SUMMARY

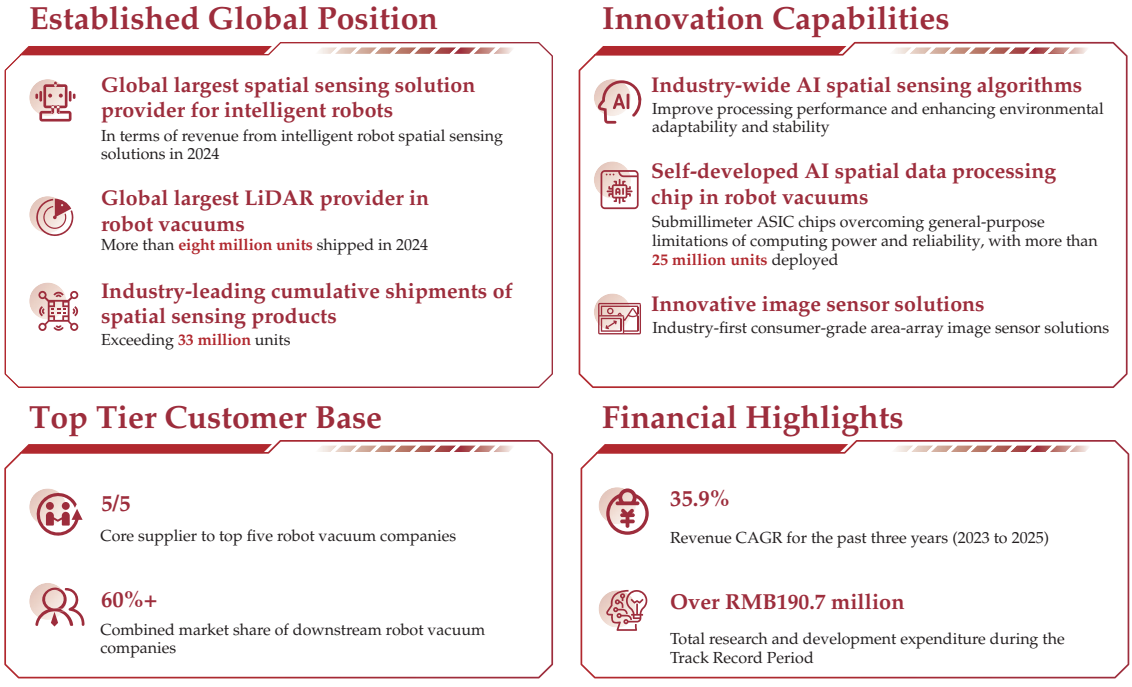
This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED]. *There are risks associated with any* [REDACTED]. *Some of the risks involved in* [REDACTED] *in the* [REDACTED] *are set out in the "Risk Factors" section of this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED]. *There are unique challenges, risks and uncertainties associated with* [REDACTED] *in companies like ours. Your* [REDACTED] *decision should be made in light of these considerations.

OVERVIEW

Who We Are

We specialize in developing high-precision spatial sensing solutions, with demonstrated expertise in intelligent robotics applications. Leveraging AI technologies, we build intelligent spatial sensing systems and provide high-precision algorithms and hardware for intelligent robots. According to CIC, we are the No. 1 player in the global spatial sensing solution provider for intelligent robots in terms of revenue, with a market share of 1.7% and we are the No. 1 player in the global spatial sensing solutions for robot vacuums by 2024 revenue with a market share of 17%, and maintain our No. 1 position specifically in LiDAR products for robot vacuums across both revenue and shipment volume in 2024, with a shipment volume of approximately eight million units and a market share of over 50% by shipment volume. In 2024, we achieved a market share of approximately 1.0% of the global spatial sensing solutions market in terms of revenue. Since inception, our total cumulative shipment volume has surpassed 33 million units. In 2025, the total shipments of LiDAR and line laser sensors exceeded ten million units and five million units, respectively. This remarkable trajectory underscores our market position in spatial sensing technology and validates the strong demand for our innovative solutions across the rapidly expanding intelligent robotics sector.

Our key business highlights are summarized as follows:



Over the years, we have built one of the most comprehensive product portfolios in intelligent robotic spatial sensing, bolstered by the largest commercial deployment in the sector. Through years of technology development and product iteration, we offer a diversified product matrix covering conventional triangulation LiDAR, dTOF LiDAR, 3D TOF LiDAR and line laser sensors, among others, meeting differentiated needs across intelligent robot, XR, industrial inspection and other sectors. We are among the few companies in the intelligent robot industry that possess both proprietary submillimeter AI spatial data

processing chip design and core spatial sensing AI algorithm capabilities. Through our proprietary consumer-grade CIS combined with self-developed ASIC chip technology solution, we have redefined the cost-efficiency boundaries of robotic spatial sensing technology, achieving lower costs, higher positioning accuracy and commercial scalability.

Our technology framework is deeply rooted in core spatial sensing AI algorithms that enable intelligent robots to accurately sense and perceive their surrounding environment, developing comprehensive spatial understanding capabilities and thereby achieving true embodiment. While spatial sensing faces inherent challenges from variations in light conditions, materials, textures, and object characteristics, our proprietary AI-empowered solutions significantly enhance environmental adaptability, stability, and interference resistance. Our advanced AI algorithms and custom chips support submillimeter-level computation for high-precision measurements. Through automated image signal processing and AI-enhanced distance measurement, we achieve superior consistency and precision across diverse materials and light conditions, ensuring robust performance in any environment. We continuously refine our solutions through extensive simulation environments that replicate physical-world conditions, while our over-the-air update capability enables regular enhancements based on customer feedback and evolving market needs, helping intelligent robots better understand and navigate their surroundings with increasing sophistication.

Capitalizing on our technological capabilities, comprehensive spatial sensing solution matrix, and customer-driven product development and manufacturing system, we have established a market-leading position and developed enduring win-win partnerships with key customers in the intelligent robot industry. We have cultivated long-term relationships averaging over five years with major customers in the intelligent robot sector, serving all five largest market players in the robot vacuum industry and have received outstanding supplier recognition from these companies for several consecutive years. Through continuous technological advancement and rigorous market validation, we have emerged as a key player in intelligent robotics spatial sensing technology market. Leveraging our technology capabilities, we are also expanding into new areas, including yard robots, pool-cleaning robots and humanoid robots.

COMPETITIVE STRENGTHS

We believe that the following strengths contribute to our leading market position, ensuring our success and distinguishing us from our competitors: (i) established provider of spatial sensing technology for intelligent robots; (ii) full-stack research and development capability, building an AI-driven proactive perception framework; (iii) deep engagement with leading customers driving robust commercial deployment; (iv) diversified product portfolio built on a unified technology foundation that can quickly adapt to different application scenarios; (v) large-scale manufacturing system delivering stringent quality control and efficiency; and (vi) seasoned leadership with tech-forward organizational culture.

OUR STRATEGIES

We plan to implement the following strategies to achieve our mission: (i) continue to invest in next-generation spatial sensing technology; (ii) advance multi-scenario application expansion to build a comprehensive spatial sensing ecosystem; (iii) maximize efficiency across the whole value chain through process optimization and technological innovation; (iv) build a global brand through intelligent manufacturing excellence; and (v) strengthen talent, organization, and external collaboration to support sustainable growth.

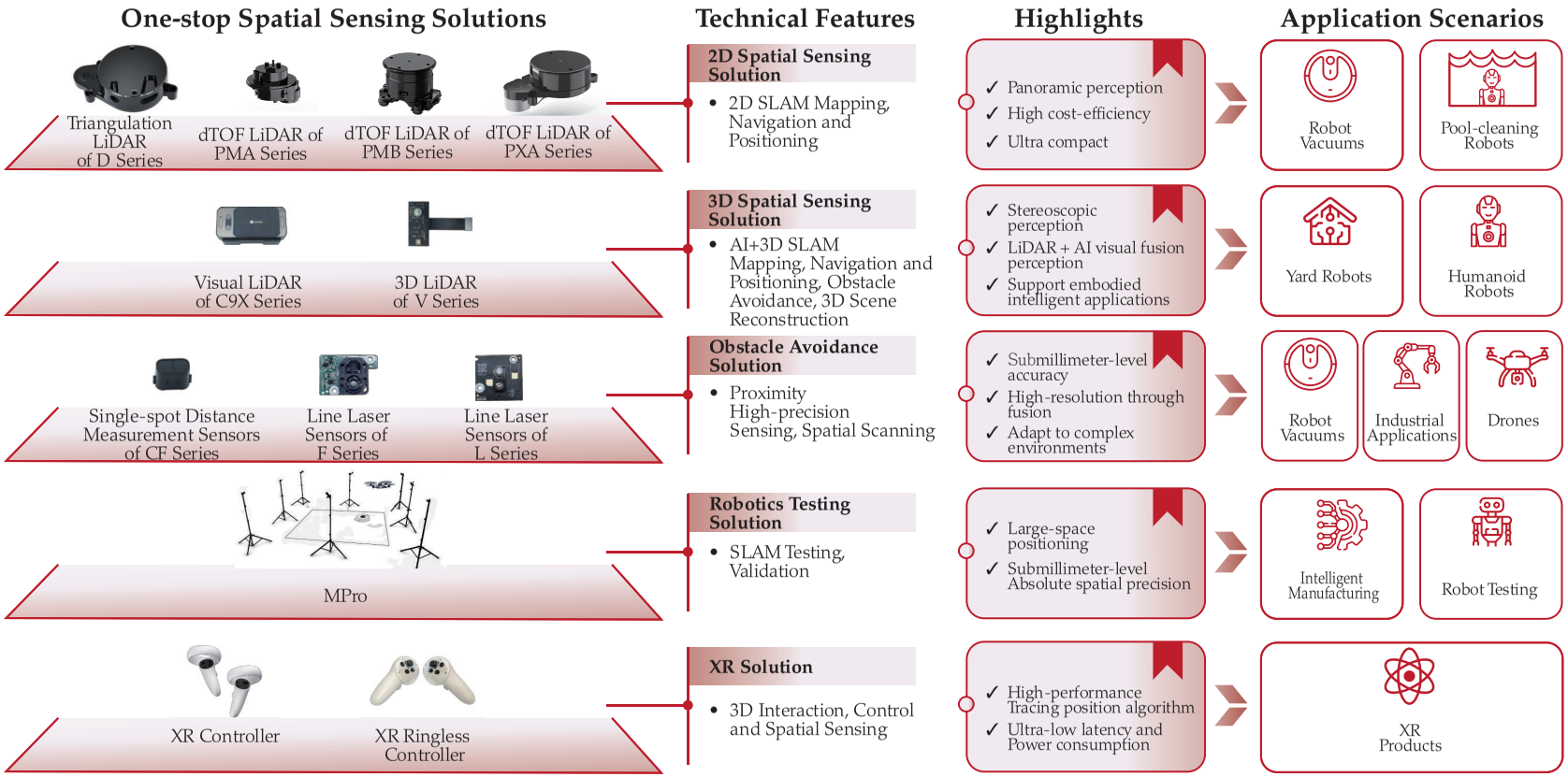
OUR TECHNOLOGY STACK

Our LiDAR technology framework is built on a foundational layer of ultra-precise spatial sensing AI algorithms, enabling comprehensive processing capabilities from infrared light processing to point cloud morphology. This foundational AI technology drives four key aspects of our technology stack: proprietary AI spatial data processing chip design, comprehensive software development for spatial sensing solutions, system design with VCSEL laser solutions, and intelligent manufacturing technology. Together, these technologies enable high-precision 3D sensing capabilities through structured light to dTOF approaches, making our LiDAR solutions particularly valuable for robotics and industrial automation where accurate spatial awareness and reliable object detection are crucial for operational success.

OUR PRODUCTS AND SOLUTIONS

Our comprehensive product portfolio addresses the growing demand for high-precision spatial sensing across multiple industries. Built on years of research and development in spatial sensing technologies, we deliver innovative solutions that serve diverse applications from robotics SLAM to XR interactive tracking experiences and industrial automation.

We established our market position through conventional triangulation LiDAR (D2 and D3 series), primarily in robot vacuum applications. Building on this foundation, we expanded into advanced dTOF technology with our P series, offering enhanced precision and versatility across different configurations while maintaining compatibility for smooth customer transitions. This strategic expansion has enabled us to address emerging requirements for higher precision and more flexible integration options. Our spatial sensing technology and product development roadmap represents a systematic evolution across multiple perception modalities, designed to address the growing complexity of autonomous navigation and spatial awareness requirements. Each product line serves specific market segments and integration requirements, supported by our core technological capabilities in precision sensing and advanced signal processing. This comprehensive approach allows us to serve diverse customer needs while maintaining our position as a leading provider of LiDAR solutions.



Our diverse solutions range from advanced spatial sensing and environmental sensing to XR interaction systems, offering comprehensive technologies for autonomous navigation, detection, and control. This integrated approach enables levels of accuracy and reliability across diverse applications.

- Our 2D spatial sensing solutions (D-series triangulation and P series dTOF transmission systems) are focused on delivering foundational environmental perception. By incorporating SLAM mapping and navigation capabilities, these solutions achieve 360° comprehensive awareness while maintaining extremely low computational overhead and ultra-compact form factors.
- Our 3D spatial sensing solutions comprise C9X visual sensors and V-series 3D scanners with AI-enhanced SLAM navigation. This integration enables sophisticated robot control and scene reconstruction, delivering 120° stereoscopic perception with multi-modal fusion capabilities, while remaining compact enough for external deployment scenarios.
- Our obstacle avoidance solutions comprise CF series point measurement system alongside F-series and L-series laser optical sensors for high-precision proximity detection. These systems excel in near-field high-resolution sensing and spatial mapping, achieving submillimeter-level accuracy while maintaining exceptional environmental clarity through sophisticated sensor fusion.
- Our testing solutions employ up to 16 monocular cameras for calibration array infrastructure for SLAM testing and precision manufacturing. This comprehensive testing framework achieves submillimeter spatial sensing accuracy through sophisticated algorithms and cross-referenced sensor arrays, ensuring absolute spatial precision at the submillimeter level.
- Our XR spatial sensing solutions include advanced XR controllers in both tethered and wireless variants. These systems enable sophisticated 3D interaction and spatial control through multi-sensor fusion technology, delivering high-performance tracking with minimal latency and power consumption, ideal for extended XR operation.

Our innovative portfolio allows us to serve diverse market needs while maintaining focused development paths for each technology. Our conventional triangulation LiDAR continues to evolve towards higher performance and better cost efficiency, while our dTOF product line pushes the boundaries of miniaturization and integration. Line laser sensors complement these offerings by providing enhanced environment sensing and obstacle avoidance capabilities. In addition, we also provide integrated solutions that address emerging needs robotics testing and XR applications that extend beyond the physical world into the digital realm.

RESEARCH AND DEVELOPMENT

We are dedicated to the advancement of visual-spatial localization and perception technologies, as well as the development of product application. Our foundational capabilities include algorithmic development, system-level design and intelligent manufacturing technologies, which collectively enable our comprehensive, end-to-end R&D proficiency. Our R&D team comprises dedicated professionals with extensive industry expertise, focusing on the development and commercialization of our products and solutions that help sustain our technological advantages and market competitiveness. Our core R&D team members have an average of more than ten years of relevant technical experience, including domestic or overseas working experience in reputable technology companies and laboratories.

PRODUCTION

We have established our own manufacturing processes in response to the algorithm-intensive development of LiDAR and their dedicated chips, as well as the increasing customer demand for product reliability, performance stability and cost-effectiveness. In the meantime, in-house production facilitates coordinated optimization, allowing us to meet the diverse needs of our customers effectively. During the Track Record Period, we primarily manufactured our products at our Pingshan production base and Huizhou production base. The utilization rate of our production base during the year is calculated by dividing production volume by the production capacity for the same year. In 2023, 2024 and 2025, the utilization rate of our Pingshan production base was 79.9%, 73.8% and 85.0%, respectively. Our Huizhou production base commenced operation in September 2024. In 2024 and 2025, the utilization rate of our Huizhou production base was 77.0% and 92.3%, respectively.

SALES AND MARKETING

We adopt a transaction-based business model and employ a direct sales model with a customer-centric marketing strategy. Our approach focuses on building and nurturing customer trust by delivering products that precisely meet their requirements. We consistently fulfill our customers' needs across product specifications, delivery timelines, and quality standards, which helps strengthen our industry influence and enhance customer loyalty.

CUSTOMERS AND SUPPLIERS

Our major customers primarily include leading robot companies and intelligent device manufacturers. In addition to direct procurement, some of our customers may purchase our products through their designated third-party suppliers. Under such arrangements, we generally communicate the product requirements and order details with the customers and enter into sales and purchase agreements with their designated third-party suppliers. These third-party suppliers would further manufacture and assemble our products with other components and sell them to the customers. Revenue generated from our largest customer in each year during the Track Record Period accounted for 37.1%, 36.1% and 29.0% of our total revenue for the respective years, while revenue generated from our five largest customers in each year during the Track Record Period accounted for 93.6%, 89.2% and 80.4% of our total revenue for the respective years.

The relatively high revenue contribution was primarily because during the Track Record Period, substantially all of our revenue was generated from the robot vacuums industry. As advised by CIC, robot vacuum industry is characterized by a high degree of market concentration, with the five largest market player in each year accounting for over 60% of the total robot vacuum market during each year of the Track Record Period. In order to maintain our leadership in this area, we have to maintain a stable and mutual beneficial relationship with them. We have been a core supplier to all five largest market players in 2025 in the robot vacuum industry. We have formed deeply integrated partnerships with these customers, as we collaborate with them on the development of their spatial sensing solution components. As such, our Directors are of the view that the likelihood of our relationships with our major customers being terminated or materially adversely affected is remote.

Our diverse product offerings possess broad application potential — including intelligent robots for various application scenarios, industrial applications, intelligent manufacturing, robot testing, and XR products. In this way, we believe we are able to rapidly shift our business focus to other applications of intelligent robots. For example, we plan to expand into yard robots, pool-cleaning robots and humanoid robots to further diversify our revenue. As such, we believe that the relatively high revenue contribution from our five largest customers in each year during the Track Record Period would not give rise to material reliance risk.

Our major suppliers primarily consist of providers for raw materials and components including optical components, structural components and electronic components. Purchases from our largest supplier in each year during the Track Record Period accounted for 8.2%, 9.2% and 8.6% of our total purchases for the respective years, while purchases from our five largest suppliers accounted for 29.7%, 32.3% and 25.7% of our total purchases for the respective years.

INTELLECTUAL PROPERTY RIGHTS

Our success and competitive advantages depend in part on our ability to develop and protect our core technologies and intellectual property. Since our inception, we have internally developed a variety of intellectual property rights. As of the Latest Practicable Date, we had 156 granted patents, including 47 invention patents and 16 granted patents in key overseas markets such as the U.S., EU, Japan, and South Korea. In addition, we had 40 patents under application worldwide. Our intellectual property portfolio strategically covers key technological aspects in the intelligent robotics industry, including 112 patents in precision optical systems, five patents in AI spatial sensing algorithms and six patents in AI spatial data processing chips. See "Appendix VI — Statutory and General Information — B. Further Information About Our Business — 2. Intellectual Property Rights of Our Group" for details of our material intellectual property rights.

We acquire patents and core technologies through self-development. We believe that our intellectual property portfolio is critical to strengthening our technological capabilities and maintaining substantial barriers to entry. We intend to continue expanding our intellectual property assets by developing more advanced algorithms for spatial sensing. See "Risk Factors — Risks Relating to Our Intellectual Property Rights — Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements."

COMPETITIVE LANDSCAPE

The intelligent robot industry is undergoing a significant transformation, fundamentally reshaping global industries and redefining human lifestyles. As intelligent technologies achieve new levels of sophistication, intelligent robots are steadily evolving to master increasingly complex and nuanced tasks. As AI technology advances, intelligent robots are evolving beyond simple task execution toward "embodied intelligence," which refers to a sophisticated integration of sensing, cognition, and action capabilities. At the core of this evolution, spatial sensing emerges as the fundamental competency, enabling robots to understand their environment, position, and task progress in real-time, with successful commercial applications already seen in intelligent robots such as robot vacuums, yard robots, and collaborative robots.

Driven by these factors, the global intelligent robot spatial sensing solutions market size grew from RMB11.8 billion in 2020 to RMB26.0 billion in 2024, representing a CAGR of 21.7%. From 2024 to 2030, the market size is expected to grow rapidly at a CAGR of 20.2%, reaching RMB78.6 billion by 2030. As one of the major global markets for intelligent robots, China demonstrates strong momentum in the intelligent robot spatial sensing solution sector. China's intelligent robot spatial sensing solution market size grew from RMB4.7 billion in 2020 to RMB10.8 billion in 2024, representing a CAGR of 22.8%. From 2024 to 2030, the market size is expected to grow rapidly at a CAGR of 22.0%, reaching RMB35.7 billion by 2030.

Market participants in the global intelligent robot spatial sensing solution industry fall into two main categories: The first consists of robot companies with self-developed spatial sensing solutions. They primarily serve their own product ecosystems and maintain advantages in system coordination and specialized scenario adaptation. The second category comprises intelligent robot spatial sensing solution providers, ranging from smaller providers focusing on single components (algorithms, modules, sensors) to integrated providers offering comprehensive system-level solutions. These providers combine spatial sensing algorithms with integrated hardware-software capabilities, utilizing open architecture and cross-platform compatibility to deliver scalable solutions across multiple brands and scenarios. Robot companies with self-developed spatial sensing solutions usually engage intelligent robot spatial sensing solution providers for their products, as these providers offer more specialized expertise, more cost-effective pricing, and the ability to support diverse product lines. This allows manufacturers to leverage external capabilities while maintaining flexibility across their product portfolio and optimizing development costs.

In the global market for intelligent robot spatial sensing solution providers, we rank the first by revenue from intelligent robot spatial sensing solutions. Few spatial sensing solution providers globally possess self-developed chip capabilities. Among these, the Company stands as the largest provider of intelligent robot spatial sensing solutions with proprietary chip technology. According to CIC, we are the No. 1 player in the global spatial sensing solutions for robot vacuums by 2024 revenue, and maintain our No. 1 position specifically in LiDAR products for robot vacuums across both revenue and shipment volume in 2024, with a shipment volume of approximately eight million units and a market share of over 50% by shipment volume.

RISK FACTORS

Our business and the [**REDACTED**] involve certain risks, which are set out in the section headed "Risk Factors" in this document. Some of the major risk factors that we face include: (i) we have a limited track record in commercialization in a new and rapidly evolving industry and there can be no assurance that our sales and marketing efforts will succeed; (ii) we have been, and intend to continue, investing significantly in research and development, which may adversely affect our profitability and operating cash flow and may not generate the results we expect; (iii) the industry in which we operate is highly competitive and rapidly evolving, and failure to compete effectively may materially and adversely affect our business, financial condition, and results of operations; (iv) failure to anticipate and adapt to technological developments and transitions in our industry may render our products and solutions less competitive or obsolete; (v) we depend on a limited number of customers for a substantial portion of our revenue, and the loss of, or a significant reduction in sales to, one or more major customers would adversely affect our business, results of operations, and financial condition; and (vi) we incurred net losses during the Track Record Period and may not be able to maintain profitability in the future. For details, see "Risk Factors."

PRE-[REDACTED] INVESTMENTS

Since our establishment, we have received several rounds of Pre-[**REDACTED**] Investments. Our broad and diverse base of Pre-[**REDACTED**] Investors. According to the PRC Company Law, the Shares issued by our Company prior to the [**REDACTED**] (including those subscribed for or purchased by the Pre-[**REDACTED**] Investors) are restricted from trading within one year from the [**REDACTED**]. For further details regarding the key terms of the Pre-[**REDACTED**] Investments, including the identity and background of our Pre-[**REDACTED**] Investors, please see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Selected Items from the Consolidated Statements of Profit or Loss

The following table sets forth selected items from our consolidated statements of profit or loss for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*
	(RMB in thousands, except for percentage)					
Revenue	332,107	100.0	433,324	100.0	613,523	100.0
Cost of sales	(260,852)	(78.5)	(362,483)	(83.7)	(512,534)	(83.5)
Gross profit	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**
Other income and gains	10,812	3.3	9,415	2.2	7,228	1.2
Selling and marketing expenses	(5,861)	(1.8)	(5,600)	(1.3)	(5,230)	(0.9)
Administrative expenses	(21,620)	(6.5)	(25,497)	(5.9)	(39,987)	(6.5)
Research and development costs	(54,619)	(16.4)	(76,695)	(17.7)	(59,367)	(9.7)
Reversal of impairment losses on financial assets, net	281	0.1	15	0.0	21	0.0
Other expenses	(198)	(0.1)	(2,926)	(0.7)	(761)	(0.1)
Finance costs	(933)	(0.3)	(913)	(0.2)	(692)	(0.1)
(Loss)/profit before tax	**(883)**	**(0.3)**	**(31,360)**	**(7.2)**	**2,201**	**0.4**
Income tax expense	–	–	(15)	(0.0)	–	–
(Loss)/profit for the year	**(883)**	**(0.3)**	**(31,375)**	**(7.2)**	**2,201**	**0.4**

Revenue by Products and Solutions

During the Track Record Period, we primarily derived revenue from the sales of our various LiDAR products and line laser sensor products. The table below sets forth our revenue breakdown by products and solutions in absolute amounts and as percentages of our total revenue for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentage)					
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**
– Triangulation LiDAR	326,602	98.3	407,618	94.1	403,254	65.7
– dTOF LiDAR	–	–	4,199	1.0	65,032	10.6
– Line laser sensor	–	–	19,313	4.5	133,794	21.8
– Others[(1)]	3,668	1.1	2,143	0.5	8,924	1.5
Development services[(2)]	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**

Notes:

(1) Primarily include 3D spatial sensing solutions, robotics testing solutions and XR solutions.

(2) During the Track Record Period, we also provided development services in the form of solution design for our XR solutions. These development services are primarily provided to major customers through direct bilateral agreements between us and the customer, with no intermediaries involved. Our pricing model for these development services follows a cost-plus approach, where we charge based on the development costs incurred plus a service fee.

We experienced strong revenue growth during the Track Record Period, primarily due to (i) the robust growth in the downstream intelligent robot industry, fueling market demand for our LiDAR products, and (ii) our sustained product development efforts, which enhanced product performance and functionality and facilitated an expansion of our customer base.

The table below sets forth the breakdown of the shipment volume and average selling price by products and solutions, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Shipment (thousand units)	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*
Triangulation LiDAR	4,760.1	68.6	7,849.9	51.9	9,312.7	43.3
dTOF LiDAR	–	–	52.3	80.3	1,156.2	56.2
Line laser sensor	–	–	752.2	25.7	5,657.5	23.6
Others	27.3	134.3	16.7	128.2	93.2	95.8

Revenue by Downstream Application

We derived a majority of revenue from products and solutions applied to robot vacuums during the Track Record Period. The table below sets forth our revenue breakdown by downstream application in absolute amounts and as percentages of our total revenue for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentage)					
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**
Robot vacuums	325,975	98.2	431,112	99.5	610,180	99.5
Intelligent devices	4,295	1.3	2,161	0.5	824	0.1
Development services	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**

Gross Profit and Gross Profit Margin

Our gross profit amounted to RMB71.3 million, RMB70.8 million and RMB101.0 million in 2023, 2024 and 2025, respectively. Our gross profit margin was 21.5%, 16.3% and 16.5% in 2023, 2024 and 2025, respectively. The table below sets forth our gross profit both in absolute amounts and gross profit margin, by products and solutions for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentage)					
Products	**70,368**	**21.3**	**70,820**	**16.3**	**99,718**	**16.3**
– Triangulation LiDAR	68,600	21.0	73,102	17.9	75,147	18.6
– dTOF LiDAR	–	–	(1,376)	(32.8)	4,526	7.0
– Line laser sensor	–	–	(1,173)	(6.1)	18,174	13.6
– Others[(1)]	1,767	48.2	268	12.5	1,871	21.0
Development services[(2)]	**887**	**48.3**	**21**	**40.9**	**1,271**	**50.5**
Total	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**

Notes:

(1) Primarily include 3D spatial sensing solutions, robotics testing solutions and XR solutions.

(2) During the Track Record Period, we also provided development services in the form of solution design for our XR solutions.

Our gross profit and gross profit margin fluctuated during the Track Record Period primarily due to (i) the expansion of our product offerings as we introduced dTOF LiDAR products and line laser sensor products during the Track Record Period that have not yet achieved optimal production efficiency, and (ii) our sales and marketing efforts for our triangulation LiDAR products to capture a larger market share, especially taking into account the long-term relationship with our key customers. We expect our gross profit and gross profit margin to improve as our newly launched products mature and achieve greater production efficiencies through economies of scale, as demonstrated by the significantly improved gross margin of our dTOF LiDAR and line laser sensors.

Despite our revenue growth and gross profit position, we incurred net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively. This was primarily because we made significant research and development investments, with research and development costs increasing from RMB54.6 million in 2023 to RMB76.7 million in 2024. In 2025, we recorded net profit of RMB2.2 million, which was primarily driven by our strong revenue growth, supported by our strong operating and administrative efficiency. See "— Business Sustainability" for details.

Selected Items from the Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Total non-current assets	76,516	67,515	71,280
Total current assets	259,818	340,399	412,311
Total assets	**336,334**	**407,914**	**483,591**
Total current liabilities	77,509	117,409	144,245
Total non-current liabilities	9,210	12,879	11,944
Total liabilities	**86,719**	**130,288**	**156,189**
Net Current Assets	**182,309**	**222,990**	**268,066**
Net Assets	**249,615**	**277,626**	**327,402**

Selected Items from the Consolidated Statements of Cash Flow

The table below sets forth a summary of our cash flows for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Net cash used in operating activities	(34,831)	(39,987)	(9,038)
Net cash flows from/(used in) investing activities	12,397	20,451	(52,183)
Net cash flows from/(used in) financing activities	(767)	34,052	43,633
Net increase/(decrease) in cash and cash equivalents	(23,201)	14,516	(17,588)
Cash and cash equivalents at beginning of the year	38,304	15,109	29,608
Effect of foreign exchange rate changes, net	6	(17)	103
Cash and cash equivalents at end of the year	15,109	29,608	12,123

BUSINESS SUSTAINABILITY

During the Track Record Period, while we recorded net profit of RMB2.2 million in 2025, we incurred net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively. Such net losses were primarily because we made significant research and development investments, with research and development costs increasing from RMB54.6 million in 2023 to RMB76.7 million in 2024. In 2025, we recorded net profit of RMB2.2 million, which was primarily driven by our strong revenue growth, supported by our strong operating and administrative efficiency.

During the Track Record Period, our overall gross profit margin decreased from 21.5% in 2023 to 16.3% in 2024, and slightly increased to 16.5% in 2025. The decrease in 2024 was primarily because we recorded negative gross margins for our newly launched dTOF LiDAR products and line laser sensor products, as these newly launched products were still in the ramp up phase and had not yet achieved optimal production efficiency. In 2025, the gross profit margin of our core products improved, reflecting lower unit production cost driven by higher production scale and improved efficiency as shipment volume increased. The gross profit margin of our triangulation LiDAR products increased from 17.9% in 2024 to 18.6% in 2025, while the gross profit margin of our dTOF LiDAR products improved from negative gross margin of 32.8% in 2024 to gross profit margin of 7.0% in 2025, and the gross margin of our line laser sensor products improved from negative gross margin of 6.1% in 2024 to gross profit margin of 13.6% in 2025.

In addition, as a result of the increases in our trade and bills receivables and inventories driven by our business expansion, as well as our net loss positions in 2023 and 2024, we recorded net cash used in operating activities in the amount of RMB34.8 million, and RMB40.0 million, respectively. In 2025, our operating cash flow improved significantly, with net cash used in operating activities decreasing to RMB9.0 million, primarily due to our improved profitability in 2025, partially offset by working capital requirements associated with our business growth.

As our R&D efforts are gradually paying off, we have been able to constantly launch new products. The significant R&D investments made in prior years have largely been expensed and are now translating into commercialized products that generate revenue. As these new products enter the market and contribute to our revenue growth, we expect our R&D expenses as a percentage of revenue to gradually decline. This trend reflects the natural lifecycle of our R&D investments, where upfront development costs incurred during the product development phase are followed by revenue generation once products achieve commercial success. As a percentage of our revenue, our research and development costs decreased from 16.4% and 17.7% in 2023 and 2024, and to 9.7% in 2025. The decreasing R&D expense ratio demonstrates improving operational leverage and the monetization of our historical R&D investments, while we continue to maintain appropriate R&D spending levels to support our long-term competitiveness. In addition, as our revenue continues to grow, our economies of scale have improved significantly, resulting in enhanced operational efficiency. Our administrative expenses, as a percentage of revenue, have demonstrated a consistent downward trend, decreasing from 6.5% in 2023 to 5.9% in 2024, and increased slightly to 6.5% in 2025, primarily due to non-recurring [**REDACTED**].

As a result of the above, our net loss margin increased from 0.3% in 2023 to 7.2% in 2024 due to intensified research and development efforts in developing new LiDAR products and application-specific solutions. In 2025, we reversed our net loss position and recorded net profit margin of 0.4%, primarily driven by revenue growth from increased adoption of our LiDAR products and the commercialization of our sustained R&D efforts. We expect to further improve our profitability as we realize returns on our research and development investments through new product launches, achieve greater economies of scale as production volumes increase, and continue to expand our market presence both by growing our market share as the leading spatial sensing solutions provider in the intelligent robot sector and by capturing emerging opportunities in the intelligent devices market. As our net loss position continue to improve, we also expect our operating cash outflow position to improve.

However, there is the possibility of continued losses due to increases in costs and expenses along with our business expansion, as well as our continuous investment in research and development. We may not be able to maintain profitability in the future. See "Risk Factors — Risks Relating to Our Financial Condition and Need For Additional Capital — We incurred net losses during the Track Record Period, and we may not be able to maintain profitability in the future."

WORKING CAPITAL CONFIRMATION

Our Directors are of the opinion that, taking into account of the financial resources available to us, including (i) our future operating cash flows in respective periods, (ii) cash and cash equivalents, (iii) current financial assets at fair value through profit or loss, (iv) available bank facilities, and (v) the estimated [**REDACTED**] from the [**REDACTED**], we have sufficient working capital for our requirements for at least the next 12 months from the date of this document. We do not expect to have next round of financing before the [**REDACTED**].

Key Financial Ratios

The table below sets forth certain of our key financial ratios as of the dates indicated, or for the years indicated:

	As of/Year ended December 31,		
	2023	**2024**	**2025**
Revenue growth rate (%)[(1)]	128.1	30.5	41.6
Net (loss)/profit margin[(2)]	(0.3)	(7.2)	0.4
Current ratio[(3)]	3.4	2.9	2.9
Quick ratio[(4)]	3.0	2.4	2.4

Notes:

(1) Revenue growth rate equals the difference between the revenue for the year indicated and the revenue for the prior year, divided by the revenue for the prior year, and multiplied by 100%.

(2) Net (loss)/profit margin equals net loss or profit divided by revenue for the year indicated and multiplied by 100%.

(3) Current ratio is calculated by dividing current assets by current liabilities as of the date indicated.

(4) Quick ratio is calculated by dividing current assets less inventories by current liabilities as of the date indicated.

[REDACTED] STATISTICS

The statistics in the following table are based on the assumption that the [**REDACTED**] has been completed and [**REDACTED**] H Shares are issued pursuant to 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 consolidated net tangible assets per Share[(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on the [**REDACTED**] H Shares expected to be in issue immediately upon completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised.

(2) The unaudited [**REDACTED**] adjusted consolidated net tangible assets attributable to owners of the Company per Share are arrived at after adjustment referred to in the preceding paragraphs and on the basis that [**REDACTED**] shares are in issue, assuming that [**REDACTED**] had been completed on 31 December 2025, without taking into account of any shares which may be [**REDACTED**] upon the exercise of the [**REDACTED**].

(3) No adjustment has been made to reflect any trading results or other transactions of our Group entered into subsequent to December 31, 2025.

[**REDACTED**]

[**REDACTED**] to be borne by us are estimated to be approximately HK$[**REDACTED**] (based on an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] from the [**REDACTED**] assuming no Shares are issued pursuant to the [**REDACTED**]. The [**REDACTED**] consist of (i) [**REDACTED**]-related expenses, including [**REDACTED**], of approximately HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. During the Track Record Period, approximately HK$[**REDACTED**] was charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] was accounted for as a deduction from equity. Subsequent to the Track Record Period, approximately HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] after deducting the [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], assuming no exercise of the [**REDACTED**] and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document.

Assuming an [**REDACTED**] at the mid-point of the indicative [**REDACTED**] range, we intend to apply our [**REDACTED**] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions. Specifically:

- approximately HK$[**REDACTED**] (representing [**REDACTED**]% of the [**REDACTED**]) will be allocated to enhance our R&D capabilities to strengthen our core technologies and the research and development of sensor solution products;
- approximately HK$[**REDACTED**] (representing [**REDACTED**]% of the [**REDACTED**]) will be allocated to enhance our manufacturing capabilities; and
- approximately HK$[**REDACTED**] (representing [**REDACTED**]% of the [**REDACTED**]) will be used for our working capital and general corporate purposes.

For details, see "Future Plans and [**REDACTED**]."

DIVIDENDS

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. In particular, our PRC Legal Advisor is of the view that, according to PRC Company Law and the Company's Articles of Association, our Company cannot declare and pay dividends, unless our Company have already made up the accumulated losses and accrued reserve. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

IMPACT OF COVID-19 PANDEMIC

Despite the macroeconomic challenges posed by the COVID-19 pandemic, our Directors are of the view that our business operations and financial position remained stable during the Track Record Period and were not materially and adversely impacted by the COVID-19 pandemic.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

We continue to deliver strong performance in 2026. In the first quarter of 2026, we shipped 5.9 million units of spatial sensing solution products, including 2.3 million units of triangulation LiDAR products, 1.3 million units of dTOF LiDAR products, 2.0 million units of line laser sensor products, and 0.2 million units of other products. As of the Latest Practicable Date, our backlog of design wins is expected to generate purchase orders of approximately RMB192.0 million.

We are currently constructing our new manufacturing facilities in Zhongshan, which we expect to commence operation in the second half of 2026.

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