over the next several years, fueled by multiple factors, including policy support, technological advancements, greater ecosystem openness, cross-platform interoperability and continuous improvements in user experience and service innovation — collectively driving the market to an inflection point and launching a new phase of expansion. According to Frost & Sullivan, global penetration rates of proactive AI adoption in human-centric spatial intelligence infrastructure were 8.0% and 7.2% in residential and commercial spaces, respectively, in 2025 and are expected to increase to 62.5% and 46.0%, respectively, 2030.

According to Frost & Sullivan, we are the largest China-based provider of proactive AI-driven human-centric spatial intelligence infrastructure and one of the largest globally in terms of revenue in 2024. As the pioneer and leader in the foundational segment of human-centric spatial intelligence infrastructure, we are uniquely positioned to capture the growth opportunities from the continued expansion and evolution of the spatial intelligence industry.

OUR PRODUCTS AND SOLUTIONS

We offer a comprehensive portfolio of products and solutions through which we pioneer the systemization and commercialization of human-centric spatial intelligence at scale. We offer Aqara-branded products and solutions that integrate hardware, software and AI algorithms to deliver human-centric spatial intelligence, supplemented by our ODM offerings that serve partner brands such as Xiaomi. Our Aqara-branded products and solutions are built on three core product categories that work in concert to form an end-to-end spatial intelligence infrastructure. As of December 31, 2025, our product matrix comprised over 50 categories and more than 2,200 SKUs, with cumulative activation exceeding 56 million devices.

- ***Sensors***: These products have the ability to "recognize & perceive" spaces. They achieve high-precision detection of human behaviors and objects, spatial dynamics and environmental conditions. Key products include AI-empowered high precision scene sensors, intelligent cameras, smart sleep monitor strips, door and window sensors, vibration sensors, motion sensors, temperature and humidity sensors, air quality monitoring panels, smoke detectors and more.

- ***Hubs***: These products have "cognition & decision-making" capabilities. They serve as the central nodes for device connectivity and computational processing, enabling proactive and cross-device collaboration. Key products include smart gateways and smart screens.

- ***Controllers***: These products have the ability to "execute & reshape" the space. They execute actions and achieve proactive and personalized transformation of the spatial environment. Key products include intelligent switches and sockets, lighting-controlling modules and lights, door locks, curtain motors and thermostats.

These hardware products are unified through the Aqara App, which provides the user interface for controlling and managing all devices, with our AI Copilot embedded to enhance user interaction. Anchoring our portfolio of spatial intelligence products and solutions is Aqara Studio, our proprietary operating system that orchestrates cross-device collaboration and enables rapid deployment of solutions.

Leveraging on our sensors, hubs, controllers, Aqara App and Aqara Studio, our full-stack and close-loop products and solutions enable diverse spatial intelligence functions, such as lighting, health monitoring, security and protection, HVAC and low carbon and energy saving.

OUR TECHNOLOGIES

Spatial intelligence represents a fundamental shift from "connecting devices" to "operating spaces." This shift requires not only advances in sensing, computing and control, but also a unified system capable of modeling, understanding and safely executing actions in the physical world.

Our technological foundation is built on an integrated AI-native architecture composed of four tightly coupled layers: ***Ontology*** (semantic definition), ***Graph*** (state and structure), ***Skills*** (governed execution) and ***Telemetry*** (feedback and learning). Together, these layers form a closed-loop system that enables physical environments to perceive, reason, act and continuously improve over time.

At the core of this architecture is an ontology defined through Objects, Relations, Actions and Policies ("**ORAP**"), which provides a unified semantic model for representing physical space. This model abstracts heterogeneous devices, protocols and data into a consistent, machine-understandable representation, allowing the system to operate on spatial concepts such as rooms, zones, functions and intents rather than device-level primitives.

This ontology is materialized through the Home Graph, which serves as the single source of truth for spatial structure, device topology, real-time states and operational constraints. The Home Graph provides a consistent, queryable and subscribable model across device, edge and cloud layers, ensuring system-wide coherence, traceability and interpretability.

On top of the Home Graph, all operations are executed through standardized Skills, which encapsulate control, automation and configuration under explicit policy constraints. This governed execution model ensures that all actions are safe, auditable and reversible.

Finally, a unified Telemetry layer captures the full lifecycle of system interactions - from intent and context to execution and outcome - enabling continuous feedback, system optimization and AI-driven learning. Through this closed-loop mechanism, the system continuously adapts and improves its performance over time.

Through the integration of Ontology, Graph, Skills and Telemetry, our platform establishes a complete "understand-execute-learn" cycle, enabling AI agents to safely operate and continuously optimize physical environments at scale.

Specifically, our spatial intelligence technologies include four essential capabilities — "***recognition & perception***," "***cognition & decision-making***," "***execution & reshaping***" and "***connectivity & convergence***." We have developed breakthrough technologies across each of these critical dimensions.

OUR COMPETITIVE STRENGTHS

We believe the following strengths position us well to capitalize on future industry opportunities and achieve sustained growth:

- Pioneer and Leader in Human-Centric Spatial Intelligence Infrastructure
- Proprietary Human-Centric Spatial Intelligence Technologies Creating a Deep Competitive Moat
- Successful Commercialization Across Residential and Commercial Spaces
- Comprehensive Integration with Apple Ecosystem and Significant Apple Store Presence
- Strong International Growth Supported by Robust Overseas Multi-channel Sales Network

- Products' Interoperability within the Ecosystem and Pioneering Standards Leadership

- Experienced Management and Innovation-Driven Culture

OUR STRATEGIES

We plan to pursue the following strategies:

- Deepen AI-Native Capabilities

- Broaden Human-Centric Spatial Intelligence Application Scenarios

- Accelerate Global Market Expansion

- Drive Growth and Foster Innovation through Open Collaboration with Ecosystem Participants

SALES, SERVICES, DISTRIBUTION AND MARKETING

We adopt an integrated omni-channel strategy that combines an offline sales network and online channels, enabling us to serve customers wherever and however they prefer to engage. Given the nature of infrastructure products, our offline presence, comprising consultants and technicians across experience stores, remains essential for in-person needs assessment, scenario-based solution design, installation, maintenance and lifecycle support. At the same time, in response to evolving consumer spending preferences and the increasing digitization of purchasing behavior, we have expanded our online footprint through our official website, official flagship stores and distributors on leading e-commerce platforms. Together, these complementary channels ensure that customers receive expert guidance and end-to-end service offline, while benefiting from the accessibility, convenience and scale of our online ecosystem.

OUR CUSTOMERS AND SUPPLIERS

We have established a broad and diversified customer base. In 2023, 2024 and 2025, total revenue from our five largest customers was RMB615.0 million, RMB629.1 million and RMB571.5 million, respectively, accounting for 42.7%, 42.3% and 38.9% of our total revenue, respectively. In the same years, revenue from our single largest customer in each year during the Track Record Period was RMB471.6 million, RMB501.5 million and RMB477.0 million respectively, accounting for 32.8%, 33.7% and 32.4% of our total revenue, respectively.

We have developed and maintained relationships with some of the most reputable and trusted suppliers. We work closely with our suppliers to ensure timely availability and delivery of materials and products. During the Track Record Period, our purchases from our five largest suppliers accounted for 21.7%, 19.9% and 19.3% of our total purchases in 2023, 2024 and 2025, respectively, while our purchase from the largest supplier accounted for 7.3%, 6.4% and 4.9% of our total purchases, respectively, for the same years. During the Track Record Period, our suppliers generally granted us a credit term of 30 to 60 days.

COMPETITION

The markets for IoT products are traditionally characterized by fragmented competition centered around individual devices, features and price-performance trade-offs. However, as the industry transitions from device connectivity to AI-driven spatial intelligence, competition is increasingly shifting from standalone products to integrated systems capable of modeling, understanding and operating physical environments.

We differentiate ourselves by positioning not as a device vendor, but as a provider of a full-stack spatial intelligence operating system. Our platform integrates hardware, edge computing, cloud infrastructure and AI into a unified semantic and execution framework, enabling spaces to function as coherent, adaptive and continuously evolving systems rather than collections of isolated devices.

Unlike traditional vertically integrated solutions that remain closed and device-centric, our architecture combines end-to-end system integration with an open, extensible platform. This approach enhances user experience through seamless orchestration across devices and scenarios, while also enabling developers, system integrators and ecosystem partners to build on top of our platform, expanding functionality and accelerating innovation.

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 invest in our Shares. Some of the major risks we face include:

- Our business may be adversely affected if we fail to introduce new products and solutions on a timely basis to adapt to rapidly evolving customer needs and advancements in technology.
- Our growth and profitability depend on economic conditions in the PRC and our other key markets.
- We operate in a highly competitive environment and failure to compete successfully would adversely affect our market position, business and financial results.
- Majority of our products are manufactured by our OEM suppliers and our products are subject to risks associated with manufacturing outsourcing.
- We depend on a large number of third-party suppliers for key raw materials, components and manufacturing equipment, and any disruption in their supply or significant increase in their prices will negatively affect our business.
- Xiaomi is our largest customer which purchases products from us. Any deterioration of our relationship with Xiaomi could have a negative impact on our revenues and harm our business.
- Our success depends on our ability to maintain and expand our offline and online sales channels.
- Changes in international trade policies, geopolitics and trade protection measures, export control, and economic or trade sanctions may affect our business, financial condition and results of operations.
- If we fail to develop, maintain and enhance recognition of our brand, our business and results of operations may be adversely affected.
- We recorded net operating cash outflow, losses and net current liabilities during the Track Record Period.
- Our business and prospects may be harmed if we cannot adequately protect our intellectual property rights and litigation to protect our intellectual property rights may be costly and may not be resolved in our favor.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, there had been no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.

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 Accounting Standards.

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	1,439,385	1,488,573	1,471,628
Cost of sales	(1,011,580)	(985,463)	(907,239)
Gross profit	**427,805**	**503,110**	**564,389**
Research and development expenses	(172,804)	(183,262)	(233,728)
Selling and distribution expenses	(183,657)	(200,655)	(235,072)
Administrative expenses	(93,010)	(91,939)	(119,708)
Other income and gains	61,021	78,889	64,458
Impairment losses of financial assets, net	(213)	(666)	(2,237)
Share of losses of investments accounted for using equity method	(2,346)	(1,855)	(3,152)
Other expenses	(6,629)	(577)	(12,914)
Operating income	**30,167**	**103,045**	**22,036**
Finance costs	(2,879)	(4,422)	(3,679)
Fair value changes of convertible redeemable preferred shares	(185,554)	(328,120)	(338,974)
Loss before tax	**(158,266)**	**(229,497)**	**(320,617)**
Income tax expenses	(1,216)	(1,268)	(1,786)
Loss for the year	**(159,482)**	**(230,765)**	**(322,403)**

For a detailed discussion of the major components of our consolidated statements of profit or loss during the Track Record Period, see "Financial Information — Description of Major Components of Our Results of Operations."

Non-IFRS Financial Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted profit (non-IFRS measure) as an 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 this measure provides useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as it helps 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 the loss for the year adjusted by share-based compensation expenses, fair value losses of convertible redeemable preferred shares and **[REDACTED]** expenses. The following table reconciles our adjusted profit (non-IFRS measure) presented to the most directly comparable financial measure calculated and presented in accordance with IFRS for the periods indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Loss for the year	**(159,482)**	**(230,765)**	**(322,403)**
Adjusted for:			
Share-based compensation expenses	19,221	15,748	23,018
Fair value losses of convertible redeemable preferred shares	185,554	328,120	338,974
[REDACTED] expenses	—	—	17,265
Adjusted profit (*non-IFRS measure*)	**45,293**	**113,103**	**56,854**

Revenue Breakdown by Types of Products and Solutions

During the Track Record Period, our revenue was primarily derived from the sale of our spatial intelligence products and solutions, particularly those under our "Aqara" brand.

The following table sets forth our revenue breakdown by type of products and solutions in absolute amounts 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)					
Aqara-branded spatial intelligence products and solutions	**899,925**	**62.6**	**918,474**	**61.7**	**946,517**	**64.3**
Sensors	256,021	17.8	235,823	15.8	308,196	20.9
Hubs	81,728	5.7	108,909	7.3	113,311	7.7
Controllers	562,176	39.1	573,742	38.6	525,010	35.7
ODM products	**518,784**	**36.0**	**543,014**	**36.5**	**496,701**	**33.8**
Others(1)	**20,676**	**1.4**	**27,085**	**1.8**	**28,410**	**1.9**
Total	**1,439,385**	**100.0**	**1,488,573**	**100.0**	**1,471,628**	**100.0**

Note:

(1) Others mainly included the provision of installation services, IoT platform development services and other services, and sales of supplementary parts.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross profit margin represents gross profit divided by our revenue, expressed as a percentage. In 2023 and 2024 and 2025, we had gross profit of RMB427.8 million, RMB503.1 million and RMB564.4 million, respectively, accounting for gross profit margin of 29.7%, 33.8% and 38.4%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by type of products and solutions for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Aqara-branded spatial intelligence products and solutions	366,882	40.8	397,492	43.3	418,551	44.2
- Chinese Mainland	178,173	34.2	134,910	33.6	104,244	32.8
- Overseas	188,709	49.7	262,582	50.8	314,307	50.0
ODM Products	55,980	10.8	98,428	18.1	134,187	27.0
Others[(1)]	4,943	23.9	7,190	26.5	11,651	41.0
Total	**427,805**	**29.7**	**503,110**	**33.8**	**564,389**	**38.4**

Note:

(1) Others mainly included the provision of installation services, IoT platform development services and other services, and sales of supplementary parts.

Summary of Consolidated Statements of Financial Position

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our audited consolidated financial statements included in Appendix I to this document:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total current assets	1,077,925	1,185,544	1,057,189
Total non-current assets	140,690	141,057	86,132
Total assets	**1,218,615**	**1,326,601**	**1,143,321**
Total current liabilities	3,052,561	3,416,912	3,483,021
Total non-current liabilities	9,650	7,267	8,201
Total liabilities	**3,062,211**	**3,424,179**	**3,491,222**
Net liabilities	**(1,843,596)**	**(2,097,578)**	**(2,347,901)**
Share capital	—	—	—
Reserves	(1,843,596)	(2,097,578)	(2,347,901)
Total equity	**(1,843,596)**	**(2,097,578)**	**(2,347,901)**
Total liabilities and equity	**1,218,615**	**1,326,601**	**1,143,321**

For a detailed discussion of our current assets and current liabilities during the Track Record Period, see "Financial Information — Discussion of Key Items of Our Consolidated Statements of Financial Position."

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/(used in) operating activities	65,116	288,603	(73,408)
Net cash from/(used in) investing activities	(171,145)	(174,193)	262,922
Net cash (used in) financing activities	(12,086)	(137,313)	(142,676)
Net increase/(decrease) in cash and cash equivalents	**(118,115)**	**(22,903)**	**46,838**
Cash and cash equivalents at the beginning of the year	568,867	455,289	435,341
Effect of foreign exchange rate changes, net	4,537	2,955	(5,430)
Cash and cash equivalents at the end of the year	**455,289**	**435,341**	**476,749**

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]	29.7%	33.8%	38.4%
Adjusted profit margin (non-IFRS measure)[2]	3.1%	7.6%	3.9%
Current ratio[3]	0.4	0.3	0.3
Quick ratio[4]	0.2	0.2	0.2

Notes:

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

(2) Calculated by dividing adjusted profit for the year (non-IFRS measure) 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 and prepayments, other receivables and other assets by total current liabilities as of the end of the year.

[REDACTED] INVESTORS

We received multiple series of equity financing from our **[REDACTED]** Investors to support our expanding business operations. See "History, Development and Corporate Structure — **[REDACTED]** Investments" for details.

[REDACTED]

[REDACTED]

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately **[REDACTED]**, after deducting **[REDACTED]** commissions and other estimated expenses paid and payable by us in connection with the **[REDACTED]** and based upon an **[REDACTED]** of **[REDACTED]**, being the mid-point of the indicative **[REDACTED]** range of **[REDACTED]** to **[REDACTED]** per **[REDACTED]**, and assuming no exercise of the **[REDACTED]**.

We intend to use the **[REDACTED]** we will receive from the **[REDACTED]** for the following purposes:

- Approximately **[REDACTED]**, or approximately **[REDACTED]**, of the **[REDACTED]** will be allocated for research and development purposes, aiming to continue upgrading our technology capabilities in products and in various spatial intelligence application scenarios. We believe such investment will allow us to maintain our technological leadership while expanding and optimizing our portfolio of products and solutions. The rapid evolution of the spatial intelligence industry in the era of AI requires us to enhance our competitiveness across hardware and software by making research and development a top priority. The details of our contemplated plan for research and development are as follows.

  o Enriching and strengthening the product performance: Approximately **[REDACTED]**, or approximately **[REDACTED]**, of the **[REDACTED]** will be allocated for developing three key technology clusters that are core to our competitive advantage in the next three years. .

  o Expanding the application scenarios of our products and solutions: Approximately **[REDACTED]**, or approximately **[REDACTED]**, of the **[REDACTED]** will be allocated for expanding the application scenarios of our products and solutions in the next three years.

- Approximately **[REDACTED]**, or approximately **[REDACTED]**, of the **[REDACTED]** will be allocated for expanding sales channels and enhancing our brand awareness in the next three years.

- Approximately **[REDACTED]**, or approximately **[REDACTED]**, of the **[REDACTED]** will be allocated as a supplement to our working capital and other general corporate purposes.

For details, see "Future Plans and Use of **[REDACTED]**" in this document.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]** commissions and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** expenses will be approximately **[REDACTED]** (assuming an **[REDACTED]** of **[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]** range for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) of the **[REDACTED]**. During the Track Record Period, we incurred **[REDACTED]** expenses of RMB21.7 million, of which RMB17.3 million was charged to the consolidated statements of profit or loss as administrative expenses and approximately RMB4.4 million was capitalized as deferred expenses in the consolidated statements of financial position as of December 31, 2025 to be charged against equity upon the **[REDACTED]**. We expect to incur additional **[REDACTED]** expenses of **[REDACTED]**, of which **[REDACTED]** is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and **[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]** expenses are composed of (i) **[REDACTED]** commission of **[REDACTED]**, and (ii) non-**[REDACTED]** related expenses of **[REDACTED]**, which consist of fees and expenses of legal advisers and reporting accountants of **[REDACTED]** and other fees and expenses of **[REDACTED]**.

DIVIDENDS

We are a holding company incorporated under the laws of the Cayman Islands. As a result, the payment and amount of any future dividend will depend on the availability of dividends received from our subsidiaries.

During the Track Record Period, we had not declared or paid any dividend. In addition, we do not have any dividend policy and have no present plan to pay any dividends to our Shareholders in the foreseeable future. However, we may distribute dividends in the future by way of cash or by other means that we consider appropriate. A decision to declare and pay any dividends would require the approval of the Board and will be at their discretion. As advised by our legal adviser as to the laws of the Cayman Islands, a position of accumulated losses does not necessarily restrict us from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in us being unable to pay our debts as they fall due in the ordinary course of business.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that as of 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.