OVERVIEW

Who We Are

We are a global leading mobility and intelligent technology platform company, dedicated to promoting the development of intelligent mobility and broader intelligent applications.

We have built a platform-based product and service system for intelligent vehicles covering intelligent cockpits and intelligent driving. Our comprehensive capabilities in technology planning, platform development, product innovation and implementation, and large-scale engineering and systematization have propelled us into a leading market position. As of the Latest Practicable Date, our products and services had been provided to more than 80 automotive companies globally, reaching major automotive markets. As of the same date, we had business cooperations with nine of the top 10 automotive companies by global sales volume in 2025, and all top 15 automotive companies by sales volume in China in 2025. We are further extending the core technologies and platform capabilities validated in the intelligent vehicle industry to a broader range of intelligent applications, including robovan and intelligent robots. Leveraging the migration of automotive-grade technologies, we have successfully secured orders for robovan and foundational hardware for intelligent robots, achieving a substantial breakthrough in those emerging markets from "technology verification" to "commercial delivery at scale".

Notes:

(1) By revenue in 2025.

(2) Intelligent cockpit domain controllers, intelligent driving domain controllers and middleware.

Since our inception in the 1980's, we have laid a solid foundation for sustained growth alongside the automotive electronics industry. Underpinned by our meticulous manufacturing tradition, we took a major role in the development of China's automotive industry chain and supported its growth from a relatively weak starting point to increasing global competitiveness. Subsequently, facing the era of "software-defined vehicles," we have moved beyond the boundaries of single-product to intelligent automotive solutions and from manufacturing to comprehensive engineering capabilities. These enable the mass-production of intelligent cockpits and intelligent driving solutions, bringing China's intelligent manufacturing to the global stage. Today, we are advancing toward a new level of system integration and ecosystem development, extending to other intelligent applications such as robovan and intelligent robots.

Our early establishment of manufacturing and quality systems in accordance with international standards serves as the foundation for rapid growth.

For intelligent cockpits, after entering the 21st century, we keenly captured the evolution of in-vehicle electronics from "distributed single-function modules" to "system-level central control integration," and promoted the integrated design of display, interaction and control. We launched our first self-developed in-vehicle navigation product in 2007, and have since rolled out a comprehensive range of solutions covering in-vehicle human-machine interaction ("**HMI**"), control and decision-making.

For intelligent driving initiated since 2014, we have engaged in joint-innovation with emerging Chinese electrical vehicle ("**EV**") companies, collaborating with global leading chip and hardware suppliers to mass-produce products around perception, computing, control and decision-making. Our products comply with multiple mainstream global automotive safety standards. In particular, our latest intelligent cockpit domain controllers, intelligent driving domain controllers and middleware have obtained ISO 26262 ASIL D certification, which is the highest safety level for road-vehicle electronic/electrical architecture ("**E/E architecture**") and reflects stringent requirements on functional safety architecture, development processes and validation. As part of our comprehensive solutions, we officially released Blue Whale OS 1.0 in 2019 to build a "cloud — network — vehicle" comprehensive solution, and have rolled out various subsequently iterations.

The global automotive industry continues to experience paradigmatic shift from function-defined to architecture-led. Against this backdrop, we have proactively positioned ourselves among the very few industry leaders capable of providing comprehensive intelligent solutions. Currently, our comprehensive range of solutions spans from high-perception vehicle terminals, high-performance domain controllers, multi-modal HMI, core control decisions to highly reliable cloud connectivity. Relying on 40 years of practical experience, we have transformed our core competitiveness from single-product deliveries to a strategic capability of cross-domain system integration and software-hardware collaborative innovation. These capabilities, coupled with our profound engineering capabilities, enable us to translate uncertain forward-looking insights into tangible technology portfolios and reusable technology platforms. In an increasingly complex global industry chain collaboration and stringent functional safety standards, we have not only achieved rapid product iteration but also established the certainty of high-standard mass production delivery, continuously creating value beyond expectations for global customers.

Market Opportunities

The global automotive industry is placing increasing emphasis on software and intelligence, with intelligent cockpit and intelligent driving solutions weighing increasing in content per vehicle. Through enhanced HMI functionalities and content ecosystems, intelligent cockpits provide increasingly personalized experience and stronger emotional value, thereby broadening the value proposition of a car. Intelligent driving, on the other hand, is key to promote mobility efficiency. Improving safety of intelligent driving is expected to widen its application and increase its penetration. As such, increase in value through enhanced functionalities is expected to compound with increase in penetration to drive the sustained growth of automotive intelligence market. According to Frost & Sullivan, the global intelligent cockpit solution market is expected to grow at a CAGR of 20.3% from RMB370.5 billion in 2025 to RMB935.0 billion in 2030. The global intelligent driving solution market size is expected to grow at a CAGR of 21.2% from RMB458.3 billion in 2025 to RMB1,197.0 billion in 2030.

On the other hand, the emerging intelligent applications such as robovan and intelligent robots are expected to accelerate their commercialization in the next few years. According to Frost & Sullivan, the global robovan market is projected to grow at a CAGR of 161.2% from RMB5.2 billion in 2025 to RMB626.0 billion in 2030. Robovan is expected to become one of the most certain and large-scale commercial applications of autonomous driving over the next five to ten years. The global intelligent robot market size is expected to grow at a CAGR of 38.1% from RMB158.6 billion in 2025 to RMB797.5 billion in 2030. We, as a leading player in the wave of intelligentization, have built a solid foundation in complex system architectures and intelligent technology engineering to capture such market opportunities. As intelligent technology accelerates its penetration into more industries and scenarios, we will continue to promote the cross-domain replication and generalized application of our core capabilities, and our industry-leading position will be extended in a broader intelligent ecosystem.

Our Business

We focus on intelligent cockpits and intelligent driving, continuously developing systematic intelligent hardware and leading software algorithms, providing safe, comfortable and efficient intelligent mobility solutions and services to global customers. In addition, relying on system-level technical foundations and engineering experience, we are extending our capabilities to build a platform for a wider range of intelligent applications.

Comprehensive Solutions for Intelligent Vehicles

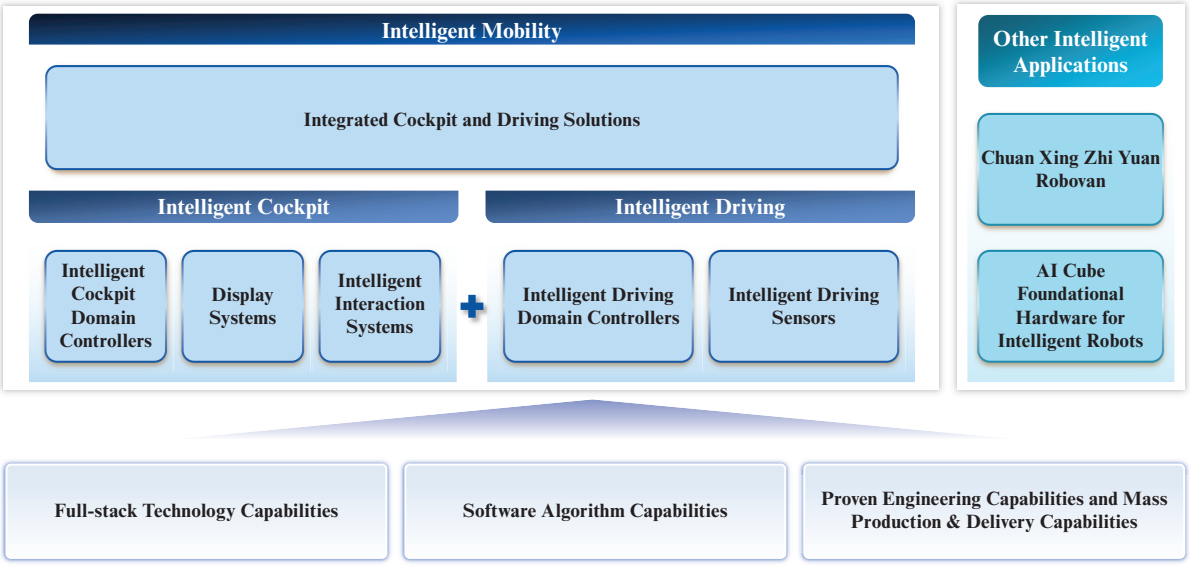
- **Intelligent cockpits:** Leveraging our in-depth understanding of how users' in-vehicle preferences are evolving, we are dedicated to building a new HMI experience for future intelligent mobility scenarios. Leveraging intelligent cockpit domain controllers, display systems and intelligent interaction systems, together with supporting algorithms and software, we reshape the in-vehicle experience, address users' personalized needs across different use cases, and provide a safe, comfortable and convenient mobility experience.

- **Intelligent driving:** Committed to providing industry-leading, comprehensive intelligent driving solutions, we offer a comprehensive range of solutions covering hardware including intelligent driving domain controllers and sensors, as well as corresponding algorithms and software. Combining AI, high-performance computing chips, multiple sensors and vehicle-to-everything ("**V2X**") technologies, we deliver safe, comfortable and efficient intelligent driving experiences for users. Moreover, in line with the industry trend towards further centralized computing, we have developed solutions that integrate the intelligent cockpit and intelligent driving domain controllers within a unified architecture.

Gazing at the future: Other Intelligent Applications

- **Robovan:** Drawing on our long term accumulated capabilities in perception, computing, control and system engineering in the intelligent mobility field, we build safe, reliable scalable robovan for urban delivery. In September 2025, we officially launched our "Chuan Xing Zhi Yuan (川行致遠)" brand of robovan, targeting pain points in urban delivery services.

- **Foundational hardware for intelligent robots:** We have launched AI Cube, a foundational hardware built on our automotive-grade technical architecture, which is designed for intelligent robots. Similar to our domain controllers, AI Cube can integrate sensor-kit interfacing, middleware and core computational functions for intelligent robots. The system features a plug-and-play, core-board modular design that can be flexibly connected to sensor kits such as cameras, radars and LiDAR, and is supported by customized services including mature basic drivers, middleware and tuning. This enables customers to significantly shorten development cycles, improve R&D efficiency and reduce overall development costs.



Our Global Footprint

We are committed to advancing our global footprint, continuously accelerating business expansion, production capacity deployment, and operational system construction, thereby enhancing our international competitiveness in the global intelligent mobility market.

We continue to expand our global customer base. As of the Latest Practicable Date, our products and services had been provided to nine of the top ten global automotive companies in terms of sales volume in 2025. In the European market, we have established cooperative relationships with three of the top five European automotive companies in terms of sales volume in 2025. In the Asian market, we have also actively expanded our presence, establishing a strong competitive position there and maintaining cooperative relationships with four of the top five automotive companies by sales volume in 2025 in Asia (excluding Chinese Mainland).

Following our glocalization strategy, we are advancing the R&D, manufacturing and supply chain in various major global automotive markets locally. We have established R&D centers in China, Singapore, Japan, Germany and other locations, and formed an R&D and manufacturing network covering Asia, Europe and other major markets, serving the local automotive companies.

Our global customer base, supply chain and production footprint underpins our efforts in capturing the continuing growth opportunities in the global intelligent automotive solution industry. In 2024, we are honored with the "Regional Contribution Award" and a letter of appreciation from Toyota Motor Corporation, one of their highest accolades. In 2025, we received the "2025 Volkswagen Group Award", which is awarded annually to only 10 key supply chain partners worldwide, and we were the only China-based supplier to receive this award that year. In addition, we secured direct project orders in Europe, further demonstrating our capability to execute glocalization strategy.

Our Financial Performance

After years of deep cultivation, we have achieved stable and high-quality financial performance. Our revenue increased from RMB21,908.0 million in 2023 to RMB32,557.2 million in 2025. During the same period, our profitability continued to improve, and gross profit continued to grow. In 2023, 2024 and 2025, our gross profits were RMB4,375.9 million, RMB5,489.6 million and RMB6,208.2 million, respectively. Our net profit were RMB1,541.6 million, RMB2,018.1 million and RMB2,472.9 million in 2023, 2024 and 2025. Our average return on equity during the Track Record Period was 21.1%.

OUR STRENGTH

Pioneer and leader in global intelligent automotive solutions, with vantage position to capture emerging opportunities from multiple intelligent applications.

We are among the earliest manufacturers in China to complete the transformation from traditional automotive electronics to intelligent cockpits. We have been instrumental in intelligent cockpit product evolution and commercialization at key inflection points. For example, in 2017, we introduced a new generation of intelligent cockpit concept, focusing on multi-channel interaction design and a user-centric experience, and built a wide range of intelligent cockpit solutions tailored for the era of intelligent connectivity. In 2019, we integrated four screens, including instrument cluster, center display, vehicle control display and passenger entertainment display, achieving four-screen linkage and mass production of a cockpit domain controller equipped with high-performance computing chips of a global leading brand. This marked a pioneering milestone in the mass production of intelligent cockpits in the Chinese market and helped accelerate the overall industry upgrade towards intelligent cockpits.

In the field of intelligent driving, we began incubating this business in 2014 and have since continuously invested in R&D along two main pathways: L2+ assisted driving and L3-L4 autonomous driving. In 2020, our high-computing-power domain controller was successfully mass-produced and installed in an emerging EV manufacturer's new model. This marked the first domestically developed domain controller capable of supporting L2+ assisted driving.

Based on decades of continuous accumulation, we have established a globally leading position in the field of automotive intelligence:

- In the intelligent cockpit market, since 2023, we ranked first for three consecutive years in intelligent cockpit domain controller market in China in terms of revenue, with a market share of 17.9% in 2025, and ranked first in intelligent cockpit domain controller market globally in terms of revenue in 2025 with market share of 8.4%.
- In the intelligent driving market, we ranked first in third-party intelligent driving domain controller market globally and in China in terms of revenue in 2025, with a market share of 8.8% and 21.2%, respectively.

With our long-term accumulated technological capabilities, strong engineering and large-scale production capabilities, and long-standing, stable relationships with leading automotive companies, we believe we are well positioned to capture the industry-wide intelligentization opportunities in the automotive sector. As the automotive industry accelerates its evolution from electrification to intelligence, the concepts of "software-defined vehicles" and "AI-defined vehicles" are increasingly becoming industry consensus, with product forms undergoing continual upgrades and evolving towards higher-level, more systematic intelligence.

Moreover, intelligent applications, such as robovan and intelligent robots, is emerging as an important new market in development for intelligent technologies. Robovans are increasingly being deployed in scenarios including urban delivery, intra-park logistics, container transfer at ports and highway trunk connections. At the same time, intelligent robots have completed initial commercial validation in application scenarios such as industrial sorting, warehouse handling and commercial services, and have begun to enter the pilot application and large-scale deployment stages, demonstrating tangible practical value. Through modular and platform-based architectures, we are well positioned to drive the large-scale deployment of intelligent technologies across such intelligent applications. For example, leveraging our technology advantages, we are migrating automotive-grade engineering capabilities tested and refined in complex automotive scenarios, to such emerging markets. In September 2025 and November 2025, we have successfully launched our robovan brand "Chuan Xing Zhi Yuan (川行致遠)", and AI Cube, a foundational hardware designed for intelligent robots. See "— Our Products — Other Business."

Our platform-based system covering the entire chain of vehicle intelligence and other intelligent applications.

The highly complex nature of automotive intelligence systems places high requirements for software-hardware collaboration and ecosystem integration capabilities. Automotive intelligence involves (i) deep collaboration between various types of sensors, computing platforms, operating systems and application software in the vehicle, (ii) system-level integration of key functions such as in-vehicle HMI, control, and decision-making, and (iii) stable and efficient connection with external software ecosystems such as map services, voice interaction, music, and content services. As such, single-function products or single-field technical capabilities can no longer meet automotive companies' comprehensive requirements for system reliability, scalability and continuous iteration capabilities.

Our technical capabilities cover the entire chain of vehicle intelligence, forming a comprehensive technical system spanning perception, computing, decision-making, control and interaction. At the same time, we have built a software-hardware integrated technology platform, achieving deep independent R&D and collaboration from central computing platforms to perception hardware, and further to underlying software, system software, middleware, OTA and application software algorithms. We adopt platform-based and modular design, supporting the integration and dynamic combination of capabilities across intelligent cockpits and intelligent driving, capable of rapidly adapting to different vehicle positioning, E/E architectures, and user scenario requirements.

For example, in April 2025, we launched a new intelligent mobility solution, integrating cutting-edge technologies such as spatial computing, neuro-enhanced interaction, and ambient invisible intelligence. This solution demonstrated a multi-dimensional interaction ecosystem between human-vehicle-environment, including a multi-sensory interactive, real-time health monitoring, and environmental perception warning, with an aim to shape the future of mobility. We also released the vehicle-road-cloud integrated architecture, positioned as the core foundation for future AI vehicle intelligent mobility. Based on a "central computing-regional control-multi-modal communication" solution, it can meet the evolving needs of future integrated architectures and vehicle computing. Both products take our unified platform architecture as their core, deeply integrating intelligent cockpits and intelligent driving, fully reflecting their capabilities in cross-domain technology collaboration and platform-based reuse.

Based on the long-term accumulation of automotive intelligence and AI capabilities, we are actively promoting the migration and reuse of such technologies to a wider range of intelligent application.

Our ability to continuously iterate and upgrade solutions with cutting-edge intelligent technologies.

We remain at the forefront of the evolution of intelligent technologies and continuously lead the upgrade and development of vehicle intelligence technology systems.

We are one of the first suppliers globally to achieve mass production of integrated cockpit and driving domain controllers, marking a core technological breakthrough in highly complex intelligent automotive computing systems. We have launched two integrated cockpit and driving solutions, namely "One-Box" and "One-Chip" solutions. The "One-Chip" solution is equipped with the latest-generation flagship chips and can simplify the entire vehicle wiring complexity, improve the computing efficiency and support full-scenario assisted driving and mainstream large model deployment, promoting AI intelligent scenario implementation. These achievements stem from our long-term technical expertise in complex system engineering, AI technologies and automotive-grade reliability. Leveraging these, we are able to be stably and efficiently mass-produce products with high-level intelligent capabilities, thereby accelerating their application in mass-market models. The "One-Chip" solution with high-reliability computing capability is expected to be an indispensable core path for the next-generation automotive central computing platform.

We are also actively accelerating the integration of AI large models into vehicles, with a collaborative paradigm of "real-time on the edge, evolution in the cloud." We collaborate with leading large model developers to provide optimal solutions for edge large model implementation. In May 2025, we released a domain controller integrating an edge large model voice interaction solution.

We stay abreast of market trend and demand to drive continuous product development and iterative upgrades. Since 2020, our intelligent driving products have generally been iterated on a quarterly basis, and since 2019, our intelligent cockpit products have generally undergone major upgrades every one to two years. Compared with traditional iteration models driven primarily by vehicle development cycles, our platform-based architecture, software-driven development system and "open-shelf" business model enable a more flexible and efficient upgrade process, allowing us to better meet the current market demand for rapid evolution and continuous enhancement of intelligent functionalities.

We continue to solidify our AI-driven innovation foundation and have established a global R&D network covering Asia, Europe and other major markets. Adhering to our "technology-driven" strategy, our R&D investment has experienced rapid growth for consecutive years. From 2023 to 2025, our total research and development expenses during this period, amounted to RMB6.9 billion, representing a CAGR of 15%. In terms of intellectual property, as of December 31, 2025, we had 1,433 registered patents, 141 registered trademarks and 234 software copyrights in China. These patents cover critical domains such as intelligent cockpit interaction, high-level autonomous driving perception fusion, vehicle-cloud collaborative large models and in-vehicle cybersecurity.

Our open ecosystem connecting industry partners and supports collaborative value creation.

We have built an open, inclusive, and continuously evolving industrial ecosystem around automotive intelligence, achieving deep collaboration with downstream automotive companies, hardware partners and software partners. This helps us understand market demand dynamics at the first opportunity and quickly transform cutting-edge technologies into mass-producible system-level solutions, improving product iteration efficiency while achieving optimal results of performance, cost and efficiency.

The open and collaborative ecosystem developed over the years has created multiple competitive advantages for us. On the one hand, our long-term collaborative relationships with leading global customers have resulted in a high degree of customer stickiness and have also helped us attract new customers. On the other hand, the platform-based and large-scale collaboration we have established with upstream and downstream industry partners has enhanced our R&D and production efficiency, and represents an important source of our long-term competitiveness.

We offer a wide range of platform-based products and system-level solutions, covering multiple layers including hardware, software, middleware, algorithms, system integration and manufacturing. Through an "open-shelf" business model, we provide modularized solutions that can be combined to flexibly meet customers' specific requirements. By adopting unified technical architectures, interface standards and engineering processes, we integrate dispersed software and hardware capabilities into reusable, scalable and mass-producible system-level solutions, thereby enhancing customers' development efficiency and increasing the certainty for mass production. This approach not only addresses automotive companies' core requirements for secure and controllable supply chains, but also supports efficient collaboration through modular and standardized product combinations. For example, depending on customers' needs, we can provide comprehensive solutions and services from architecture design all the way to mass production.

We have established long-term, stable cooperative relationships with a broad range of domestic and foreign automotive companies. As of the Latest Practicable Date, we had business cooperations with nine of the top 10 automotive companies by global sales volume in 2025, and all top 15 automotive companies by sales volume in China in 2025. As the industry continues to progress

towards higher levels of intelligence, we have been expanding our customer base for intelligent automotive solutions well beyond emerging domestic EV brands. At the same time, supported by our system-level technological and product capabilities, our individual customers' wallet share has continued to increase. Our scope of supply to a single customer has extended from selected vehicle models to multiple models, and from single products to system-level solutions covering intelligent cockpits and intelligent driving, thereby materially increasing our share in the content per vehicle.

Furthermore, we have established deep cooperative relationships with mainstream chip companies, algorithm developers, leading autonomous driving software companies, robot manufacturers and other industry participants across the globe, forming an open ecosystem with close software-hardware collaboration. This enables us to support the rapid implementation of different technology routes and to meet diverse customer requirements across high-, mid- and entry-level market segments. More importantly, long-term relationship with global suppliers ensures supply-chain resilience.

Our leading engineering capabilities accelerating the implementation of intelligent solutions from R&D to mass production.

Established in 1986 as a Sino-Foreign joint venture, we were born with the rigorous R&D systems, manufacturing standards and quality culture for automotive electronics, ultimately crystalizing into a meticulous manufacturing tradition. We were among the first automotive electronics enterprises in China to obtain ISO9001 certification, and we are also one of the first to achieve mass production of high-performance intelligent driving domain controllers in China.

We operate a comprehensive manufacturing system for automotive-grade electronic components, with capabilities spanning independent production line design and construction, integration, precision assembly and testing. Our manufacturing covers materials, components, modules and system-level precision processing, supported by automotive-grade engineering capabilities, to ensure a high level of product safety and reliability. In addition, we have built one of the first automotive electronics laboratories in China to be accredited by the China National Accreditation Service for Conformity Assessment ("**CNAS**") and, subsequently, by the American Association for Laboratory Accreditation ("**A2LA**"), and we are the first enterprise in the industry to obtain Level 4 certification under the China Manufacturing Maturity Model ("**CMMM**"). For key processes, we have mastered automotive-grade SiP packaging technology, which is one of the critical enablers for achieving highly integrated and miniaturized intelligent driving modules. This technology allows multiple chips, sensors and passive components to be packaged together, significantly improving space utilization and signal stability. We were among the first players in China's automotive electronics sector to deploy SiP capabilities and remain one of the few domestic companies with mass-production capacity in this area, which has been successfully applied in core products such as domain controllers. Furthermore, we have established a standardized internal delivery system. Our hardware design cycles are typically compressed. At the algorithm level, we have developed cross-platform operator migration capabilities to reduce reliance on specific chip companies. We have also implemented a mechanism for automatic daily compilation and deployment of software and algorithm versions. As a result, our asset utilization efficiency is higher than that of many peers.

Supporting our manufacture system is a full-process, automotive-grade quality control framework, which is centered on IATF 16949 and deeply integrated with relevant international advanced standards for functional safety and cybersecurity. Since 2025, we have won multiple prestigious quality awards from leading global automotive companies such as GAC Toyota and Volvo, significantly expanding the global influence of our quality systems.

We actively promote digital transformation and the development of smart factories. By deploying the latest generation of industrial robots to replace certain manual operations, we increased production efficiency and significantly reduced labor and time costs. We have achieved

independent R&D of core production lines and have self-developed specialized manufacturing equipment for high-precision cameras, displays, radars and other key components, ensuring independent and controllable critical processes.

Our visionary and highly executive management team, leading us to continuously create value amidst industry changes.

Our core management team has remained stable over the long term and benefits from a systematically developed training and development framework proven through extensive practice, resulting in an orderly and sustainable talent development and succession mechanism. Our senior management team has an average tenure of more than 15 years with us, and has diversified backgrounds spanning R&D, manufacturing, sales, finance and management.

We have established an employee stock ownership and equity incentive programs, deeply aligns the interests of the management team and core technical employees with the long-term development of us. This effectively stimulates the long-term investment willingness and entrepreneurial spirit of the management and core team, enhancing organizational vitality and continuous innovation capabilities.

Our management team is visionary with deep understanding of the industry trend and customers' needs, which made key strategic decisions at critical transformative points in the industry. Our management is closely involved in determining the technical roadmap for core products, designing platform-based architectures.

OUR STRATEGIES

Further expanding our global footprint.

For our medium- to long-term development, we regard overseas markets as a key growth driver and are deepening our presenses in core downstream markets such as Asia and Europe, following a principle of proactive deployment ahead of customers. Aligned with customer project cycles, we plan to adhere to a "local presence, local delivery and local service" model to ensure timely response and reliable mass-production support for cross-regional projects.

At the customer level, we intend to further expand our overseas customer base, increase overall customer coverage and deepen our penetration into the core supply chains of additional overseas automotive companies. Drawing on our accumulated technical capabilities, product maturity and project delivery experience in intelligent cockpit, intelligent driving and related areas, we aim to strengthen our recognition and credibility among overseas customers and to promote a shift from single-project collaboration to platform-based and large-scale cooperation, thereby underpinning sustained growth in our overseas business.

At the production capacity level, we plan to continue expanding our domestic and overseas production capacity. In parallel, we will proactively assess and, where appropriate, establish new overseas production sites in light of customer demand growth and regional market developments, with a view to building a more flexible and efficient global manufacturing and supply system that supports the long-term expansion of our overseas business.

Continuously upgrading and iterating our intelligent automotive solutions.

In intelligent cockpits, we plan to further advance our AI-driven strategy. By deploying lightweight multimodal models at the edge, we aim to integrate voice, vision and environmental perception, supporting more advanced interactive functions such as emotion recognition, personalized content recommendation and dynamic in-vehicle ambience adjustment. At the same time, we will further enhance our vehicle-road-cloud integrated technology system. By strengthening V2X communication capabilities, deploying edge computing nodes and improving cloud-side data closed-loop capabilities, we aim to build an efficient terminal-edge-cloud collaborative intelligent

cockpit system that provides real-time, reliable data services and remote upgrade capabilities for intelligent cockpit functions. We intend to apply this solution across mainstream and high-end models, thereby enhancing users' experience and perception of intelligent cockpit functions.

In intelligent driving, we will continue to develop our cockpit-driving integration technology path to facilitate the rollout of autonomous driving features across a broader range of vehicle models. In parallel, we plan to accelerate R&D of higher-level intelligent driving software and hardware, with a focus on strengthening core algorithm capabilities in perception fusion, decision-making and planning, and functional safety, and continue to strengthen the advantages of our "open-shelf" business model in order to maintain technological competitiveness.

Further promoting the expansion of automotive-grade intelligent technology capabilities, and large-scale implementation in broader intelligent applications such as robovan and intelligent robots.

We plan to further extend the automotive-grade R&D systems, manufacturing processes and quality control capabilities that we have accumulated in the automotive intelligence market to emerging intelligence markets such as robovan and intelligent robots, thereby developing a second growth driver for our business.

For robovan, we aim to provide integrated solutions covering hardware, algorithms, operations and services, with a focus on delivering safe, efficient and scalable robovan in various industries.

For intelligent robots, we plan to continue iterating our foundational hardware and launch more components, and expanding our customer base to advance commercial deployment. In addition, we intend to apply our robotics capabilities to our own intelligent manufacturing system by developing industrial robots for use in material handling, precision assembly and other production-line processes, thereby improving the automation and flexibility of our manufacturing lines. Through this approach, we seek to form a synergy of "automotive-grade technology expansion — verification in robot scenarios — intelligent manufacturing system upgrade", and to accelerate the progression of computing terminals from technical verification to scaled deployment and industrial delivery. This is expected to enhance the mutual reinforcement between our second growth curve and our principal business.

Building a platform-based growth engine for technology centered on innovation-driven strategy.

We will continue to pursue an "innovation-driven" as our core strategy, building a full-stack technology system with system-level competitiveness through synergistic deployment in key areas such as hardware, basic software and application software. On this basis, we will continuously launch products and solutions featuring technological leadership, cost competitiveness and scalable delivery capabilities to meet the continuously evolving needs of downstream customers in intelligent cockpits, intelligent driving and related intelligent scenarios, thereby laying the technological and product foundation for sustainable business growth.

To accelerate the implementation of innovation and enhance customer loyalty, we will continue to strengthen synergistic collaboration with key customers and upstream and downstream partners in the industry chain. Through joint R&D, co-construction of platforms and collaboration on technical standards, we will gradually evolve from single-project cooperation to deeper and broader platform-based and large-scale cooperation models. Concurrently, we will actively expand our cooperation with automotive companies and emerging technology companies, enhancing our participation and stability within the core supply chain system.

In response to the AI-driven industry trends, we will advance the systematic application of AI capabilities on both our products and operational management. On the product side, we will leverage AI as the core driver to fully empower our intelligent cockpits and intelligent driving solutions to deliver an ultimate user experience. On the operational management hand, we will

achieve deep integration across the entire "R&D, production, supply, sales and service" chain to enhance efficiency and operational quality in R&D, production and decision-making, thereby driving dual breakthroughs in product innovation and operational efficiency.

EVOLUTION OF OUR BUSINESS

The development of our business has been intrinsically linked to the evolution of China's automotive industry, adapting and growing through its key transformative phases. Since our establishment in 1986, we have transformed from a traditional automotive electronics supplier into a leading mobility and intelligent technology platform company anchored by two major business lines: intelligent cockpits and intelligent driving.

In the initial stage of our development, we were primarily engaged in the design, development, manufacturing and sale of traditional cockpit electronics, including audio systems, navigation units, basic display modules and conventional infotainment systems. During this formative period, as an early entrant and frontrunner in the automotive electronics industry in China, we gradually won the trust and strong brand recognition with leading automotive companies globally.

Recognizing the accelerating trends of vehicle intelligentization and electrification driven by the rapid development of intelligent vehicles, we have upgraded our offerings from standalone traditional cockpit components to integrated intelligent cockpit and intelligent driving solutions. On the intelligent cockpit side, we have introduced intelligent interaction and display systems, and developed intelligent cockpit domain controllers, moving from distributed ECUs to domain-centralized architectures. Through collaboration with global leading chip companies, we brought successive generations of high-performance cockpit domain controllers into mass production. Building on these R&D and supply-chain capabilities, we have expanded into intelligent driving with comprehensive solutions centered on intelligent driving domain controllers and sensors such as cameras and radars. As the industry moves towards cross-domain integration and more centralized computing, we have also launched "One-Chip" and "One-Box" solutions, which are central computing platforms that integrate cockpit and driving domains on a unified hardware and software architecture, reducing hardware redundancy, wiring complexity and cost, while improving system-level efficiency and supporting a more intelligent mobility experience.

Furthermore, we launched our robovan brand "Chuan Xing Zhi Yuan (川行致遠)" in September 2025 and our foundational hardware designed for intelligent robots, AI Cube, in November 2025, marking our entrance into other intelligent applications. Our transition from intelligent automotive solution industry into broader intelligent applications is a natural spillover of the capabilities we have built. From the technology side, we have accumulated a comprehensive, automotive-grade stack in perception, computation and control, which is essentially the same architecture required for such intelligent applications. From the supply side, the supply chain for intelligent automotive solutions and such intelligent applications, substantially overlap, with key elements such as high-performance chips and sensors, and the algorithms behind them, being largely shared, which allowed us to migrate our existing R&D capabilities, scalability and quality into these adjacent fields. This strategic reuse of our core competencies positions us to capture new growth opportunities in broader intelligent applications.

OUR PRODUCTS

Our products mainly include intelligent cockpits and intelligent driving. Our expertise spans the full technology stack in those fields, encompassing top-level applications and algorithms, the middleware and service layer, and the underlying basic drivers and interfaces.

	Year Ended December 31,					
	2023		2024		2025	
	(in RMB thousands, except for percentages)					
Intelligent cockpit products	15,802,084	72.1%	18,229,913	66.0%	20,585,275	63.2%
Intelligent driving products	4,485,228	20.5%	7,313,790	26.5%	9,700,095	29.8%
Others businesses[(1)]	1,620,691	7.4%	2,074,361	7.5%	2,271,808	7.0%
Total	**21,908,003**	**100.0%**	**27,618,064**	**100.0%**	**32,557,178**	**100.0%**

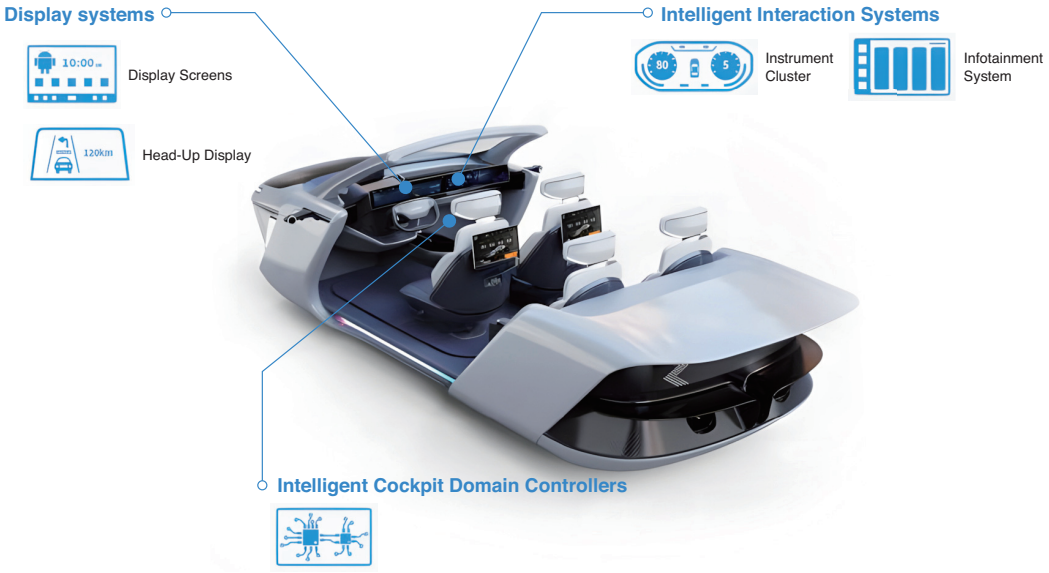
Note:

(1) Mainly including the revenue from customized R&D services and connected services. By the end of 2025, we had not generated any revenue from our robovan and AI Cube.

Intelligent Cockpit Products

Aiming to meet users' individual needs in different in-vehicle scenarios and to provide a safe, comfortable and convenient mobility experience, we focus our intelligent cockpit solutions on re-shaping the in-vehicle human-machine relationship for intelligent mobility. Drawing on our understanding of how user expectations are evolving stemming from decades of industry experience, we have developed a structured portfolio of intelligent cockpit solutions built around three core components: (i) intelligent cockpit domain controllers, which provide the centric computing foundation for the cockpit; (ii) display systems, which offer screens and HUD display as the main visual interface; and (iii) intelligent interaction systems, which support voice, touch and other multimodal interaction functions through instrument cluster and infotainment systems. Together,

these comprehensive hardware-software combined solutions enable automotive companies to deliver a coherent, scenario-based cockpit experience that can be configured and tailored for different vehicle segments and use cases.

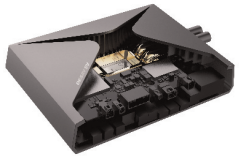


Intelligent Cockpit Domain Controllers

Our intelligent cockpit domain controllers are a core element of our intelligent cockpit solutions, which are designed in line with the industry's transition from traditional distributed ECU architectures to domain-centralized E/E architecture. Historically, vehicle E/E architecture relied on numerous stand-alone ECUs, each responsible for a single function such as powertrain, body control or infotainment. This distributed setup increases wiring complexity and weight, leads to duplicated hardware resources and makes cross-system coordination more difficult. As intelligent vehicles raise requirements for computing power, communication bandwidth and software complexity, automotive are moving towards architectures in which multiple functions are consolidated into a smaller number of high-performance domain controllers. Against this backdrop, we develop and supply intelligent cockpit domain controllers that provide centralized computation, common hardware and software platforms, helping automotive companies simplify wiring, reduce hardware redundancy and create a scalable foundation for software upgrades and new intelligent functions over the vehicle lifecycle.

Our intelligent cockpit domain controllers combine our proprietary central computing software for intelligent cockpit applications and high performance chips. They function as the "brain" of the intelligent cockpits, centrally managing and coordinating key cockpit subsystems such as display and interaction systems via in-vehicle networks, instead of relying on multiple ECUs for different subsystems. It provides high-performance computing, graphics and connectivity resources to support large-screen and multi-screen display, smooth and intuitive HMI, and integration of intelligent interaction functions, including voice, vision, gesture and other multimodal inputs, enabling intelligent cockpit features to run on a unified hardware and software platform that can be scaled across vehicle segments. According to Frost & Sullivan, we ranked first in intelligent cockpit domain controller market globally and in China by revenue in 2025.

To meet the different requirements of automotive companies across various vehicle segments and trim levels, we have introduced a tiered portfolio of intelligent cockpit domain controllers, offering them a flexible options suitable for their needs and application scenarios.



Intelligent cockpit domain controllers

Entry Level Intelligent Cockpit Domain Controllers

Our entry-level intelligent cockpit domain controllers are primarily targeted at mass-market intelligent vehicles. They are equipped with an NPUs with 8 TOPS of computing power and can drive up to five in-vehicle displays and eight cameras, enabling multimodal cockpit interaction based on voice and vision. These domain controllers are designed for cost-sensitive models that require stable performance, basic infotainment features and intelligent interaction, offering automotive companies a balanced solution that supports mainstream intelligent cockpit functionality while maintaining a relatively low overall system cost.

High-performance Intelligent Cockpit Domain Controllers

Our high-performance intelligent cockpit domain controllers are primarily targeted at mid-end intelligent vehicles. They are equipped with chips from leading overseas brands, with integrated NPUs providing computing power of approximately 10 to 46 TOPS. It is capable of driving up to 10 in-vehicles displays and 10 cameras, thereby enabling multimodal cockpit interaction based on voice, vision, touch and gesture. With this enhanced AI computing capability, the controller can support on-device, offline large language models at the edge, further improving the intelligence, responsiveness and personalization of the cockpit experience. These domain controllers are designed for mainstream mid-range and upper mid-range models that require more advanced cockpit functionality, such as multi screen and cross screen interaction, and multimedia capabilities, enhanced voice and visual interaction, higher levels of personalization and connectivity, and basic edge-AI functions, while maintaining a competitive overall system cost.

Flagship Intelligent Cockpit Domain Controllers

Our flagship intelligent cockpit domain controllers are primarily targeted at high-end intelligent vehicles. They are equipped with chips from leading overseas brands and integrates NPUs providing computing power of approximately 160 to 320 TOPS, and are capable of driving up to 16 displays and 20 cameras, thereby supporting highly complex cockpit layouts and multi-zone interaction requirements. These controllers support comprehensive multimodal interaction via voice, vision, touch and gesture, and are equipped with an integrated edge-cloud large language model. Core generative AI and perception models are designed to run independently on the edge, and can collaborate with the cloud for inference when needed, enabling an intelligent interaction experience that is efficient, reliable and characterized by low latency. These domain controllers are designed for premium and flagship models that require a highly differentiated, AI-native intelligent cockpit experience with advanced personalized service.

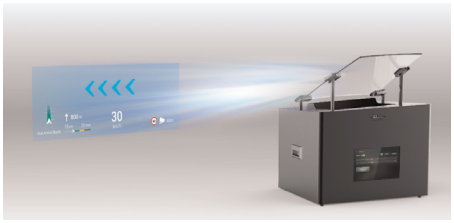
Display Systems

Our display systems mainly include the display screens and the HUD.

For display screens, we provide a comprehensive portfolio of in-vehicle display solutions, mainly including instrument cluster displays and center information displays. These products together form the primary visual interfaces of the cockpit, supporting vehicle status presentation and the visualization of infotainment, navigation, multimedia and other functions. To address highly individualized requirements from automotive companies across vehicle segments and trim levels, we supply both LCD and OLED-based displays in a range of sizes and specifications. Typically, our LCD display screens provide a more cost-effective option for mainstream models, while OLED screens are offered as a premium choice for customers seeking higher definition, better contrast and improved power performance at a higher price. Such combination allows automotive companies to flexibly select and combine display configurations appropriate for entry-level, mid-range and high-end models. According to Frost & Sullivan, we ranked the first in cockpit display market in China by revenue in 2025.

Display screen

For HUD products, we primarily offer W-HUD and AR-HUD. Our W-HUD is a more traditional head-up display that projects key driving information, such as speed and navigation, into the driver's forward field of view, keeping the driver's eyes on the road and thereby improving comfort and safety. By contrast, our AR-HUD, leveraging our self-developed AR engine, spatially aligns and fuses navigation and driver-assistance information in real time with the actual road scene ahead, providing AR visuals with a wider field of view and more driving information such as passenger alerts, real-time AR navigation.



HUD

Intelligent Interaction Systems

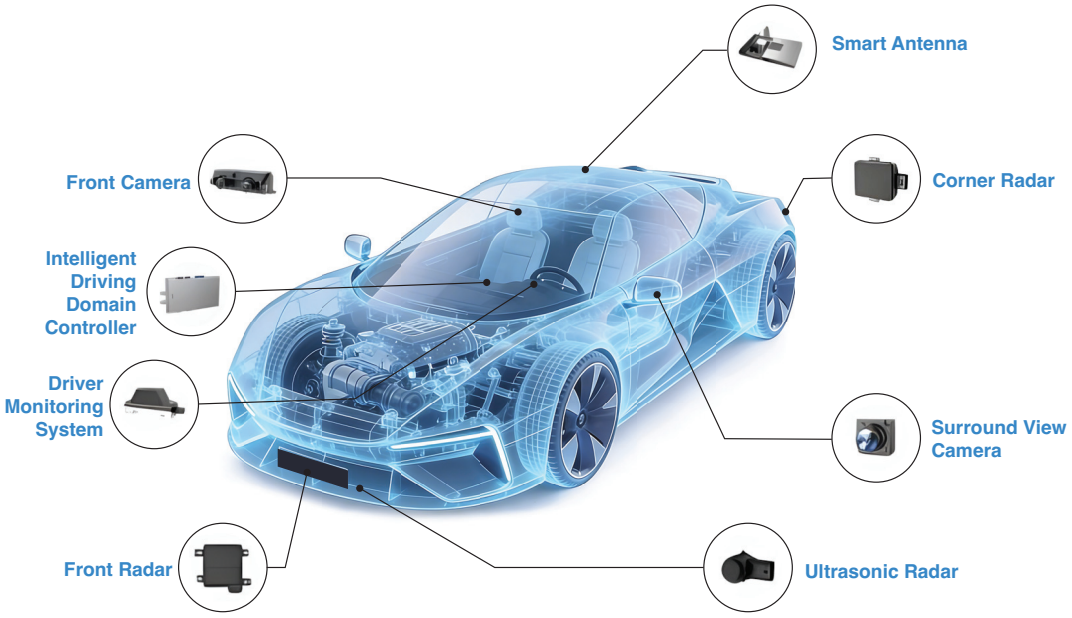
Our intelligent interaction systems mainly comprise instrument clusters and infotainment systems . Together, these systems enabling rich, multimodal in-vehicle user experiences.

The instrument cluster provides visual presentation of core vehicle information and alerts, acting as one of the driver's primary HMI interfaces. It shows vehicle status, warnings and other operating data in real time and has largely migrated from traditional mechanical dials to full-LCD/OLED clusters.

The infotainment system is built around an automotive-grade chips and vehicle networks and serves as a comprehensive in-vehicle information and entertainment platform, supporting navigation, vehicle control, multimedia, communication and other application services, and providing the main HMI interface through touch, voice and gesture.

Intelligent Driving Products

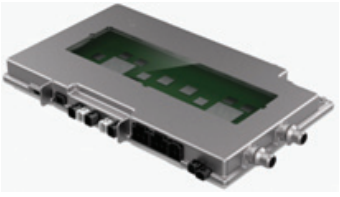
Our intelligent driving products primarily comprise intelligent driving domain controllers and sensors, together forming a full-stack, hardware-plus-software intelligent driving offering.



Intelligent Driving Domain Controllers

An intelligent driving domain controller is a centralized, high-performance computing unit that integrates and processes data from multiple sensors, such as cameras and radars, to enable intelligent driving functions. It executes perception, decision-making and control algorithms on a centralized computing platform, rather than on numerous distributed ECUs. Building on this architecture, we have established a comprehensive intelligent driving solutions that combine intelligent driving algorithms, software and domain controllers, and have continuously upgraded these products to higher computing power. Through this iterative development, our current main product lines are capable of supporting L2+ assisted driving to L4 autonomous driving. According to Frost & Sullivan, we ranked first globally and in China among all third-party providers of the intelligent driving domain controller by revenue in 2025.

To meet the diverse needs of automotive companies across different vehicle segments and trim levels, we have also collaborated with multiple chip vendors to develop a tiered range of intelligent driving domain controllers, including lightweight version for cost-effective intelligent driving applications and flagship version with high-performance.



Intelligent driving domain controller

Lightweight Intelligent Driving Domain Controllers

Our lightweight intelligent driving domain controllers are designed for mass-market and mid-range intelligent vehicles. They offer flexible chip options based on leading domestic and overseas brands, allowing automotive companies to select solutions that better align with their cost and performance requirements. Depending on the chosen chip solution, these controllers can provide approximately 8 to 128 TOPS of AI computing power and are designed to support L2+ assisted driving. They are suitable for application scenarios such as highway NOA, urban NOA and memory parking, and provide automotive companies with a cost-effective solution for deploying practical, higher-value intelligent driving features on mainstream vehicle platforms.

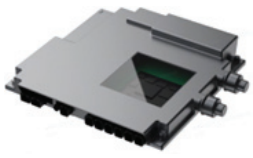
Flagship Intelligent Driving Domain Controllers

Our flagship intelligent driving domain controllers are designed for mid- to high-end intelligent vehicles. They adopt high-performance chip solutions from leading domestic and overseas brands, allowing automotive companies to configure different performance levels in line with their target positioning and cost considerations. Depending on the selected chip configuration, these controllers can provide approximately 200 to 2,000 TOPS of AI computing power and are designed to support L2+ assisted driving to L4 autonomous driving. They are suitable for full-scenario highway NOA, urban NOA and fully-automated parking, and provide automotive companies with a high-performance platform for deploying advanced, continuously upgradable intelligent driving functions on their flagship and premium vehicle platforms.

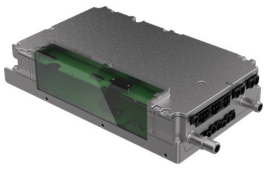
Moreover, in line with the industry trend towards further centralized computing, we have developed solutions that integrate the intelligent cockpit and intelligent driving functions within a unified architecture. We currently offer two implementation forms: a "One-Chip" solution and a "One-Box" solution.

Under the "One-Chip" solution, both intelligent cockpit and intelligent driving functions run on a single chip. This approach reduces ECU count, material costs and wiring complexity, while improve the efficiency of computing, as compared with traditional separate solution. Our current "One-Chip" solution can support full-scenario assisted driving and mainstream large model deployment, promoting AI intelligent scenario implementation. We have collaborated with renowned automotive companies to deploy the "One-Chip" solution, and have achieved large-scale delivery of it. The "One-Chip" solution with high-reliability computing capability is expected to be an indispensable core path for the next-generation automotive central computing platform.

By contrast, the "One-Box" solution adopts a multi-chip central computing architecture in which separate high-performance chips housed in a single central computing box. This high-performance configuration is designed to provide sufficient compute and bandwidth headroom to support ADAS and AI-enhanced intelligent cockpit experiences.



"One-Chip" solution



"One-Box" solution

Sensors

We provide a broad, automotive-grade sensor suite that is designed to interface seamlessly with our intelligent driving and cockpit domain controllers, forming an integrated, multi-sensor operating platform on the vehicles. Our sensor portfolio primarily comprises cameras and radars, complemented by other connectivity and sensing products such as smart antenna, enabling 360-degree perception, high-reliability communication and close coupling with our domain and central computing solutions.

- *Cameras*. The primary function of the camera is to detect the environment around the vehicle and support the implementation of intelligent driving functions, including adaptive cruise control, lane departure warning and pedestrian/vehicle collision warning. Our camera portfolio mainly covers front-view cameras, surround-view cameras and in-vehicle cameras, which together provide perception inputs for intelligent driving functions and support in-vehicle monitoring and driver-monitoring applications on our intelligent driving platforms.

- *Radars*. Our radars include millimetre-wave radar and ultrasonic radar. Millimetre-wave radar works with high-frequency electromagnetic waves to measure the distance, relative speed and angle of objects over medium to long ranges, and performs well in poor weather, making it suitable for functions like adaptive cruise control and collision warning. Ultrasonic radar uses high-frequency sound waves over short ranges to measure nearby obstacles very precisely at low speeds, and is mainly used for parking assistance and close-range manoeuvring around the vehicle. After detecting an obstacle, the radars send the detection information to the intelligent driving algorithm module at the back end, which, together with the intelligent driving domain controller, generates the corresponding vehicle control commands.

Other Business

As part of our comprehensive solution portfolio for intelligent automotive solutions, we provide a range of other products and services. We offer customized R&D services to certain automotive customers. See "— Research and Development — Our Research and Development — R&D process." Furthermore, our portfolio is complemented by a suite of connected services, which includes our proprietary operating systems, other software-based services and smart entry solutions. In 2019, we officially released Blue Whale OS 1.0 to build a "cloud — network — vehicle" comprehensive solution, and released the latest Blue Whale OS 8.0 in 2025.

Leveraging our technologies and supply chain advantages, we expanded into other intelligent applications and have launched our robovans and a foundational hardware designed for intelligent robots. As of December 31, 2025, we had not generated any revenue from these products.

Robovans

Leveraging our end-to-end autonomous driving capabilities, high-reliability domain controllers and extensive real-road test data, we launched our robovan brand "Chuan Xing Zhi Yuan (川行致遠)". Our robovans are autonomous logistics vehicles for urban distribution and is currently at an early stage of commercialization. Such robovans are being deployed in parks, office buildings and commercial districts to address last-mile delivery pain points, with a focus on cost reduction and

efficiency improvement. By the end of 2025, we had successfully secured orders for robovan from several leading logistics companies. Our robovan has commenced testing and operations in multiple cities in China.

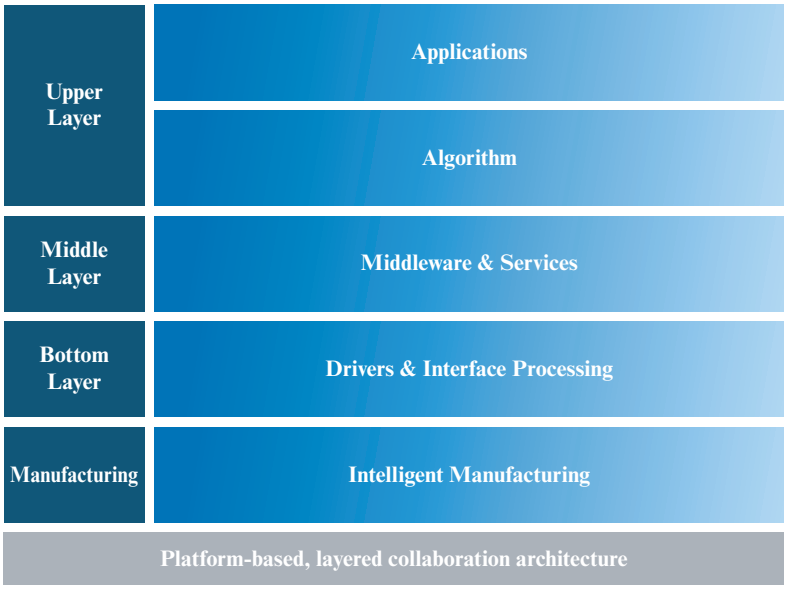
Foundational Hardware Designed for Intelligent Robots — AI Cube

AI Cube is designed for intelligent robots, launched in 2025 as a hardware foundation that can serve as the brain of the robot. Similar to our domain controllers, AI cube can integrate sensor-kit interfacing, middleware and core computational functions for intelligent robots. We utilize our proven capabilities for intelligent vehicles to ensure safety and reliability. It can improve the durability and reliability of key robot components, while reducing costs and shortening customers' development cycles compared with traditional solutions. By the end of 2025, we have entered into strategic cooperation arrangements with several leading robotics companies and are also undergoing validation with a number of domestic logistics and service robot manufacturers.

Foundational Hardware for Intelligent Robots — AI Cube

FLEXIBLE COLLABORATION MODELS

Based on our comprehensive product and solution portfolio, we have established a platform-based, layered collaboration architecture with our customers that spans from the application and algorithm layer at the top, through the middleware and service layer, down to basic drivers and interfaces, and further to hardware design and manufacturing. This layered approach enables us to offer flexible collaboration models, ranging from comprehensive solutions of all layers to targeted engagement at specific layers, so as to accommodate customers with different technical requirements and in-house R&D capabilities.



For example, we can provide end-to-end solutions, covering the full-stack from basic drivers and interfaces through middleware, algorithms and application design to mass production of the final products. Under this model, we undertake system architecture design, software and hardware integration, testing and validation, as well as automotive-grade manufacturing, enabling such customers to accelerate the launch of intelligent products while reducing their own R&D burden and development risk.

RESEARCH AND DEVELOPMENT

R&D is critical to maintaining our market-leading position and supporting the sustained growth of our business, to ensure that we can continuously respond to evolving downstream demands and application scenarios. We have established R&D centers mainly in China, Singapore, Japan and Germany, covering major automotive markets across Asia, Europe and other major markets. We strategically locate our R&D centers and teams close to major customers and R&D talents, which facilitates pre-award development work and ongoing technical support. This proximity enables us to engage early in solution design, respond quickly to changing technical requirements and provide timely on-site support, all of which are critical to maintaining deep, long-term collaborative relationships with automotive companies.

We have adopted a R&D framework that links our major business lines to a unified development process, guided by the key principles of market- and customer-driven development, quality-first, cross-department collaboration and continuous improvement. In practice, our R&D process is organized closely around project lifecycles of the automotive companies, from pre-award development to validation.

Key Features

We have developed a market-oriented R&D process, with the following key features:

- *Platform-based and modular R&D strategy*. We adopt a platform-based and modular strategy to improve R&D efficiency across the project lifecycle. Under our platform approach, we use unified technology frameworks, core functions and shared tool and resource libraries, so that underlying platforms can be widely reused and adapted across different vehicle model of automotive companies. Our modular strategy separate complex hardware and software into independent, function-specific modules with clearly defined interfaces that can be designed, developed, tested and maintained separately. For hardware, this enables flexible combinations of components on a common platform through standardized design and development. For software, it allows multiple functional modules to run in a unified development environment using standard tools, frameworks and APIs. Together, these approaches reduce redundant development work, support rapid deployment and iteration of new functions, lower development costs and increase our responsiveness to customer requirements.

- *Systematic and comprehensive design capabilities with deep hardware-software integration*. We possess a full-stack R&D capabilities across intelligent cockpits and intelligent driving, covering hardware, software, middleware, applications, instead of isolated components. This integrated, full-stack capability allows us to plan and execute R&D from the perspective of the overall vehicle E/E architecture.

R&D Process

Our R&D process consist of four key stages for new products development: (i) pre-award development, (ii) prototype development, (iii) verification and (iv) validation.

- *Pre-award development*. Pre-award development typically begins when we receive a request for quotation from an automotive customer, before any formal award of orders. At this stage, our sales team works closely with our R&D and product teams to discuss the customer's needs and requirements in detail, translate them into clear technical specifications and agree key boundary conditions. Based on this, we develop initial solution concepts and submit a detailed proposal, which generally covers the technical specifications, R&D and validation schedule, production plan and after-sales support arrangements. If our proposal is selected through the customer's technical and commercial evaluation process, we may be appointed as a designated supplier for the relevant products.

- *Prototype development*. Once the design concept and technical specifications have been agreed with the automotive company, we move into detailed design, prototype development and initial testing to evaluate the feasibility and functionality of the proposed solution. Throughout this stage, we maintain close communication with the automotive company to gather feedback and continuously optimize the design where shortcomings are identified. In some cases, the automotive companies engage us only for pre-award and prototype-stage development in light of project uncertainty, and there is no assurance that we will receive production orders even if our design is selected.

- *Verification*. At this stage, we conduct comprehensive functional, performance and reliability testing to ensure that products meet design requirements. This stage typically involves laboratory tests and evaluations under simulated usage conditions. Once prototypes pass these tests, we formally document the R&D process and results, including key findings and outcomes, and transfer this knowledge to relevant teams to support future customer designs and new project wins.

- *Validation*. Together with the automotive company, we conduct vehicle-level integration, calibration and road testing to verify the functionality, safety and reliability of our products under real-world driving conditions before they enter mass production. This process helps ensure that our solutions meet technical specifications, applicable regulatory requirements and target performance standards in actual use.

Forward-looking R&D Activities

In addition to project-specific R&D carried out for our customers, we also undertake forward-looking R&D activities on products and technologies in line with industry developments in order to maintain our technological edge and competitive position. These activities include, among other things, basic research on next-generation architectures and algorithms, pre-development of new product platforms, technology feasibility studies and prototype R&D in emerging areas. Such forward-looking R&D is generally not tied to a specific customer project or near-term revenue, but is intended to build medium- to long-term capabilities, shorten future development cycles and enable us to respond more quickly to downstream customers' demand for new functions and technology routes.

Past Research and Development Achievements

Our R&D efforts have yielded significant results which enable us to establish our brand recognition and our competitive position. Some of our R&D results are protected by patents while the rest are part of our proprietary trade secrets. As of December 31, 2025, we had registered a total of 1,433 valid patents in China, including 650 invention patents.

Future R&D Roadmap

In the foreseeable future, we expect to focus our R&D efforts on intelligent automotive solutions, with an emphasis on developing technologies that can also be applied to a broader range of intelligent applications such as robovan and intelligent robots. We intend to continue to organize our R&D in line with a platform-based and modular strategy so that software architectures, algorithms and engineering tools developed for intelligent cockpit and intelligent driving applications can be reused and adapted for other intelligent applications.

For intelligent automotive solutions, we plan to focus our R&D efforts on (i) human factors engineering and user experience, including ergonomics to better reflect the physiological characteristics and usage habits of users and the optimization of seats, displays and interaction layouts, (ii) functional safety, cybersecurity and algorithm optimization, and (iii) acoustic technologies and related algorithms. For other intelligent applications, we intend to expand the application scenarios of our robovan for urban delivery beyond express logistics to industrial distribution and agricultural product delivery, and we plan to further upgrade our foundational hardware for intelligent robots to support more complex perception, decision-making and control requirements.

R&D Team and Expenses

As of December 31, 2025, we had 5,063 experienced R&D employees. In 2023, 2024 and 2025, our R&D expenses amounted to RMB1,982.3 million, RMB2,255.8 million and RMB2,642.1 million, respectively, representing 9.0%, 8.2% and 8.1% of our total revenue in the respective periods.

SALES AND MARKETING

We believe that consistently delivering high-quality products on time that meet and exceed our customers' expectations is the most efficient sales and marketing approach for us. As such, our sales and marketing activities are focused on maintaining and expanding the scope of our strategic relationships with our customers since we aim to become and remain the strategic long-term partner of our customers.

In addition to maintaining and strengthening relationships with our existing customers, our sales team also proactively explore new partnerships with potential customers, especially as we expand our offering of products and services.

Seasonality

Demand for and sales of our products follow the same seasonality pattern as sales of the end products that feature our products. As a result, we typically experience higher sales in the third and fourth quarters of the year due to the stock preparation of customers in response to the new vehicle launch and increased promotion activities during the holiday seasons. See "Risk Factors — Risks Relating to Our Business and Industry — Our sales may be influenced by seasonality."

Product Pricing

We are committed to providing competitive prices and continuously optimizing our cost structure by improving our production and operating efficiency and utilizing our supply chain resources. We generally determine the price of our products with reference to the market prices and competitor offerings, basing our quotes on estimated costs including raw materials, manufacturing and R&D complexity.

We typically enter into framework agreements with our major customers which, among other terms, set out the pricing mechanisms. Depending on the customers and projects, taking into account factors such as changes in incremental unit costs and fluctuations in raw material prices, we may agree with the customers from time to time to adjust the price. Such price adjustment mechanism is in line with the market practice, according to Frost & Sullivan.

Salient Terms of Agreements with Customers

During the Track Record Period, we sold our products or providing services to our customers directly. We generally enter into framework agreements with our major customers, with actual price and volume specified in individual purchase orders. The terms of these agreements vary depending on the specific product or project and the result of our negotiation with each customer, but these agreements generally contain the following terms:

Duration	:	Depending on the agreements, the agreement may not be subject to fixed duration, or subject to a fixed term with automatic renewal mechanism.
Pricing	:	The price of the product will generally be specified in the order. The framework agreement generally contains the pricing mechanisms. Taking into account factors such as changes in incremental unit costs and fluctuations in raw material prices, we may agree with the customers from time to time to adjust the price.
Delivery of products	:	We are generally required to deliver products at the factory or to the locations, carriers or recipients designated by our customers, and may bear the related delivery expenses.
Payment and credit terms	:	We may provide customers with credit terms typically within 120 days according to our customer credit management policy, depending on their operating situations, financial condition and expected transaction volume.

Product returns/exchanges	:	Typically, customers are entitled to return or exchange products if any defects arising from our processes or technologies are identified after delivery but before installation is completed. According to Frost & Sullivan, such product return and exchange policy is in line with the market practice.
Intellectual properties . . .	:	Depending on the specific contractual terms, we may retain the intellectual property rights in technologies that we develop independently without using the customer's funds, technology, personnel or technical parameters. Conversely, in certain cases the customer may own the intellectual property rights in technologies developed specifically for the purposes of the relevant contract.
Spare parts.	:	Typically, we are required to maintain spare parts for a period specified in the relevant agreement.
Termination	:	Depending on the terms of the agreement, we may terminate the agreements upon mutual consent or the default of the other party.

Our Customers

Our customers are mainly automotive companies.

Top Five Customers

In 2023, 2024 and 2025, sales to our five largest customers amounted to RMB11,906.4 million, RMB16,370.0 million and RMB18,076.6 million, respectively, accounting for 54.3%, 59.3% and 55.5% of our total sales in the respective periods. In 2023, 2024 and 2025, sales to our largest customer amounted to RMB4,996.5 million, RMB6,604.3 million and RMB4,727.8 million, accounting for 22.8%, 23.9% and 14.5% of our total sales in the respective periods. See "Risk Factors — We generate a substantial portion of our revenue from a limited number of key customers." As of the Latest Practicable Date, to the best knowledge of our Directors, none of our Directors, their close associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest customers in any period during the Track Record Period that are required to be disclosed under the Listing Rules.

The following tables set forth certain information relating to our top five customers for the periods indicated.

For the year ended December 31, 2023

Customer	Transaction amount *(RMB'000)*	Percentage of sales	Major products purchased from us	Business relationship since
Customer A[(1)] . .	4,996,468	22.8%	Intelligent cockpit products, intelligent driving products and others	2017
Customer B[(2)]. . .	1,880,105	8.6%	Intelligent cockpit products, intelligent driving products and others	2020
Customer C[(3)]. . .	1,711,089	7.8%	Intelligent cockpit products, intelligent driving products and others	2009
Customer D[(4)] . .	1,689,918	7.7%	Intelligent cockpit products, intelligent driving products and others	2012
Customer E[(5)]. . .	1,628,777	7.4%	Intelligent cockpit products, intelligent driving products and others	2009
Total	**11,906,357**	**54.3%**		

For the year ended December 31, 2024

Customer	Transaction amount *(RMB'000)*	Percentage of sales	Major products purchased from us	Business relationship since
Customer A	6,604,289	23.9%	Intelligent cockpit products, intelligent driving products and others	2017
Customer E	3,063,450	11.1%	Intelligent cockpit products, intelligent driving products and others	2009
Customer C	2,612,060	9.5%	Intelligent cockpit products, intelligent driving products and others	2009
Customer F[(6)]. . .	2,149,758	7.8%	Intelligent cockpit products, intelligent driving products and others	2022
Customer B	1,940,398	7.0%	Intelligent cockpit products, intelligent driving products and others	2020
Total	**16,369,955**	**59.3%**		

For the year ended December 31, 2025

Customer	Transaction amount *(RMB'000)*	Percentage of sales	Major products purchased from us	Business relationship since
Customer E	4,727,846	14.5%	Intelligent cockpit products, intelligent driving products and others	2009
Customer A	4,335,072	13.3%	Intelligent cockpit products, intelligent driving products and others	2017
Customer F	3,655,189	11.2%	Intelligent cockpit products, intelligent driving products and others	2022
Customer C	3,362,818	10.3%	Intelligent cockpit products, intelligent driving products and others	2009
Customer B	1,995,627	6.1%	Intelligent cockpit products, intelligent driving products and others	2020
Total	**18,076,552**	**55.5%**		

Notes:

(1) Customer A is an EV manufacturer primarily engaged in the design, development, manufacturing and sales of EVs, with headquarters in China. Its shares are listed on NASDAQ and Hong Kong Stock Exchange.

(2) Customer B is a subsidiary of an automotive electronics company mainly engaged in the R&D and manufacturing of automotive electronic systems and related components for automotive companies, with headquarters in China. It is a joint venture established by us and a leading automotive company in China. As of the Latest Practicable Date, we held 45.0% equity interest in Customer B.

(3) Customer C is a holding company, owning diversified automotive subsidiaries principally engaged in the development, manufacturing and sales of passenger and commercial vehicles through multiple domestic and overseas brands, with headquarters in China.

(4) Customer D is a large automotive group whose core businesses include the R&D, manufacturing and sales of passenger and commercial vehicles, with headquarters in China. Its shares are listed on Shanghai Stock Exchange and Hong Kong Stock Exchange.

(5) Customer E is a holding company whose subsidiaries primarily engage in the R&D, manufacturing and sales of passenger vehicles, commercial vehicles, mini-vehicles, special-purpose vehicles, customized vehicles and powertrain systems, with headquarters in China.

(6) Customer F is a subsidiary of a consumer electronics and intelligent manufacturing company whose shares are listed on Hong Kong Stock Exchange primarily engaged in design, development, and sales of smartphones, smart hardware, intelligent home products and EVs, with headquarters in China.

PRODUCTION

We produce all our products ourselves in our production facilities to ensure that we consistently deliver high-quality products on time to meet our customers' demands. We have established a mature and efficient production line adaptation mechanism, which enables us to quickly adjust our lines to meet customers' production requirements.

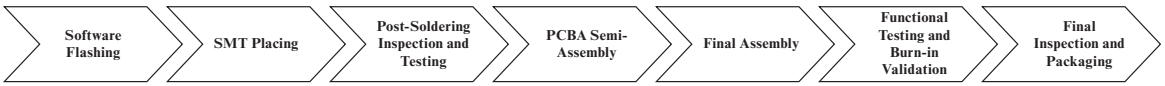
We have integrated intelligent manufacturing into various aspects of our production, significantly improving our production efficiency and product yields. We have established a series of intelligent production lines and advanced equipment, supported by integrated information systems to enable automated manufacturing. We are the first in intelligent automotive solution industry in China to obtain CMMM level-4 intelligent manufacturing capability certification. From demand forecasting and order placement to materials planning, inventory management, production scheduling and shipment, we have realized end-to-end digital management, with extensive use of MES, WMS, ERP, APS and other systems to achieve high yield and agile, on-time delivery from order to shipment.

Leveraging advanced simulation technologies, we are able to model the physical and functional characteristics of our products across the entire lifecycle, from design and engineering through to production and application, in a digital environment. This enables us to evaluate and refine product designs virtually, reducing reliance on costly and time-consuming physical prototyping and allowing earlier identification and mitigation of potential design issues. In addition, by applying digital twin technology, we have created digital replicas of our smart factories, which receive real-time data inputs from sensors installed on production equipment and key processes. These digital twins support real-time monitoring, analysis and prediction of factory operating conditions, enabling us to optimize production scheduling, identify anomalies at an early stage and improve equipment utilization. Together, these technologies enhance our production efficiency, improve product quality and support more stable and predictable manufacturing operations.

Production Process

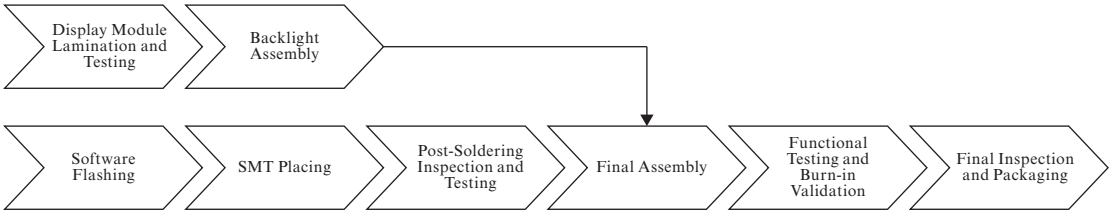
Domain Controllers

The chart below illustrates the production process of our domain controllers:



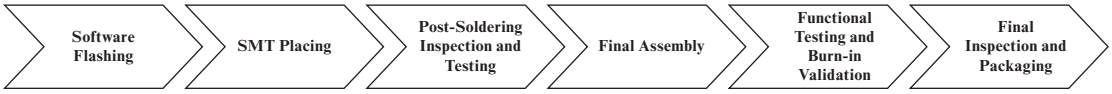
- *Software Flashing*. Core software (including operating systems, firmware and drivers) is programmed into the chips, thereby enabling the hardware to perform its functions.
- *SMT Placing*. With surface mount technology ("**SMT**") line, we mount a variety of electronic components, such as chips, onto the PCB, to form the PCBA. This process ensures precise component placement and secure soldering, creating a reliable foundation for our products and solutions.
- *Post-Soldering Inspection and Testing*. The PCBA undergoes rigorous automated inspection, primarily using AOI to detect visual defects like component misalignment or poor solder joints, X-ray inspection for critical components with hidden connections and ICT to check the connectivity of internal circuits to ensure the quality of the soldering and internal joint integrity.
- *PCBA Semi-Assembly*. We apply and cure underfill around key chips after testing. This process reinforces the connection between the chip and the PCB, enhancing performance and reliability for long-term use.
- *Final Assembly*. After passing inspection, the PCBA is integrated into its custom metal or plastic housing through processes such as coating, dispensing and screwing.
- *Final Inspection and Packaging*. After passing all tests, the domain controller receives a final visual inspection and cleaning. Once confirmed to be defect-free, the product is placed in packaging.

Display Screens



- *Display Module Lamination and Testing*. The LCD/OLED and cover glass are fully laminated using optically clear adhesive. Optical tests are then conducted to ensure that the display module functions properly and is free from defects such as foreign particles or contamination.
- *Backlight Assembly and Testing*. The backlight unit is bonded to the display modules using double-sided tape or sealant to provide the light source for the display. Testing will be conducted following the assembling.
- *Software Flashing*. Core software, including the operating system, firmware and drivers, is programmed into the chips, thereby enabling the hardware to perform its functions.
- *SMT Placing*. With SMT line, we mount a variety of electronic components, such as chips, onto the PCB, to form the PCBA. This process ensures precise component placement and secure soldering, creating a reliable foundation for our products and solutions.
- *Post-Soldering Inspection and Testing*. After soldering, the PCBA undergoes rigorous automated inspection, primarily using AOI to detect visual defects like component misalignment or poor solder joints, and X-ray inspection for critical components with hidden connections to ensure internal joint integrity.
- *Final Assembly:* After passing inspection, the PCBA and display modules are integrated into their custom metal or plastic housing through processes such as coating, dispensing and screw fastening.
- *Final Inspection and Packaging:* After all functional and performance tests are completed, the display screen undergoes a final cosmetic inspection and cleaning. Once confirmed to be defect-free, the product is placed in packaging.

Sensors



- *Software Flashing*. Core software (including operating systems, firmware and drivers) is programmed into the chips, thereby enabling the hardware to perform its functions.
- *SMT Placing*. With SMT line, we mount a variety of electronic components, such as chips, onto the PCB, to form the PCBA. This process ensures precise component placement and secure soldering, creating a reliable foundation for our products and solutions.
- *Post-Soldering Inspection and Testing*. After soldering, the PCBA undergoes rigorous automated inspection, primarily using AOI to detect visual defects like component misalignment or poor solder joints, and ICT to check the connectivity of internal circuits to ensure internal joint integrity.

- *Final Assembly*. After passing inspection, the PCBA is integrated into its custom metal or plastic housing through processes such as dispensing and screwing.
- *Final Inspection and Packaging*. After passing all tests, the sensor receives a final visual inspection and cleaning. Once confirmed to be defect-free, the product is placed in packaging.

Equipment and Machinery

Major equipment and machinery used in our production processes include (i) surface-mount placement machines, which are used to mount electronic components onto PCB for our cockpit and driving domain controllers and other automotive electronic modules with high speed and precision, (ii) inspection equipment, including automated optical inspection, in-circuit test and other testing systems, which are used to detect defects and malfunctional issues in automotive-grade electronic assemblies to ensure product quality and reliability, (iii) automated production lines, which integrate multiple process steps into a continuous flow, and are used to achieve stable, high-efficiency mass production of intelligent cockpit, intelligent driving and related products, (iv) lamination equipment, which is used to laminate and bond displays, touch panels and cover glass for in-vehicle screens under controlled pressure and vacuum conditions, ensuring optical performance and durability for automotive display modules, and (v) curing ovens, which apply controlled temperature and curing profiles to adhesives, encapsulants and coatings used in electronic assemblies and display modules, thereby enhancing mechanical strength, environmental resistance and long-term reliability.

We regularly inspect and maintain the material equipment and machinery used in our production processes and replace worn consumable parts and components. Our major production equipment and machinery have an estimated useful life of three to seven years.

Production Capacity

The table below sets forth our production capacity and utilization rate of our major products during the Track Record Period.

	Out put			Designed production capacity[1]			Utilization rate		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
		(000'unit)			*(000'unit)*			*(%)*	
Intelligent cockpit products	18,365	18,869	19,037	20,085	21,040	22,395	91.4%	89.7%	85.0%
Intelligent driving products	7,488	8,089	17,526	8,273	9,660	19,376	90.5%	83.7%	90.5%

Note:

(1) Production capacity assumptions for our products are based on each business line's operating schedule, depending on its working hours and working days.

Production Planning

We typically plan our production on a monthly basis based on the forecasted demand of our customers and the anticipated market trends. We continuously review our production plans and utilization rates and update our production plans at least on a weekly basis, pursuant to the utilization rate of our factories in the preceding week and the rolling forecasts of customer orders and expected utilization rates. We also strategically plan our production in advance to prepare for seasonal increases in customer orders. See "— Sales and Marketing — Seasonality."

Quality Control

We emphasize quality control in all aspects of our operations. From product development, sourcing of supplies to sales and deliveries, we strictly control the quality of our products, to ensure our products meet our stringent internal standards as well as international and industry standards. We have and implemented product and process monitoring and measurement control procedures,

covering raw materials, parts, work-in-progress and finished product, to ensure compliance with inspection standards or test specifications. In addition, we have comprehensive policies and detailed procedures in place to ensure the quality of the components and raw materials we purchase from suppliers, such as screening prior to engaging new suppliers and conducting regular evaluations of their performance and the quality of the goods supplied by them. See "— Procurement, Inventory and Logistics — Selection and Management of Suppliers."

We devote significant resources to quality control of our products. We have established a dedicated quality department consisting of 399 employees as of December 31, 2025. We build a quality control system with IATF 16949 as its core, deeply integrating relevant internationally recognized standards, including ISO 26262 for functional safety, ISO 21434 for cybersecurity, ISO 37301 for compliance management, and the Responsible Business Alliance (RBA) Code of Conduct. Our laboratories are accredited by both the CNAS and the A2LA. Their testing capabilities cover the full range of automotive electronics, including electrical and optical performance, environmental reliability, failure analysis and component-level reliability verification, as well as cutting-edge areas such as intelligent driving and millimeter-wave radar.

During the Track Record Period and up to the Latest Practicable Date, we have never experienced any material penalties in relation to production quality or any material product quality disputes.

Warranty and After-sales Services

Our after-service is primarily handled by our quality department, which is responsible for managing customer feedback and effectively addressing product issues. Upon receiving a customer complaint, we initiate a preliminary analysis. Following the acknowledgment of the complaint, a dedicated cross-functional team is assembled, comprising our quality engineers and experts from production, R&D, project management and supply chain departments, to conduct a thorough investigation and expedite resolution. For significant customer complaints involving potential production halts, claims or recalls, quality engineers are required to compile comprehensive written reports and escalate them to the quality manager and relevant senior management to ensure prompt action. If the analysis reveals that the issue originates from purchased raw materials or components, we immediately notify our procurement team and the affected supplier, halting further procurement until the root cause is resolved. Similarly, if non-compliance is identified in our internal solution materials, structural design, software or hardware design, or processing schemes, we conduct thorough internal assessments and implement corrective actions. Aligned with our globalization strategy, we are upgrading our after-sales service capabilities in Asia, Europe and other major automotive markets to build an international after-sales network and continuously improve our global service levels.

We provide warranty periods for our products and solutions based on time or mileage, as specified in the agreements. During the warranty period, we provide after-sales services such as repair, replacement and returns for our customers based on the specific circumstances of our products and solutions in accordance with the applicable laws and regulations.

We may be obligated to assume product liability in the event that any quality defects in our products and solutions result in personal injury, property damage or other losses. These defects could stem from various sources, including flaws in our design or manufacturing processes, or in the raw materials and components we procure from our suppliers. If such claims arise from defects attributable to materials or components from our suppliers, we typically have contractual rights to seek indemnification or request them to assume corresponding product liability. However, enforcing these rights against suppliers can be extensive, time-consuming and may not always be successful, potentially leaving us to bear the initial or full cost of such claims. See "Risk Factors — Risks Relating to Our Business and Industry — Undetected defects, errors or bugs of our products could adversely affect our business, financial condition and results of operations." As of December 31, 2023, 2024 and 2025, we made provisions of RMB160.2 million, RMB130.1 million and RMB155.7

million for product warranties and claims, respectively. During the Track Record Period and up to the Latest Practicable Date, we did not experience any complaints, litigation or other incidents regarding the quality and safety of our solutions that will have any material adverse impact on our business, financial condition and results of operations.

PROCUREMENT, INVENTORY AND LOGISTICS

We primarily adopt a sales-driven, production-plan-oriented procurement model. Our procurement activities are scheduled in alignment with production plans, which are mainly derived from customer demand forecasts and order arrangements. For certain raw materials, we may provide our suppliers with a non-binding, rolling forecast of our product requirements covering a six- or 12-month period according to the terms of the agreements, to assist them in their production capacity planning and to help ensure supply chain stability.

To streamline operations and improve efficiency, we have established a dedicated supply chain management center responsible for the unified planning and management of procurement. Procurement plans are formulated and executed, taking into account production schedules, material inventory levels, and required delivery times.

Our Suppliers

Our suppliers are mainly providers of chips, display modules, PCBA and various electronic components. We have established and maintain stable and long-term relationships with these major suppliers.

Selection and Management of Suppliers

We have established rigorous processes for the selection, evaluation and management of our suppliers to ensure suppliers meet our quality and performance standards. We consider a number of factors during our supplier selection and qualification process, including but not limited to, each supplier's financial condition, industry reputation, technical certifications and the price and quality of the products or raw materials they offer. We conduct comprehensive evaluations of our suppliers on a monthly/quarterly basis against five key indicators: quality, delivery, cost, technology and service, and provide feedback accordingly. Qualified suppliers undergo an annual review process, while those failing to meet our established criteria are subjected to rectification within a specified timeframe or, ultimately, are removed from our approved supplier list if they fail to rectify.

Salient Terms of Agreements with Suppliers

We generally enter into framework agreements with our major suppliers, with actual price and volume specified in individual purchase orders. The terms of these agreements vary depending on the specific product or project and the result of our negotiation with each supplier, but these agreements generally contain the following terms:

Duration	:	Typically for five years with the automatic renewal mechanism.
Pricing	:	The price is typically specified in the relevant purchase order or in a separate annual pricing agreement.
Delivery of products	:	The suppliers are generally responsible for delivery of raw materials and/or components to our designated location specified in each purchase order.
Payment and credit terms	:	Our suppliers typically grant us credit terms from 30 days to 90 days.

Quality control . . . . . : We generally provide our suppliers with raw materials and/or components specifications in advance, and inspect the raw material and/or components upon receipt against the specifications. We have the right to reject and return any products that do not meet our specifications or to request replacement or maintenance.

Termination . . . . . : The agreements will be terminated by mutual agreement, or by other means as set forth in the agreements.

Top Five Suppliers

In 2023, 2024 and 2025, purchases from our five largest suppliers amounted to RMB4,524.2 million, RMB8,112.4 million and RMB10,541.4 million, respectively, accounting for 28.8%, 39.1% and 41.1% of our total purchases in the respective periods. In 2023, 2024 and 2025, purchases from our largest raw material supplier amounted to RMB1,264.8 million, RMB2,729.3 million and RMB3,642.2 million, accounting for 8.0%, 13.1% and 14.2% of our total purchases in the respective periods. As of the Latest Practicable Date, to the best knowledge of our Directors, none of our Directors, their close associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest suppliers in any period during the Track Record Period that are required to be disclosed under the Listing Rules.

The tables below set forth certain information of our top five suppliers during the Track Record Period.

For the year ended December 31, 2023

Supplier	Transaction amount *(RMB'000)*	Percentage of purchases	Major products sold to us	Business relationship since
Supplier A[(1)] . . .	1,264,771	8.0%	Chips	2009
Supplier B[(2)]. . . .	1,224,965	7.8%	Chips	2019
Supplier C[(3)] . . .	748,643	4.8%	PCBA and chips	2022
Supplier D[(4)] . . .	692,717	4.4%	Chips	2014
Supplier E[(5)]. . . .	593,136	3.8%	Chips	2019
Total	**4,524,232**	**28.8%**		

For the year ended December 31, 2024

Supplier	Transaction amount *(RMB'000)*	Percentage of purchases	Major products sold to us	Business relationship since
Supplier B	2,729,315	13.1%	Chips	2019
Supplier A	2,314,866	11.2%	Chips	2009
Supplier F[(6)]. . . .	1,528,619	7.4%	Chips	2018
Supplier D	836,434	4.0%	Chips	2014
Supplier G[(7)] . . .	703,185	3.4%	Display modules	2021
Total	**8,112,419**	**39.1%**		

For the year ended December 31, 2025

Supplier	Transaction amount *(RMB'000)*	Percentage of purchases	Major products sold to us	Business relationship since
Supplier B	3,642,165	14.2%	Chips	2019
Supplier A	2,486,657	9.7%	Chips	2009
Supplier F	2,325,199	9.1%	Chips	2018
Supplier G	1,213,617	4.7%	Display modules	2021
Supplier D	873,748	3.4%	Chips	2014
Total	**10,541,386**	**41.1%**		

Notes:

(1) Supplier A is a subsidiary of a global distributor of electronic parts and electronic communications equipment whose shares are listed on NASDAQ, with headquarters in Hong Kong.

(2) Supplier B is a subsidiary of a global leading semiconductor company with headquarters in the United States whose shares are listed on NASDAQ and which is mainly engaged in designing, engineering, and manufacturing advanced chips, systems, and software for the AI factories, including graphics and high performance computing products.

(3) Supplier C is a automotive technology company focused on developing and delivering AI-powered integrated domain control solutions, with headquarters in China.

(4) Supplier D is a subsidiary of a global provider of electronic components, enterprise computing solutions and intelligent solutions whose shares are listed on New York Stock Exchange, with headquarters in Hong Kong.

(5) Supplier E is a subsidiary of a global semiconductor company with headquarters in the United States known for designing, manufacturing, and selling analog and embedded processing chips analog and embedded processing products whose shares are listed on NASDAQ.

(6) Supplier F is a subsidiary of a global semiconductor company with headquarters in the United States whose shares are listed on NASDAQ and which is primarily engaged in sales of products for processors, modems, platforms, radio frequency systems, and connectivity, and products based on the end-use application of customers' design.

(7) Supplier G is a company primarily focused on Intelligent terminal products and services, with headquarters in China. Its share are listed on Shenzhen Stock Exchange.

Overlapping of Suppliers and Customers

Among our five largest suppliers in each year of the Track Record Period, Supplier F was also our customer in 2025. Our sales to Supplier F were RMB34.3 million in 2025, which amounted to 0.1% of our total revenue of the corresponding year. We mainly procured chips from Supplier F, and provided them with SiP. The transactions are conducted in the ordinary course of business and on commercial terms negotiated at arm's length. Save as disclosed above, to the best knowledge of the Company, there was no other overlapping of suppliers and customers among our five largest customers and suppliers of each year of the Track Record Period.

See "— Procurement, Inventory and Logistics — Our Suppliers."

Inventory Management

We attach great importance to our inventory health. We take inventory level into consideration when formulating procurement plans.

Our inventories mainly include raw materials, work in progress, finished products and goods in transit. We have various policies in place to ensure effective inventory management, such as adopting the first-in, first-out method, maintaining a safety inventory level for any unexpected

increase in demand or delay in supply and tracking and monitoring the flow of goods and inventory levels through our WMS. As of December 31, 2023, 2024 and 2025, the balance of our inventories was RMB3,259.9 million, RMB3,696.5 million and RMB4,789.3 million, respectively. In 2023, 2024 and 2025, our inventory turnover days were 69 days, 57 days and 59 days, respectively. See "Financial Information — Selected Balance Sheet Items — Inventories."

Logistics

Our products are usually stored in our own or third-party warehouses before they are delivered to our customers. We primarily use third-party logistics service providers for the delivery of finished goods from our production centers and warehouses to locations specified by our customers. We set strict standards for the transportation of our products that these third-party logistics service providers are required to follow, and we evaluate the third-party logistics service providers periodically on their performance and compliance with our requirements to ensure smooth delivery of products to customers. When selecting a logistics service provider, we typically consider their specialty and professional qualification, price, reputation, transportation efficiency, transportation capability and their track records. We also require our logistics providers to possess transportation permits and other relevant qualifications to conduct their business, as well as other qualifications as required by law. We generally enter into one-year agreements with our logistics service providers and evaluate their performance on an monthly basis.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any significant delay in delivery that materially affected our business operations.

INTELLECTUAL PROPERTIES

Our R&D efforts have 1,433 registered patents, 141 registered trademarks and 234 software copyrights, as well as seven domain names in China as of December 31, 2025. See "Appendix VI — Statutory and General Information — Further Information about the Business — Intellectual Property." These intellectual properties cover our production processes as well as the design of our products.

We rely on a combination of intellectual property protections laws in the jurisdictions in which we operate and contractual arrangements (including confidentiality provisions) to establish and protect our proprietary technologies, know-how and other intellectual property rights. Our IP department is primarily responsible for protecting our intellectual properties. We proactively manage and expand our intellectual property portfolio and establish intellectual property management systems to protect our intellectual properties and trade secrets. Despite our efforts, we may be subject to risks associated with alleged infringement of third parties' intellectual property rights, or infringement of our intellectual property rights by third parties. See "Regulatory Overview," and "Risk Factors — Risks Relating to Our Business and Industry — Our patents and other non-patented intellectual properties are valuable assets, and if we are unable to protect them from infringement, our business prospects may be harmed."

During the Track Record Period and up to the Latest Practicable Date, to the best of our knowledge, we had not been subject to any material intellectual property claims which could have a material adverse effect on our business or operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

ESG Management Framework

In order to achieve systematic and standardized management for the ESG system, we have established a layered ESG management framework, consisting of our Board and the strategy and sustainable development committee, sustainable development management committee and sustainable development working group. Our Board and the strategy and sustainable development committee serve as the decision-making layer for ESG matters, guiding strategies, assessing risks and approving the annual sustainable development report. Reporting to our Board and the sustainable

development committee, the strategy and sustainable development committee serve as the management layer responsible for coordinating the ESG management resources, supervising the execution of strategies and annual report and providing support for sustainable development working group. The working group as executive layer is responsible for executing ESG strategies, organizing ESG-related activities and training sessions and regularly report on ESG progress.

In addition, we have established an ESG management framework comprising major mechanisms for stakeholder engagement and communication. We proactively communicated with key stakeholders on critical issues, obtained their feedback and continuously enhanced our management standards based on such feedback. Specifically, we have implemented structured engagement mechanisms tailored to different stakeholder groups: (i) for employees, we conduct annual staff congresses, employee surveys and regular communication meetings covering topics such as employee rights, training and development, occupational health and safety and diversity and inclusion; (ii) for shareholders and investors, we hold general meetings, performance briefings and maintain investor communication platforms to ensure transparent corporate governance and direct investor relations; (iii) for customers, we perform annual satisfaction surveys and maintain multiple service channels including hotlines and e-commerce platforms; (iv) for suppliers and business partners, we conduct annual supplier assessments and partner conferences focusing on business ethics and sustainable procurement; and (v) for government and regulatory authorities, industry associations, media, NGOs and local communities, we maintain regular communication through regulatory meetings, industry seminars and public welfare activities to ensure compliance.

Material ESG Topics

Material ESG topics serve as key focal points for the management of our sustainable development. Following stakeholder engagement principles, we regularly conduct importance assessments by consulting both internal and external stakeholders to determine our material topic matrix. In 2025, the key material topics included response to climate change, energy management, R&D innovation, product quality, data privacy and cybersecurity and employee training and development.

Environment

Climate Change

We have established a robust governance mechanism for climate-related matters, clearly defining responsibilities across various levels. We have established the carbon neutrality steering committee to coordinate the overall strategic planning for low-carbon development and the formulation of emission reduction pathways to achieve our carbon neutrality goals. The committee is primarily responsible for the updating and management of dual-carbon strategic goals and pathways, continuous promotion of operational carbon neutrality and value chain carbon neutrality, pre-research and promotion of low-carbon new products, and the development of low-carbon supply chains. Furthermore, we conduct climate-related training to enhance the climate knowledge and skills for our management and employees and invite industry experts and professional institutions to conduct climate-related thematic seminars providing support for our climate-related decision-making.

We operate in the rapidly evolving intelligent automotive solution industry, where innovation in integrated and lightweight design leads to traditional material savings and reduced energy consumption. We place great importance on R&D, with a strong focus on designing and developing environmentally friendly and energy-efficient products to integrate sustainable development into product innovation, aiming to promote energy saving and emission reduction in industry. By offering these solutions, we extend product lifecycles and reduce the environmental impact of end-user applications. Sustainability and energy efficiency are embedded in the product design process from the outset with our product carbon reduction plans and databases and promoting the

use of lightweight and recyclable materials. We consider product lifespan and application scenarios to minimize unnecessary power consumption in circuits and reduce overall energy use, aligning our efforts with the goal of achieving carbon neutrality throughout the value chain by 2050.

GHG Emissions

Item	Unit	Year Ended December 31, 2023	2024	2025
Total Scope I GHG emissions	tCO_2e	9,657.04	945.92	2,362.70
Total Scope II GHG emissions	tCO_2e	50,526.59	55,388.37	75,919.54
Total Scope III GHG emissions[(1)]	tCO_2e	879,131.30	899,651.64	1,064,938.07

Note:

(1) Including indirect emissions from transportation, use of products or services and manufactured products.

Our total Scope I GHG emissions decreased from 9,657.04 tCO_2e in 2023 to 945.92 tCO_2e in 2024 and then increased to 2,362.70 tCO_2e in 2025. The increases in total Scope II GHG emissions and total Scope III GHG emissions corresponded with our enlarged business scale and increased production activities which led to higher overall electricity consumption and transportation needs.

Moving forward, we plan to continue to advance our carbon management efforts across the value chain to respond to our carbon neutrality goals. To proactively respond to the goals, we have integrated sustainable development into its business operations and decision-making. We have established environmental protection targets to quantify our efforts and actively monitor our environmental impact. Our goal is to achieve operational carbon neutrality by 2030, and full value chain carbon neutrality by 2050.

Energy Management

We have consistently prioritized ecological and environmental protection along with the sustainable use of resources for achieving our carbon neutrality targets. By embedding green development principles into our daily operations, we have established an energy governance structure and a full life-cycle energy management system, thereby improving energy efficiency across our facilities and strengthening energy-saving awareness among employees. These efforts have reduced energy consumption intensity at our production bases and enhanced the overall sustainability performance of our operations.

In our business operations, we have taken many initiatives to improve energy efficiency and reduce energy consumption. For instance, we expanded the distributed solar panel installation at our production bases. We aim to increase the proportion of green electricity in our internal electricity consumption to 100.0% by 2030.

Item	Unit	Year ended December 31, 2023	2024	2025
Purchased electricity	MWh	95,795.87	137,709.17	183,089.03
Comprehensive energy consumption	tons of standard coal	12,078.82	17,266.38	22,871.68

Environmental Compliance and Waste and Water Resources Management

We closely monitor environmental protection policies in our domestic and international areas of operation and strictly comply with national and local laws and regulations, including the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢棄物污染環境防治法》), the Law of the PRC on the Prevention and Control of Water Pollution (《中華

人民共和國水污染防治法》), the Law of the PRC on the Prevention and Control of Air Pollution (《中華人民共和國大氣污染防治法》), and the Law of the PRC on the Prevention and Control of Environmental Noise Pollution (《中華人民共和國噪聲污染防治法》), as well as relevant national and local standards. We have established internal procedures such as the Environmental Health and Safety Responsibility Management Procedure, the Management of Wastewater, Noise, Waste and Waste Gas Procedure, the Management of Chemicals Procedure, and utilized our EHS Information Management Platform to standardize environmental risk management in our operations. Our production bases have obtained and maintained ISO 14001 Environmental Management System certification. In addition, we actively promote a circular economy in our logistics operations by managing the entire process from upstream raw material transportation to downstream product distribution and reducing packaging waste.

To improve water-use efficiency and reduce water consumption, we have built a diversified water-use system combining municipal water supply with on-site wastewater treatment and reuse. At our Huinan and Zhongkai production bases, unit water consumption per product decreased by 13% from 2024 to 2025, supported by continuous upgrades to wastewater treatment systems and expansion of recycled water use and all production wastewater is treated to applicable standards and 100% reused in production processes. We have also invested in water-saving retrofit projects, including pump-room variable-frequency upgrades and replacement of cooling towers with higher-efficiency models to reduce losses in production-stage water use.

We strictly manage pollutant emissions and solid waste throughout the production process. Wastewater from cleaning processes is collected and treated via filtration, membrane and concentration processes until it meets the industrial water quality standard, and is then fully reused in cleaning operations, while domestic sewage is pre-treated and discharged into the municipal sewer system after third-party testing to ensure compliance. Process exhaust gas are collected via sealed ducting and treated in dust and oil-fume purification units before high-altitude discharge, with annual third-party monitoring to ensure compliance with air emission standards. We classify solid waste into hazardous waste and general industrial solid waste in accordance with the industry standards and internal procedures, and require hazardous waste such as waste circuit boards, alkaline solutions, sludge and discarded hazardous chemical packaging to be stored in dedicated hazardous waste warehouses or tank areas and handed over to qualified third-party contractors for compliant disposal or recycling. General industrial solid waste such as scrap metal, paper and plastic is sorted, stored in general solid waste warehouses and transferred to downstream recyclers for harmless treatment or comprehensive utilization.

		Year ended December 31,		
Item	**Unit**	**2023**	**2024**	**2025**
Total water consumption. .	tons	55,099	59,348	68,547

Social Responsibility

Sustainable Supply Chain Management

We place great emphasis on supply chain management and are committed to building a responsible and sustainable supply chain covering both hardware and software component suppliers. We have formulated and implemented the Supplier Management Manual and the Supplier Social Responsibility Management Procedure, establishing standardized requirements on, among others, certification of approved suppliers, hazardous substance control and potential supplier audits, forming a supplier social responsibility management framework that covers from admission to daily operation.

- *Admission and due diligence*. Before admission, all suppliers are required to complete the assessment and investigation through Supplier ESG Assessment Form. After passing this assessment, the suppliers are eligible to sign the Supplier CSR Social Responsibility

Commitment Letter and enter our qualified supplier pool. We require all suppliers to strictly comply with the Supplier Social Responsibility Commitment Letter and the Sunshine Agreement, committing not to use hazardous substances and to comply with International Labor Organization ("**ILO**") conventions and applicable labor laws (including the prohibition of forced labor and discrimination). In 2025, we conducted ESG audits on 161 suppliers and identified no ESG compliance risks. In addition, we require our suppliers to provide information on the origin and chain of custody of tin, tantalum, tungsten, gold and other minerals by completing the conflict minerals survey, thereby jointly promoting a responsible mineral supply chain.

- *Green supply chain*. In promoting a green supply chain, we have adopted "establishing a low-carbon supply chain evaluation system and continuous improvement" as our overarching principle. In 2025, we provided capability-building training to 19 core suppliers, supported 19 suppliers in completing green power projects and 17 suppliers in obtaining energy management system certification. During the Track Report Period, we also reviewed our raw materials inventory and completed low-carbon verification and registration for part of alternative materials.

- *Fair treatment of small and medium-sized enterprises (SMEs)*. We regard fair treatment of SMEa as a key element of supply chain collaboration and strictly comply with the Law of the PRC on the Promotion of Small and Medium-Sized Enterprises. We adhere to the principles of compliance, fairness and mutual benefit, avoid discriminatory clauses or unfair treatment in cooperation, and ensure that SMEs can participate in procurement on an equal footing through transparent admission and tender processes published via our website and industry procurement platforms.

Occupational Health, Safety and Care

We place great importance on employees' health and safety and continuously strengthen our occupational health and safety management systems to ensure a healthy and safe working environment. As of December 31, 2025, our Huinan and Zhongkai production bases have passed ISO 45001:2018 occupational health and safety management system certification.

We strictly comply with the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) and other applicable laws and regulations. We also refer to relevant international standards such as ILO conventions. In accordance with the relevant laws and regulations, we promote the implementation of internal policies such as the Employment Management Standards and Labor Contract. These efforts aim to regulate corporate operations, protect employees' rights and interests and continuously optimize talent management mechanisms.

We have also systematically reviewed and refined our occupational health management. Several internal policies and procedures have been established, including the Occupational Health Management Procedure, the Hazard Identification, Evaluation and Control Procedure and the Occupational Health Examination Management Procedure, to standardize health surveillance and hazard control across all workplaces and prevent occupational diseases. We conduct annual testing of occupational hazard factors, rectify identified risks, regularly maintain facilities and equipment, and provide pre-employment, on-the-job and exit occupational health examinations for employees. Moreover, we regularly conduct both online and offline training sessions that combine theoretical knowledge with practical skills on occupational health and safety, first aid and fire safety.

We also offer a competitive benefits package, including social insurance, paid leave, holiday perks and recreational activities. We also actively enrich our employees' cultural lives, prioritize both physical and mental well-being, remain attentive to the needs of employees facing challenges, and strive to cultivate a harmonious and fulfilling workplace environment.

We foster a culture rooted in equality, diversity and innovation, with zero tolerance for discrimination. We maintained a diverse workforce by gender, age, education background and regions and our female employees account for nearly 30% of our total workforce during the Track Record Period. By promoting transparency, trust, honesty and inclusiveness, we create an environment where everyone feels valued and respected.

Community Relations Management

We actively fulfill our social responsibilities, continuously support public welfare, and contribute to serving society. Each year, we prepare a dedicated budget for public welfare donations and continuously improve processes such as the research and evaluation of public welfare projects, project application and approval, and donation implementation, review, participation, tracking and statistics, in order to enhance our social influence. During the Track Record Period, we made donation of RMB4.0 million including donation to communities affected by natural disaster.

Corporate Governance

Business Integrity

We uphold the principle of integrity and apply high standards of business ethics to all our operations and commercial relationships. We are committed to conducting our business in strict compliance with applicable laws and regulations and to maintaining a zero-tolerance stance toward corruption, commercial bribery and unfair competition. To this end, we have established internal policies such as the Code of Business Conduct, Standards for Business Ethics Management, Measures for the Administration of Anti-Fraud and Whistleblowing Mechanisms, Whistleblowing Management Policy and Provisions on the Acceptance and Giving of Gifts, which set out clear rules governing employees' conduct and require all personnel to act with honesty, avoid improper benefits and refrain from any unethical or improper business practices.

We have established a comprehensive and accessible reporting mechanism including a dedicated whistleblowing email and telephone hotline. We encourage our employees, business partners and the public to report suspected violations and illegal activities. During the Track Record Period, we did not receive any whistleblowing reports that may have material and adverse impact on our business and operations.

We also provided training on the Code of Business Conduct and whistleblowing management to employees, carried out compliance risk screening, and participated in multiple industry exchanges organized by anti-fraud alliances to learn and share best practices in anti-corruption compliance.

DATA PRIVACY AND CYBERSECURITY

In recent years, data privacy and cybersecurity have emerged as critical governance priorities for companies worldwide. In particular, the PRC legislative and government authorities introduce new cybersecurity, data security and privacy laws and regulations from time to time. Consequently, our practices regarding the collection, process and transfer of various types of data may come under increased administrative scrutiny. See "Risk Factors — Risks Relating to Our Business and Industry — Any failure or perceived failure to comply with data privacy and security laws could subject us to potential liabilities."

We collect and store business data, management data and transaction data generated during or in connection with our business operations, including data related to our business and transactions with our customers, suppliers and other relevant parties. We generally do not collect or process individual customers' personal information since our customers are basically corporates. We have established a comprehensive data compliance system that consists of organizational structure and internal policies. We have formulated internal information security management system in accordance with international and industry standards such as ISO/IEC 27001 and TISAX. We

established and implemented a series of internal management processes and policy documents, including but not limited to the Data Compliance Management System, the Data Compliance and Privacy Protection Policy, and the Management of Information Security Incidents.

Our cybersecurity steering committee is responsible for developing and implementing our policies and procedures relating to cybersecurity and data security.

As advised by our PRC Legal Advisors, during the Track Record Period, we had complied with applicable laws and regulations related to cybersecurity and data privacy in all material aspects.

INFORMATION TECHNOLOGY

Our information technology systems are essential to our business operations. We have developed or employ various information technology systems covering all material aspects of our operations, including sales, supply chain management, inventory management, production and quality control. Our information technology department is responsible for developing and maintaining information technology systems to support our business operations and growth.

Our key information technology systems are set forth below:

- *Manufacturing Executive System (MES)*. Our MES is a dynamic information system that enables real-time monitoring and control of manufacturing operations. By tracking data, scheduling production, allocating resources and overseeing quality control, it manages the entire information flow from order release through the production process. Positioned between the planning layer of the upper level ERP system and the equipment control layer on the shop floor, it serves as the core hub for execution, control and traceability of workshop production. It is primarily designed to ensure effective implementation of production plans, transparency of processes, closed loop data management and controllable product quality.

- *Warehouse Management System (WMS)*. Our WMS is a software application that optimizes warehouse operations, including inventory tracking, receiving, picking, packing, and shipping. It manages the entire flow of goods from entry to exit, aiming to improve warehouse efficiency, accuracy, and visibility.

- *Advanced Planning and Scheduling (APS)*: Our APS is an advanced scheduling software system based on customer orders, material forecasts and capacity forecasts. It takes into account real world constraints such as material availability, production line capacity and labor resources, and generates optimized and feasible production schedules in real time, enabling us to improve its responsiveness, reduce inventory levels and enhance on time delivery performance.

COMPETITION

We operate in the intelligent automotive solution industry, which is highly competitive. According to Frost & Sullivan, the top five market players in the intelligent cockpit domain controller market accounted for 49.4% of the total market by revenue in China, and 52.4% in the third-party intelligent driving domain controller market by revenue in China. We generally compete with other large-scale manufacturers of automotive electronic components. According to Frost & Sullivan, we ranked first in the intelligent cockpit domain controller market in China by revenue in 2025, and first in the third-party intelligent driving domain controller market in China by revenue in 2025.

INSURANCE

We maintain insurance policies to cover product liability and employer liability. In addition, we have purchased a number of property-related insurance policies covering our facilities, machinery, equipment, inventories and other assets. We review our insurance policies from time to time to assess

the adequacy and breadth of coverage. We believe that our existing insurance coverage is adequate for our business operations and is in line with industry standards in the countries in which we operate. Nevertheless, we may be exposed to claims and liabilities which exceed our insurance coverage. See "Risk Factors — Risks Relating to Our Business and Industry — Our insurance coverage may be insufficient to cover all of our potential losses."

During the Track Record Period, we had not made, and were not the subject of, any insurance claims which are material to our business or financial condition.

PROPERTIES

As of December 31, 2025, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include any valuation report in this Document. Pursuant to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

Owned Properties and Land Use Rights

As of December 31, 2025, we owned seven properties with a gross floor area of 412,866 sq.m., and five land-use-rights with a gross floor area of 477,938 sq.m. We mainly use these properties as our employee dormitory and production facilities.

As of the Latest Practicable Date, we did not obtain the property ownership certificate of three owned properties as production plant, employee dormitory and office building, with a total gross floor area of 142,409 sq.m. We have obtained the "Construction Land Planning Permit," "Construction Engineering Planning Permit," and "Construction Engineering Work Permit," and have completed the construction project acceptance inspection for such owned properties. The process for obtaining the property ownership certificates is currently underway. According to the PRC Legal Advisor, these title defects are not expected to have a material adverse effect on our normal production and business operations.

Leased Properties

As of December 31, 2025, we leased 19 properties with a gross floor area of 30,546 sq.m. in China, mainly as our offices, plants and employee dormitories.

According to applicable PRC laws and regulations, the lessor and the lessee to a lease agreement are required to file the lease agreement with relevant government authorities within a prescribed time period. As of the Latest Practicable Date, with respect to 16 leased properties in China used, we had not filed the lease agreements. Although failure to do so does not in itself invalidate the leases, we may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. If we receive notice from the relevant PRC government authorities requiring us to complete the registration within the prescribed time frame and if we fail to do so, the maximum aggregate amount of potential administrative penalties we would be subject to for the 16 lease agreements is RMB160,000. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors. As advised by our PRC Legal Advisor, the absence of registrations will not affect the validity of the lease agreements, nor materially and adversely affect our operations. We will continue to make efforts to work with the property owners to rectify such non-compliance.

EMPLOYEES

As of December 31, 2025, we had 11,940 full-time employees, with approximately 96.7% of our employees located in China. The following table sets forth a breakdown of our full-time employees by function as of December 31, 2025.

Function	As of December 31, 2025	
	Number	*%*
Production	5,037	42.2%
Sales	328	2.7%
R&D	5,063	42.4%
Finance	108	0.9%
Administrative	560	4.7%
Logistics and procurement	844	7.1%
Total	**11,940**	**100%**

We provide our employees with certain benefits including social insurance coverage and retirement benefits. We enter into individual employment contracts with our employees to cover matters such as wages, employee benefits, confidentiality and grounds for termination. Our employees' compensation is determined according to their job positions, technical skills, job performance and competition.

We have designed a series of comprehensive training programs that align with our strategic direction and talent development objectives. These programs combine online and in-person learning formats to enhance employees' job-related skills, unlock their potential, and strengthen leadership, professional, and general capabilities.

We have set labor union in the Group. None of our employees are represented by collective bargaining agreements. We believe that we have good employment relationships with our employees. During the Track Record Period, we did not experience any strikes, work stoppages, labor disputes or actions which had a material adverse effect on our business and operations.

RISK MANAGEMENT AND INTERNAL CONTROL

Our future operating performance may be affected by risks relating to our business. Some of these risks are specific to us while others relate to economic conditions and the general industry in which we operate. See "Risk Factors" for a discussion of these risks.

Our Board and senior management are responsible for establishing and maintaining adequate risk management and internal control systems. Risk management is the process designed to identify potential events that may affect us and to manage risks to be within our risk appetite. Internal control is the process designed to provide reasonable assurance regarding achievement of objectives related to effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

Risk Management and Internal Control Policies

Our future operating performance may be affected by risks relating to our business. Some of these risks are specific to us while others relate to economic conditions and the general industry in which we operate. See "Risk Factors" for a discussion of these risks.

The Board of Directors and our senior management are responsible for establishing and maintaining adequate risk management and internal control systems. Risk management is the process designed to identify potential events that may affect us and to manage risks to be within our risk appetite. Internal control is the process designed to provide reasonable assurance regarding achievement of objectives related to effectiveness and efficiency of operations, reliability of financial

reporting and compliance with applicable laws and regulations. We have implemented or will adopt upon [REDACTED] a number of policies and measures to manage our risks and set up proper internal controls. These policies cover areas such as (i) the duties and roles of the Directors, the Board and our senior management; (ii) social and environmental matters, including policies on diversity; (iii) financial reporting; (iv) whistleblowing; (v) prevention of market misconduct; and (vi) compliance with the Listing Rules. Under our risk management and internal control policies, the Board oversees risk management and internal control systems on an ongoing basis and reviews the effectiveness of these systems. In 2026, we engaged an independent consulting firm to perform a review over our internal control. The key areas of review include financial reporting and disclosure, research and development management, management policies over sales, supply chain controls, trade receivables and payables management, product safety control, inventory management, fixed asset management, intangible assets management, human resource and remuneration management, capital management, tax management, insurance management, and information system general control.

LICENSES, PERMITS AND APPROVALS

We are required to obtain or maintain various licenses, permits and approvals in order to operate our business. We believe we have all material licenses, permits and approvals necessary in order to operate our business. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

We had not experienced any material difficulties in renewing material licenses, permits or approvals during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business. As of the Latest Practicable Date, there was no litigation, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material and adverse effect on our financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, there were no material breaches or violations of laws or regulations applicable to us which are expected to have a material adverse effect on our business, financial condition or results of operations.