SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire 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." You should read that section carefully before you decide to* [**REDACTED**] *in the* [**REDACTED**].

OVERVIEW

We are a leading domestic platformized chip customization service provider in China, focusing on the research and development and commercialization of AI ASICs. Leveraging our independently developed IC technology platform and proprietary high-speed interface IPs, the AI ASICs that we customize address data transmission bottlenecks and achieve efficient interconnection of large-scale AI chip clusters, which aim to achieve full utilization of computing power in AI applications. We ranked third among domestic chip customization service providers in China in terms of AI ASIC revenue in 2025, and ranked second among domestic chip customization service providers in China in terms of chip design and delivery revenue in 2025, both according to CIC.

Our Chip Customization Services

Our chip customization services consist of chip design, chip delivery, and IP license. Chip design encompasses chip definition, front-end design, back-end design, tape-out, post-silicon support, and customer productization enablement. Chip delivery encompasses wafer-level silicon validation, advanced packaging and testing, and supply chain coordination.

A chip customization service mandate may begin with chip design, with or without IP license, and may be followed up chip delivery. Chip design and chip delivery represent our main sources of revenue, with combined revenue contribution of 83.9%, 73.3%, and 91.0% in 2023, 2024, and 2025, respectively.

The following table sets forth a breakdown of revenue by business line during the Track Record Period.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)					
Chip Design	41,259	55.1	231,505	66.6	203,228	42.0
Chip Delivery	21,525	28.8	23,353	6.7	237,597	49.0
IP License	12,018	16.1	92,698	26.7	43,371	9.0
Total	**74,802**	**100.0**	**347,556**	**100.0**	**484,196**	**100.0**

Our revenue increased significantly from RMB74.8 million in 2023 to RMB347.6 million in 2024 and further by 39.3% to RMB484.2 million in 2025. However, revenue from each business line fluctuated during the Track Record Period, as affected by the service combination in, and the actual progress of, chip customization service mandates in any given year. From 2023 to 2024, both chip design revenue and IP license revenue increased significantly while chip delivery revenue increased by 8.5%, primarily due to multiple new projects completing the design stage and not yet reaching or completing the delivery stage in 2024. From 2024 to 2025, chip delivery revenue increased significantly and became the largest revenue contributor in 2025 while both chip design revenue and IP license revenue decreased, primarily due to multiple existing projects entering the delivery stage in 2025.

The following table sets forth a breakdown of revenue by service application type during the Track Record Period.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)					
AI ASIC	38,658	51.7	314,932	90.6	437,262	90.3
Communication ASIC	35,421	47.4	32,624	9.4	46,934	9.7
Others	723	0.9	—	—	—	—
Total	**74,802**	**100.0**	**347,556**	**100.0**	**484,196**	**100.0**

Our AI ASIC revenue increased significantly from RMB38.7 million in 2023 to RMB314.9 million in 2024, and further increased by 38.8% to RMB437.3 million in 2025. Our AI ASIC revenue accounted for 51.7%, 90.6%, and 90.3% of our total revenue in 2023, 2024, and 2025, respectively. The increase in AI ASIC revenue both in an absolute amount and as a percentage of total revenue during the Track Record Period reflected our focus and commitment in AI ASIC customization services.

Our Platformized Model

We leverage our modular, intelligent, and automated IC technology platform to integrate our design capabilities and upstream and downstream resources to provide end-to-end chip customization services. We develop and license proprietary high-speed interface IPs, design and customize ASICs with advanced process nodes and 2.5D/3D packaging, and deliver chips through collaboration with third-party foundries and OSAT partners. Under this model, we lead the entire process from chip architecture design, logical design, design-for-test, and physical design to full lifecycle management, and efficiently coordinate with business partners in wafer fabrication and packaging testing, ensuring coverage of process nodes from 4 nm to 28 nm.

Our platformized model is defined by the following core attributes.

- ***IP Reuse and Efficiency:*** Through our modular IP library and mature design methodology, our chip customization services are provided with balanced design efficiency, quality consistency, and delivery speed.

- ***Seamless One-Stop Service:*** From architecture design to chip delivery, we minimize the burden and potential risks in multi-stage and multi-party collaboration to ensure project progress.

- ***Rapid Cross-Domain Expansion:*** Our platformized model supports technology migration across multiple fields such as AI and communications, helping customers explore new application scenarios.

- ***Experience-Based Know-How Accumulation:*** Notwithstanding continued process node iteration, our IC technology platform enables us to accumulate collective know-how and enrich our design toolchain, which in turn enhances our capabilities to identify and minimize project risks and hence increase project success rates.

OUR STRENGTHS

We believe the following strengths differentiate us from our competitors:

- a leading domestic one-stop AI ASIC customization service provider in China, with advanced IC technology platform;

- independently developed proprietary high-speed interface IPs at the core of our IC technology platform;
- leading complex chip design and advanced physical implementation technology capabilities, precisely matching the high-end market demand;
- strong business collaboration with global and domestic industry chains to build a stable delivery system; and
- experienced team with extensive industry background and an international perspective.

For details, see "Business — Our Strengths."

OUR STRATEGIES

We are committed to advancing our position in the industry and achieving superior business growth through the following strategic initiatives:

- continue to expand our proprietary high-speed interface IP portfolio and strengthen the foundation of our IC technology platform;
- build an open and collaborative AI hardware ecosystem, creating a new benchmark for domestic AI ASICs;
- strengthen collaboration with foundry ecosystem and build a dual-track process collaboration system; and
- carry out strategic global layout and build an open and inclusive IC ecosystem.

For details, see "Business — Our Strategies."

PATH TO PROFITABILITY

We had net loss of RMB98.4 million, RMB48.5 million, and RMB163.5 million in 2023, 2024, and 2025, respectively, because we had been making significant investments to establish and maintain our market position in AI ASICs. During the Track Record Period, we had been ramping up the scale of, and migrating to advanced process nodes for, our chip design and chip delivery. As of December 31, 2025, our research and technical team consisted of 317 engineers and other technicians, accounting for 81.7% of our total employees. In 2023, 2024, and 2025, our research and development expenses were RMB90.9 million, RMB175.5 million, and RMB239.0 million, accounting for 121.5%, 50.5%, and 49.4% of total revenue, respectively. We have continually developed and maintained a proprietary high-speed interface IP portfolio, including 112/224 Gbps SerDes, HBM3/HBM3e, LPDDR5x/LPDDR6, and chiplet interconnect technologies, which requires sustained funding to attract top-tier talent and acquire advanced EDA tools and prototyping resources. In addition, we have invested in building a modular, intelligent, and automated IC technology platform through (i) the development of proprietary design methodologies, and (ii) accumulation of reusable IP libraries. These investments are crucial for keeping our chip customization services competitive but also result in higher initial operating expenses during the relatively early stage of our development.

Despite our historical net losses during the Track Record Period, as our IC technology platform continues to iterate and mature, our gross profit has improved. As our revenue increased significantly from RMB74.8 million in 2023 to RMB347.6 million in 2024, our gross profit increased significantly from RMB26.1 million in 2023 to RMB160.3 million in 2024. Although our gross profit decreased from RMB160.3 million in 2024 to RMB134.3 million in 2025 despite revenue growth from RMB347.6 million in 2024 to RMB484.2 million in 2025, this mismatch between revenue growth and gross profit growth was primarily due to (i) a decrease in gross profit of chip design from RMB94.4 million in 2024 to RMB32.5

million in 2025 and an increase in gross profit of chip delivery from RMB4.4 million in 2024 to RMB65.7 million in 2025, resulting in stable gross profit of chip design and chip delivery combined in 2024 and 2025, and (ii) a decrease in gross profit of IP license from RMB61.5 million in 2024 to RMB36.2 million in 2025. The historical net losses during the Track Record Period reflect the deliberate strategies that we adopted to gain share in a rapidly expanding market rather than inefficiency in operations.

We intend to establish a clear, sustainable path to profitability primarily through the following measures.

Capitalize on Growing Demand for AI Computing. AI ASICs are instrumental to the continued expansion of AI computing. According to CIC, the size of the AI ASIC customization service market in China in terms of revenue increased from RMB4.42 billion in 2020 to RMB34.58 billion in 2025, and is expected to reach RMB205.73 billion in 2030, representing a CAGR of 42.9% from 2025 to 2030. We ranked second among domestic chip customization service providers in China in terms of chip design and delivery revenue in 2025, according to CIC. We intend to capitalize on our market position in the market's growth potential and leverage our technological advantages in ASIC design under advanced process nodes, 2.5D/3D advanced packaging designs, and licensing of proprietary high-speed interface IPs and development opportunities in data center AI, edge AI, and high-performance computing markets, which will facilitate the continued growth of our revenue.

Focus on Key Accounts. We have been focusing on key accounts to expand our revenue base and increase our chance to expand gross profit. We refer to a customer from which we generate revenue of RMB10.0 million or more in a year as a key account. According to CIC, customer concentration is common within the chip customization service industry, particularly when it relates to AI ASICs. Our revenue and gross profit growth during the Track Record Period validates the preliminary success of our focus on key accounts. As we further step into the next development stage, we will increase our focus on key accounts and enhance the monetization depth and breadth with respect to each key account, aiming to build our profitability model based on our scalability around key accounts. Going forward, we will (i) explore the needs of, and grow with, our existing key accounts, continually carry out technology iteration and service upgrade around the needs of key accounts, (ii) continually expand our key account portfolio and further optimize our customer structure, and (iii) leverage key accounts' cutting edge needs to timely guide the direction of our technology innovation and iteration, which we believe could render our research and development more efficient and effective, thus leading us toward high-quality, profitability-aware growth.

Optimize Service Mix and Expand Chip Delivery. We will gradually expand our chip delivery to help us achieve profitability. Benefiting from the close collaborative relationships and customer loyalty established during chip design, chip delivery typically does not require additional sales and marketing resources to generate orders or large-scale new investment in research and development. This margin profile enables chip delivery to become our core growth engine and source of high-quality profit potentials.

Strengthen One-Stop Service Capabilities. Through one-stop services, we can meet the diverse and multi-level business needs of customers, providing high value-added services to enhance operating stability and risk resistance. Meanwhile, we continually accumulate and iterate our technology strengths leveraging our IC technology platform. The long-term accumulation of design and supply chain resources, combined with the continued chip customization service mandates in the future, will significantly improve our overall cost efficiency and comprehensive competitiveness. In addition, we will continue to strengthen long-term collaborations with core suppliers to build a stable and reliable supply system. By strengthening the synergy between supply and demand, we will improve procurement scale and bargaining power, ensure stable, efficient, and cost-effective supply of key materials, and promote a steady decline in unit costs. Meanwhile, we will further optimize inventory turnover and full-cycle supply chain management, enhance supply chain responsiveness and operating efficiency, and ensure the continued optimization of chip delivery capabilities.

Enhance Operating Efficiency. We will strictly control operating expenses, optimize the structure of resource allocation, continually optimize technological infrastructure, and implement comprehensive digitalization. In light of the rapid iteration of the AI industry, we adopt an active expansion strategy, leveraging synergies between core functions such as research and development, project execution, and sales and marketing to build efficient operations.

For further details, see "Financial Information — Path to Profitability."

CUSTOMERS AND SUPPLIERS

During the Track Record Period, our customers primarily consisted of chip and system providers in AI, communications, and other industries. In 2023, 2024, and 2025, revenue generated from our top five customers in each applicable year accounted for 74.4%, 95.1%, and 78.3% of our total revenue, respectively, and revenue generated from our largest customer in each applicable year accounted for 32.2%, 81.5%, and 37.4% of our total revenue, respectively.

During the Track Record Period, our suppliers primarily include providers of (i) tape-out services and wafers, (ii) third-party IPs, and (iii) semiconductor packaging materials. In 2023, 2024, and 2025, purchases from our top five suppliers in each applicable year accounted for 65.2%, 85.7%, and 65.1% of our total purchases, respectively, and purchases from our largest supplier in each applicable year accounted for 28.1%, 48.7%, and 22.9% of our total purchases, respectively. During the Track Record Period, our procurement was sourced primarily from suppliers in China and South Korea.

RISK FACTORS

There are certain risks relating to an [**REDACTED**] in our H Shares. These risks can be characterized as (i) risks relating to our business and industry; (ii) risks relating to doing business in jurisdictions where we operate; and (iii) risks relating to the [**REDACTED**]. We believe that the most significant risks we face include the following:

- we operate in a highly competitive chip customization service industry, and we may not be able to compete successfully against existing and future competitors;
- new technology developments or market trends could make us uncompetitive, and our significant investment in research and development may not generate the expected results;
- uncertainties regarding the development of AI chips may adversely affect our business, financial condition, and results of operations;
- reliance on a limited number of suppliers and potential shortages or capacity constraints in semiconductor materials and manufacturing services may materially and adversely affect our business, financial condition, and results of operations;
- we have a limited operating history, which makes it difficult to forecast our future results of operations, and our historical growth may not be indicative of our future performance;
- our customer concentration may expose us to risks that could adversely affect our business, financial condition, and results of operations;
- we use IPs licensed from third parties to supplement our services. Any defect, error, or limitation in these third-party IPs, or failure to maintain these licenses, could materially and adversely affect our business;
- we may not be able to sufficiently protect or enforce our intellectual property rights across the world, and our efforts to do so may be costly;

- we may be subject to intellectual property infringement claims or other legal proceedings, which could adversely affect our business; and

- we depend on continued contributions of our competent talents. If we are unable to attract and retain competent talents who support our existing operations and future growth, our business may be materially and adversely affected.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present the summary of our consolidated financial information during the Track Record Period and should be read together with our consolidated financial statements and the related notes set forth in the Accountants' Report in Appendix I to this document, as well as the information set forth in "Financial Information."

Summary of Results of Operations

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

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)					
Revenue	74,802	100.0	347,556	100.0	484,196	100.0
Cost of sales	(48,705)	(65.1)	(187,264)	(53.9)	(349,853)	(72.3)
Gross profit	**26,097**	**34.9**	**160,292**	**46.1**	**134,343**	**27.7**
Other income and gains	7,220	9.5	19,600	5.6	16,573	3.3
Selling expenses	(3,907)	(5.2)	(11,158)	(3.2)	(26,264)	(5.4)
Administrative expenses	(35,563)	(47.5)	(40,382)	(11.6)	(48,626)	(10.0)
Research and development expenses	(90,868)	(121.5)	(175,536)	(50.5)	(239,033)	(49.4)
Impairment gain/(losses) on financial assets, net	512	0.7	(314)	(0.1)	(194)	(0.0)
Other expenses	(109)	(0.1)	(689)	(0.2)	(113)	(0.0)
Finance costs	(1,812)	(2.4)	(239)	(0.1)	(196)	(0.0)
Loss before tax	**(98,430)**	**(131.6)**	**(48,426)**	**(13.9)**	**(163,510)**	**(33.8)**
Income tax expense	—	—	(33)	(0.0)	—	—
Loss for the year	**(98,430)**	**(131.6)**	**(48,459)**	**(13.9)**	**(163,510)**	**(33.8)**
Attributable to:						
Owners of the parent	**(98,430)**	**(131.6)**	**(48,459)**	**(13.9)**	**(163,510)**	**(33.8)**
Loss for the year	**(98,430)**	**(131.6)**	**(48,459)**	**(13.9)**	**(163,510)**	**(33.8)**

Revenue

For a breakdown of our revenue by business line and by service application type during the Track Record Period, see "— Overview — Our Chip Customization Services."

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margins by business line for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)					
Chip Design	11,940	28.9	94,448	40.8	32,477	16.0
Chip Delivery	2,139	9.9	4,380	18.8	65,657	27.6
IP License	12,018	100.0	61,464	66.3	36,209	83.5
Total	**26,097**	**34.9**	**160,292**	**46.1**	**134,343**	**27.7**

Our gross profit increased significantly from RMB26.1 million in 2023 to RMB160.3 million in 2024, primarily due to (i) a significant increase in gross profit of chip design from RMB11.9 million in 2023 to RMB94.4 million in 2024 and (ii) a significant increase in gross profit of IP license from RMB12.0 million in 2023 to RMB61.5 million in 2024, which were consistent with our revenue growth driven by chip design and IP license from 2023 to 2024. Our gross profit decreased from RMB160.3 million in 2024 to RMB134.3 million in 2025, primarily due to (i) a decrease in gross profit of chip design from RMB94.4 million in 2024 to RMB32.5 million in 2025 and an increase in gross profit of chip delivery from RMB4.4 million in 2024 to RMB65.7 million in 2025, resulting in stable gross profit of chip design and chip delivery combined in 2024 and 2025, and (ii) a decrease in gross profit of IP license from RMB61.5 million in 2024 to RMB36.2 million in 2025.

The gross profit margin of IP license is generally higher than that of chip design and chip delivery, respectively. The gross profit margin of IP license was 100% in 2023 because the IPs licensed were existing IPs in our IP library whose development expenditures were booked under research and development expenses in prior years. The gross profit margin of IP license was 66.3% in 2024 and 83.5% in 2025, primarily due to licensing of more customized IPs whose development expenditures were booked under cost of sales in 2024 and 2025. The gross profit margin of chip delivery was lower than that of chip design in 2023 and 2024 because our chip delivery was ramping up with a substantially smaller scale in 2023 and 2024. The gross profit margin of chip delivery was higher than that of chip design in 2025 because (i) our chip delivery scaled up significantly in 2025 enhancing its margin profile and (ii) the gross profit margin of chip design decreased in 2025 as our chip design mandates under advanced process nodes increased, for which we incurred disproportionately more material costs for wafer runs. Our overall gross profit margin increased from 34.9% in 2023 to 46.1% in 2024, primarily due to (i) an increase in revenue contribution by chip design and IP license combined from 71.2% in 2023 to 93.3% in 2024 and (ii) an increase in gross profit margin of chip design from 28.9% in 2023 to 40.8% in 2024. Our overall gross profit margin normalized from 46.1% in 2024 to 27.7% in 2025, primarily due to a decrease in gross profit margin of chip design from 40.8% in 2024 to 16.0% in 2025, partially offset by an increase in gross profit margin of chip delivery from 18.8% in 2024 to 27.6% in 2025.

Summary of the Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total current assets	600,980	601,897	370,442
Total non-current assets	77,666	79,195	83,075
Total assets	**678,646**	**681,092**	**453,517**
Total current liabilities	413,244	437,505	307,573
Total non-current liabilities	1,488	808	1,377
Total liabilities	**414,732**	**438,313**	**308,950**
Net current assets	187,736	164,392	62,869
Net assets	263,914	242,779	144,567
Paid-in capital	10,168	11,518	14,860
Reserves	253,746	231,261	129,707
Total equity	**263,914**	**242,779**	**144,567**

We had net current assets of RMB187.7 million, RMB164.4 million, and RMB62.9 million as of December 31, 2023, 2024, and 2025, respectively. Our net current assets positions as of each of these dates were primarily attributable to prepayments, other receivables, and other assets, cash and cash equivalents, inventories, and investments measured at fair value through profit or loss, partially offset by our contract liabilities.

Our net current assets decreased from RMB164.4 million as of December 31, 2024 to RMB62.9 million as of December 31, 2025, primarily due to (i) a decrease in investments measured at fair value through profit or loss of RMB150.3 million and (ii) a decrease in inventories of RMB87.6 million, partially offset by a decrease in contract liabilities of RMB135.5 million.

Our net current assets decreased from RMB187.7 million as of December 31, 2023 to RMB164.4 million as of December 31, 2024, primarily due to (i) a decrease in investments measured at fair value through profit or loss of RMB205.4 million, (ii) an increase in other payables and accruals of RMB37.3 million, partially offset by (i) an increase in inventories of RMB94.8 million, (ii) an increase in prepayments, other receivables, and other assets of RMB70.0 million, and (iii) an increase in cash and cash equivalents of RMB38.8 million.

For details, see "Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position."

Summary of the Consolidated Statements of Cash Flows

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

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash flows generated from/(used in) operating activities	139,954	(128,506)	(158,317)
Net cash flows (used in)/generated from investing activities	(353,156)	183,943	116,144
Net cash flows generated from/(used in) financing activities	264,009	(16,606)	44,647
Net increase in cash and cash equivalents	50,807	38,831	2,474
Cash and cash equivalents at the beginning of the year	22,712	73,491	112,287
Effect of foreign exchange rate changes, net	(28)	(35)	15
Cash and cash equivalents at the end of the year	**73,491**	**112,287**	**114,776**

For details, see "Financial Information — Liquidity and Capital Resources — Cash Flows."

Key Financial Ratios

	For the Year Ended December 31,		
	2023	2024	2025
Gross profit margin (%)	34.9	46.1	27.7
Net loss margin (%)	(131.6)	(13.9)	(33.8)

	As of December 31,		
	2023	2024	2025
Current ratio(1) (times)	1.5	1.4	1.2
Quick ratio(2) (times)	1.2	1.0	0.9
Gearing ratio(3) (%)	7.3	1.2	13.6

Notes:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

(2) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities.

(3) Gearing ratio is calculated based on total indebtedness (including interest-bearing bank and other borrowings and lease liabilities) divided by total equity.

Our current ratio and quick ratio remained relatively stable as of December 31, 2023, 2024 and 2025, respectively.

Our gearing ratio decreased from 7.3% as of December 31, 2023 to 1.2% as of December 31, 2024, primarily due to a decrease in total indebtedness as of December 31, 2024 attributable to repayment of bank loans. Our gearing ratio further increased to 13.6% as of December 31, 2025, primarily due to a decrease in total equity attributable to our net loss in 2025.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [**REDACTED**] for the granting of [**REDACTED**] of, and permission to [**REDACTED**], our H Shares to be [**REDACTED**] pursuant to the [**REDACTED**] (including any H Shares which may be issued pursuant to the exercise of the [**REDACTED**]) and the H Shares to be [**REDACTED**] from Domestic Unlisted Shares, on the basis that, among other things, we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to, among other things, (i) our revenue for the year ended December 31, 2025 of over HK$500 million, and (ii) our expected market capitalization at the time of the [**REDACTED**] based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the low-end of the indicative [**REDACTED**]) exceeds HK$4 billion, as required by Rule 8.05(3) of the Listing Rules.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Wang controls approximately 54.85% of the voting rights of the Company through his direct interest held in our Company, entities controlled by Mr. Wang and entities whom he has entered in the AIC Agreements. Immediately following the completion of the Share Subdivision and the [**REDACTED**] and assuming that no new Shares are issued under the [**REDACTED**], and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the [**REDACTED**], the Controlling Shareholders will be entitled to collectively control the exercise of approximately [**REDACTED**]% of the total voting rights of our Company. Accordingly, Mr. Wang and Yinwei Electronic will remain as our Controlling Shareholders upon completion of the Share Subdivision and the [**REDACTED**]. For details, see "Relationship with our Controlling Shareholders."

[REDACTED] INVESTORS

We have attracted certain [**REDACTED**] Investors and completed seven rounds of financing as of the Latest Practicable Date. For details of background of the [**REDACTED**] Investors and the principal terms of the [**REDACTED**] Investments, see "History, Development and Corporate Structure."

[REDACTED] STATISTICS

The statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has been completed and [**REDACTED**] H Shares are newly issued in the [**REDACTED**], (ii) the [**REDACTED**] for the [**REDACTED**] is not exercised, and (iii) [**REDACTED**] Shares are issued and outstanding following the completion of the Share Subdivision and the [**REDACTED**]:

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

Notes:

(1) The calculation of market capitalization is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the Share Subdivision and the [**REDACTED**].

(2) 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" to this document.

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

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of HK$[**REDACTED**] assuming no exercise of the [**REDACTED**], based on an assumed [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share, after deducting [**REDACTED**] commissions and fees and other estimated [**REDACTED**] expenses paid and payable by us in relation to the [**REDACTED**].

The following table sets forth a summary of the use of net [**REDACTED**] from the [**REDACTED**] over the next five years. These plans are based on assumptions and are subject to uncertainties, including those set forth in "Risk Factors." As such, we cannot assure you that our plans will proceed as scheduled or that our goals will be fully achieved.

	2026 to 2027	2028 to 2029	2030 to 2031	Total from 2026 to 2031	Percentage of Total Net [REDACTED] from the [REDACTED]
	HK$	HK$	HK$	HK$	%
	(in millions, except percentages)				
Strengthening our core technology and research and development capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Strengthening collaboration with upstream and downstream partners	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Expanding our global footprint and strengthening international brand recognition	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Working capital and other general corporate purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	**100.0%**

In line with our strategies, we plan to use the net [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

- approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], will be used to strengthen our core technology and research and development capabilities, with a focus on developing and iterating the next-generation critical IPs to further secure our leading position in high-speed data interface IPs, high-speed memory interface IPs, and chiplet interconnect IPs;

- approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], will be used to strengthen collaboration with upstream and downstream partners to establish a secure, controllable, and efficient closed-loop industry ecosystem;

- approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], will be used to expand our global footprint and strengthen international brand recognition; and

- approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], will be used for working capital and other general corporate purposes.

DIVIDEND POLICY

We are a joint stock limited liability company incorporated under PRC laws. According to the PRC Company Law, a PRC-incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, determined under PRC GAAP, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisor, no dividend will be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, if any, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

During the Track Record Period, we did not declare any dividend and currently do not have a formal dividend policy. The dividend policy for the next three years will be determined by our Directors based on our profitability, cash flow position, future capital expenditure requirements, and operational development needs.

[REDACTED] EXPENSES

Based on the mid-point [**REDACTED**] of HK$[**REDACTED**] per Share, the total estimated [**REDACTED**] in relation to the [**REDACTED**] is HK$[**REDACTED**] million, assuming no new Shares are issued under the [**REDACTED**]. Such estimated total [**REDACTED**] include (i) [**REDACTED**] related expenses of approximately HK$[**REDACTED**] million; (ii) fees and expenses of our legal advisors and reporting accountant of approximately HK$[**REDACTED**] million; and (iii) other fees and expenses of HK$[**REDACTED**] million.

Up to December 31, 2025, [**REDACTED**] expenses of HK$[**REDACTED**] million were charged to our consolidated statement of profit or loss, while as of December 31, 2025, HK$[**REDACTED**] million was recognized as [**REDACTED**] expenses to be capitalized in prepayments, and such amount is expected to be recognized directly as a deduction from equity upon the [**REDACTED**].

We expect to incur additional [**REDACTED**] expenses of HK$[**REDACTED**] million, of which HK$[**REDACTED**] million is expected to be charged to our consolidated statement of profit or loss and HK$[**REDACTED**] million will be deducted from equity.

RECENT DEVELOPMENT

Business Development. Since January 1, 2026 and up to the Latest Practicable Date, we signed two business contracts, each with a contract value of RMB10.0 million or more, accounting for 69.2% of the aggregate business contract value of our newly signed business contracts during this period. By business line, the contract value of chip delivery accounted for 61.9% of our newly signed business contracts. By service application type, the contract value of AI ASIC projects accounted for 82.6% of the aggregate contract value of our newly signed business contracts.

[**REDACTED**] ***Financing***. We completed our series C financing in January 2026, raising an aggregate amount of RMB416.0 million.

Research and Development. Since January 1, 2026 and up to the Latest Practicable Date, we achieved multiple advancements in our research and development.

- LPDDR5x, our proprietary high-speed memory interface IP based on domestic advanced process node, was delivered to the foundry in March 2026 for tape-out.

- Our proprietary 3D memory controller IP has been successfully developed and licensed to a customer.

- ONFI 5.1, our proprietary high-speed memory interface IP based on domestic process node, has been successfully developed and licensed to a customer.

- Research and development for Foundation IP has completed the first silicon bring-up and test, with significant performance parameter improvements. The methodology continues to be optimized, and additional IPs are scheduled for tape-out in the second quarter of 2026.

- We commenced preliminary research and development on LPDDR6, a high-speed memory interface IP.

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 condition or prospects since December 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.