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

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

OVERVIEW

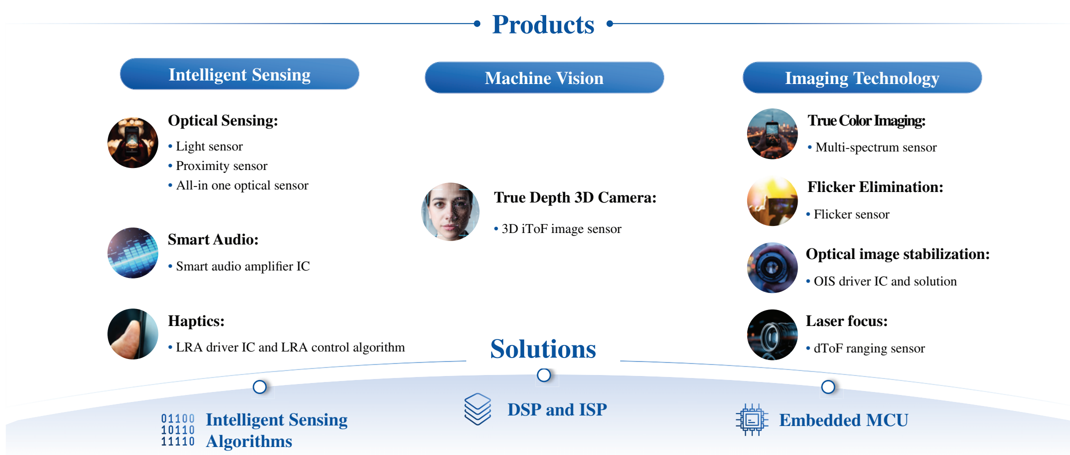
We are a provider of intelligent sensing, machine vision, and imaging technology solutions integrating high-performance mixed-signal integrated circuits (ICs) and optimization algorithms, supporting smart devices to achieve precise sensing, imaging, and intelligent upgrades. During the Track Record Period, we primarily generated revenue from sales of intelligent sensing products, comprising optical sensing, smart audio and haptics products, in the PRC. Our technology, centered around three core areas — namely intelligent sensing, machine vision, and imaging technology — serves a range of high-growth scenarios in consumer electronics including smartphones, smart wearables, and tablets, contributing to improvements in interaction efficiency and imaging experiences. Besides, we are actively expanding our footprint to other emerging growth areas, including robotics, digital twins and automotive electronics. Leveraging a top intelligent sensing technology platform combined with advanced precision actuation technologies, our solutions have formed synergies between sensing (capturing signals), decision (processing data), and actuation (executing commands). By combining multimodal sensing with actuation, our solutions aim to enhance sensing performance in complex environments and may support the development of smart devices and the adoption of sensing and imaging technologies.

OUR PRODUCT OFFERINGS

Through ongoing technological development, we have expanded our sensing technology to a technology platform that integrates intelligent sensing, machine vision, and imaging technologies. Across these three core areas, we have developed a product matrix comprising sensing and actuator IC products. Our products incorporate intelligent algorithms, and are applied in consumer electronics including smartphones, smart wearables, and tablets. Additionally, we are expanding into areas including robotics, digital twins, and automotive electronics.

Our commercialized product lines include light sensors, proximity sensors, all-in-one optical sensors, smart audio amplifier ICs and linear resonant actuator (LRA) driver ICs and LRA control algorithm under intelligent sensing category, 3D indirect Time-of-Flight (iToF) image sensors under machine vision category, and multi-spectral sensors, flicker sensors, optical image stabilization (OIS) driver ICs and direct Time-of-Flight (dToF) ranging sensors under imaging technology category.

The following diagram demonstrates our product matrix comprising our commercialized solutions as of the Latest Practicable Date:



Intelligent Sensing

We have developed a range of intelligent sensing products that integrate optical, smart audio and haptic sensing with proprietary edge AI algorithms. These products enable responsive and immersive interactions across smart devices. Our intelligent sensing solutions aim to enhance the accuracy, immediacy and immersion of human-machine interaction by enabling low-power, low-latency and privacy-preserving interactions between sensors and actuators. Our intelligent sensing products support multimodal sensing scenarios, enabling smart devices to capture light information, process sound, detect temperature fluctuations and provide haptic feedback.

Optical Sensing Solutions

Our optical sensing solutions include high-sensitivity pixel and light sensors for brightness, proximity, and color temperature detection, with applications across smartphones, wearables, XR devices, and automotive devices. As of the Latest Practicable Date, all of our light sensors, proximity sensors, and all-in-one optical sensors had been commercialized.

Smart Audio Solutions

Our smart audio amplifier ICs intelligently process, amplify audio signals and optimize acoustic quality in complex audio content and noisy environments, while enabling real-time temperature and excursion protection for speakers. Our smart audio amplifier ICs are widely used in smartphones, tablets, laptops, smart wearables, smart home devices, and in-car audio equipment.

Haptics Solutions

Our LRA driver ICs and LRA control algorithm function together with in-house developed LRA control algorithms to deliver vivid haptic control and fast response. These products are deployed in smartphones and are being expanded to laptops, AR/VR/XR devices, game controllers, smart home devices, and smart vehicles.

Machine Vision Solutions

We offer a comprehensive suite of machine vision solutions that provide smart devices with spatial awareness and visual understanding. Through active optical detection and multi-spectral sensing technologies, our solutions endow smart devices with accurate 3D modeling, material composition analysis, and dynamic environment understanding, overcoming the limitations of traditional 2D imaging. Our core machine vision products under 3D iToF image sensors, have overcome the imaging limitations of traditional image sensors, allowing smart device users to perceive 3D image information and obtain object data.

Imaging Technology Solutions

We have built a strong imaging product portfolio to deliver professional-grade imaging experiences for smart devices. Our imaging technology solutions address core challenges including color distortion, motion blur, telephoto shake, low-light focusing, and noise in complex environments, resolved by our flicker sensors, multi-spectral sensors, dToF ranging sensors, and OIS driver ICs. These imaging products, empowered by on-chip intelligent processing, optimize the entire imaging chain — spanning from photon capture to image output — ensuring vivid and adaptive visuals.

OUR COMPETITIVE STRENGTHS

We believe the following strengths contribute to our success and differentiate us from our competitors:

- Established expertise in intelligent sensing, machine vision, and imaging technology solutions;
- Building intelligent sensing technology capitalizing on IC and algorithm co-design;
- Collaboration with clients in vertical fields to build strong commercialization framework;
- Diversified product matrix empowering rich downstream application scenarios with a large market size;
- Localized global business presence, jointly serving and responding to domestic and overseas supply chains and customers; and
- Management team with a forward-looking vision and strategic perspective, equipped with extensive industry experience.

OUR STRATEGIES

We intend to pursue the following strategies to achieve our long-term goals of technological breakthroughs and global development:

- Increasing investment in R&D to maintain technological leadership;
- Continuous development of products, enrichment of our solution portfolio and expansion of our advantages;
- Continued efforts to strengthen our ecosystem establishment to achieve expansion of customer base and business scale;
- Accelerating our presence of globalized supply chain and localized team; and
- Exploration of strategic investment and cooperation.

COMPETITION

The analog IC market comprises a wide range of product categories with significantly different technical requirements, application scenarios and functional characteristics. Among these, intelligent sensing ICs, machine vision sensors and intelligent imaging ICs represent distinct application-driven sub-segments. According to CIC, the global analog IC market reached US$86.5 billion in 2025, and is expected to grow to US$111.3 billion in 2030, representing a CAGR of 6.1% from 2026 to 2030. In terms of revenue, intelligent sensing ICs, machine vision sensors and intelligent imaging ICs accounted for 13.4%, 1.9% and 0.9%, respectively, of the global analog IC market in 2025, and are expected to reach 12.9%, 1.7% and 1.2%, respectively, by 2030. Within the global intelligent sensing IC market, optical sensors, smart audio amplifier ICs, and LRA driver ICs account for approximately 9%, 8% and 2% respectively in terms of revenue in 2025.

We face intense competition in the intelligent sensing, machine vision and imaging technology solutions industries. Key competitive factors in our industries include R&D capabilities, quality of products, ability to meet technological iteration demands and trends of downstream sectors, and provision of timely, effective consumer support. According to CIC, in terms of revenue in 2025, we ranked (i) the fourth in the global optical sensor market with a market share of 3.7%; (ii) the third in the global smart audio amplifier IC market with a market share of 6.1%; (iii) the third in the global LRA driver IC market with a market share of 3.8%; (iv) the third in the global 3D ToF image sensor market with a market share of 1.1%; and (v) the eighth of the global intelligent imaging IC market with a market share of 1.9%. For more information on the competitive landscape of our industry, see "Industry Overview." Our Directors believe that we will maintain our competitiveness over other competitors and our market position by strengthening and developing our competitive strengths, which are highlighted in the paragraph headed "Business — Our Competitive Strengths" in this section.

DESIGN, RESEARCH AND DEVELOPMENT

After years of technological accumulation and deep penetration into the industry, we have developed in-house core technologies, which we view as "foundational technologies," covering intelligent sensing algorithms and system-level solutions, highly integrated digital processing and embedded systems, design and process development capabilities of sensor sensing elements, and enhance analog IC design. These aspects are important to our operations, empowering our products with strong technologies and competitive advantages.

Our design and R&D capabilities enable us to possess solid foundational technologies, an integrated IC design platform, a science-oriented and rigorous R&D management system, and an ability to develop, upgrade and iterate existing and new products. As of December 31, 2025, our R&D team consisted of 206 experienced, expert-level engineers, approximately 60% of whom possessed postgraduate degrees or above, while more than 22% were equipped with over five years of extensive industry experience.

In 2023, 2024 and 2025, our R&D expenses amounted to RMB81.5 million, RMB77.1 million and RMB90.4 million, respectively. The decrease of R&D expenses in 2024 was mainly due to a decrease of share-based payment expenses recognized in 2024, partially offset by the increase of staff cost. Our R&D staff cost was RMB40.5 million, RMB45.8 million and RMB50.5 million, respectively, in 2023 and 2024 and 2025. The growing trend of R&D staff cost during the Track Record Period showcases our continuous investment in our R&D personnel, which is a critical force driving the growth of our R&D activities.

OUR CUSTOMERS AND SUPPLIERS

Our customers consist of direct sales customers that engage in R&D, manufacturing and sales of smartphones, electronic devices and components, as well as distributors in these industries. Revenue contributed by our five largest customers accounted for 90.5%, 78.3% and 82.2% of our total revenue in 2023, 2024 and 2025, respectively, while the largest customer in each of the years during the Track Record Period contributed 25.0%, 26.4% and 37.0% of our total revenue, respectively, for the same years. Given the significant revenue contribution by our major customers in aggregate during the Track Record Period, any decrease in sales from, or loss of, one or more of our major customers would harm our business, financial condition and results of operations. For a detailed analysis of the concentration risks we face, any mutually dependent relationship or any material adverse relationship with our major customers, see "Business — Our Customers — Concentration of Customers" and "Risk Factors — Risks Relating to our Business and Industry — A significant proportion of our revenue was derived from certain customers during the Track Record Period. Any decrease in sales from, or loss of, one or more of our major customers would have negative impacts on our results of operations."

Our suppliers consist primarily of foundries and packaging and testing service providers. In 2023, 2024 and 2025, purchases from our five largest suppliers in each of the years during the Track Record Period amounted to RMB292.5 million, RMB639.8 million and RMB529.5 million, respectively, accounting for 90.4%, 89.7% and 83.1% of our total purchases in the same years. For the same years, purchases attributable to our largest supplier in each of the years during the Track Record Period amounted to RMB136.1 million, RMB265.6 million and RMB312.5 million, respectively, accounting for 42.1%, 37.2% and 49.0% of our total purchases. Moreover, we made substantial purchases from our major foundry partners, Supplier A and Supplier B, during the Track Record Period. Given the significant purchase amount from our major suppliers and our material reliance on Supplier A and Supplier B during the Track Record Period, any interruption to the supplies from, or loss of, our major suppliers, especially from our major foundry partners, would have negative impacts on our results of operations. For a detailed analysis of the concentration risks we face, any mutually dependent relationship or any material adverse relationship with our major suppliers, or the consequences of and the prevention measures to tackle the material reliance of our major foundry suppliers, see "Business — Procurement and Supply — Relationship with Supplier A and Supplier B" and "Risk Factors — Risks Relating to Our Business and Industry — We partner with third-party wafer foundries and packaging and testing service providers. We are exposed to supplier concentration risk due to our reliance on such major suppliers."

INTELLECTUAL PROPERTY

We regard our patents, trademarks, know-how, domain names and other intellectual property rights as critical to our competitiveness and success. As of the Latest Practicable Date, we had 136 granted patents, including 26 utility model related patents and 110 invention related patents, and 62 integrated circuit layout design registrations in the PRC. As of the same date, we had 12 copyrights, one trademark and one registered domain names registered in the PRC. We are also in the process of applying for over 150 pending patent applications in the PRC and have five pending Patent Cooperation Treaty ("**PCT**") applications.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

This summary of key financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in "Financial Information."

Summary of Consolidated Statements of Profit and Loss

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

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue	242,048	666,580	854,704
Cost of sales	(185,022)	(510,353)	(646,678)
Gross profit	**57,026**	**156,227**	**208,026**
Other income	15,522	4,173	23,876
Other gains and losses	9,593	2,280	1,314
Loss on fair value change of financial liabilities at fair value through profit or loss ("FVTPL")	(41,290)	(40,468)	(16,498)
Impairment losses under expected credit loss ("ECL") model, net of reversal	(336)	(2,633)	2,671
Selling and distribution expenses	(40,587)	(48,000)	(49,188)
General and administrative expenses	(28,445)	(24,672)	(32,082)

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	(81,451)	(77,103)	(90,389)
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Finance costs	(162)	(747)	(1,261)
(Loss)/profit before tax	**(110,130)**	**(30,943)**	**26,110**
Income tax credit/(expense)	–	40,677	380
(Loss)/profit for the year	**(110,130)**	**9,734**	**26,490**

Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income presented in accordance with IFRSs, we also use adjusted net (loss)/profit (non-IFRS measure), as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe that the presentation of such non-IFRS measure when shown in conjunction with the corresponding IFRS measures provides useful information to [**REDACTED**] and management in facilitating a comparison of our operating performance from period to period and company to company by eliminating potential impacts of certain items. However, the use of non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies.

We define adjusted net (loss)/profit (non-IFRS measure), as (loss)/profit for the year by adding back (i) share-based payments expenses related to our Pre-[**REDACTED**] share incentive plan, which are non-cash in nature, (ii) [**REDACTED**] expense which are expenses related to the [**REDACTED**], and (iii) loss on fair value change of financial liabilities at FVTPL relating to certain special rights granted to our Pre-[**REDACTED**] Investors, which is non-operating in nature and was reclassified to equity in 2025. The financial liabilities at FVTPL increased from RMB1,012.8 million as of December 31, 2023 to RMB1,053.3 million as of December 31, 2024. The increases were primarily attributable to the fair value change of such financial liabilities. Our financial liabilities FVTPL decreased to nil as of December 31, 2025 as certain special rights of our Pre-[**REDACTED**] Investors were terminated on July 31, 2025, resulting in a transfer of RMB1,579.4 million to other reserve. See Note 23 to the Accountants' Report in Appendix I to this document for details.

The following table reconciles our adjusted net (loss)/profit (non-IFRS measure) for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(Loss)/profit for the year	(110,130)	9,734	26,490
Add:			
Share-based payments expenses	43,384	20,870	8,031
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Loss on fair value change of financial liabilities at FVTPL	41,290	40,468	16,498
Adjusted net (loss)/ profit (non-IFRS measure)	**(25,456)**	**71,072**	**71,378**

Revenue

The following table sets forth a breakdown of our revenue by business lines for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of revenue*	*RMB'000*	*% of revenue*	*RMB'000*	*% of revenue*
Intelligent sensing products	236,487	97.7	573,557	86.0	708,004	82.9
– Optical sensing	*93,074*	*38.5*	*299,548*	*44.9*	*270,860*	*31.7*
– Smart audio	*143,374*	*59.2*	*244,631*	*36.7*	*382,675*	*44.8*
– Haptics	*39*	*–**	*29,378*	*4.4*	*54,469*	*6.4*
Machine vision products	751	0.3	46,434	7.0	70,724	8.3
Imaging technology products	11	–*	46,501	7.0	71,192	8.3
Others(1)	4,799	2.0	88	–*	4,784	0.5
Total	**242,048**	**100.0**	**666,580**	**100.0**	**854,704**	**100.0**

* Less than 0.1%

(1) Others primarily comprise revenue from sales of our proprietary software, which is designed to enhance the performance of IC products.

Intelligent Sensing Products

Optical Sensing: Revenue surged from 2023 to 2024, primarily driven by the expansion of sales volume from 62.2 million pieces in 2023 to 283.2 million pieces in 2024. Revenue decreased in 2025, primarily due to a decrease of average selling price ("**ASP**") driven by the competitive pricing strategy and price erosion in line with the industry norm, alongside the periodic price adjustments for key customers which offset the increase in our sales volume. See "Financial Information — Sales volume and ASP by Business Lines", for detailed discussions.

Smart Audio: Revenue grew consistently during the Track Record Period, primarily due to the significant increase in sales volume, driven by our enhanced product competitiveness and diversified product portfolio, underpinned by the continuous roll-out of next-generation products.

Haptics: Following the transition from trial production to mass production, revenue increased significantly during the Track Record Period. Such strong growth was bolstered by a successful production ramp-up and the broaden application scenarios.

Machine Vision Products

Revenue increased during the Track Record Period, primarily driven by the transition from trial production to large-scale commercialization, coupled with new customer acquisition and the launch of next-generation products.

Imaging Technology Products

Revenue expanded rapidly during the Track Record Period primarily attributable to the transition from trial production to massive production scaling and strong market adoption.

See "Financial Information — Period-To-Period Comparison of Results of Operations" for detailed discussions of fluctuations of revenue in the relevant years.

Sales volume and ASP by Business Lines

In 2023, 2024 and 2025, we sold 211.8 million, 648.5 million and 827.9 million pieces of products, respectively. The table below sets forth our sales volume and ASP of our business lines for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP
	Pieces ('000)	*RMB per piece*	*Pieces ('000)*	*RMB per piece*	*Pieces ('000)*	*RMB per piece*
Intelligent sensing products	211,744	1.1	613,418	0.9	775,686	0.9
– *Optical sensing*	62,181	1.5	283,159	1.1	319,302	0.8
– *Smart audio*	149,536	1.0	309,522	0.8	413,235	0.9
– *Haptics*	27	1.5	20,737	1.4	43,149	1.3
Machine vision products	6	120.5	2,357	19.7	3,682	19.2
Imaging technology products	6	1.8	32,757	1.4	48,579	1.5
Others(1)	N/A	N/A	N/A	N/A	N/A	N/A
Total	**211,756**		**648,532**		**827,947**	

Note:

(1) Others primarily comprise revenue from sales of our proprietary software, which is designed to enhance the performance of integrated circuit.

Intelligent Sensing Products

Optical Sensing: Sales volume surged from 2023 to 2025, primarily attributable to our competitive pricing strategy, the favorable industry trend of domestic substitution as well as our enriched product portfolio. See "Financial Information — Sales volume and ASP by Business Lines", for detailed discussions. The downward trend of ASP was primarily due to the competitive pricing strategy, price erosion and periodic price adjustments for key customers.

Smart Audio: Amid the favorable industry trend of domestic substitution, the sales volume increased during the Track Record Period, primarily attributable to our enhanced product competitiveness and diversified product portfolio, underpinned by the continuous roll-out of next-generation products, alongside the competitive pricing strategy. While ASP declined in 2024 due to the competitive strategy and industry-wide price erosion, it recovered to RMB0.9 in 2025 driven by an optimized product mix toward next-generation products which command higher ASP compared to our existing products.

Haptics: After transitioning from trial production since 2023, sales volume reached 43.1 million units in 2025. This growth was bolstered by the successful ramp-up of large-scale production and a broadening of application scenarios. ASP decreased from 2023 to 2025, consistent with the industry development cycle.

Machine Vision Products

Sales volume increased during the Track Record Period, primarily driven by new customer acquisition and a continuous roll-out of new products. ASP was RMB19.7 in 2024 as a reasonable price upon commercialization, followed by a modest adjustment in 2025 to maintain long-term partnerships with a major client.

Imaging Technology Products

Sales volume increased rapidly, reaching 48.6 million units in 2025, primarily driven by the transition from trial production to mass production, alongside the robust adoption by clients and our leadership within the industry. ASP was relatively stable at RMB1.4 in 2024 and RMB1.5 in 2025, both being a reasonable price after commercialization, reflecting a favorable shift in our product portfolio as higher-ASP products accounted for an increased proportion of our total shipments.

See "Financial Information — Sales volume and ASP by Business Lines", for detailed discussions of fluctuations of sales volume and ASP by each product in the relevant years.

Gross Profit and Gross Margin

The following table sets forth a breakdown of gross profit and gross profit margin by business lines for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross Profit/ (loss)	Gross Profit/ (loss) Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Intelligent sensing products	57,548	24.3	131,867	23.0	150,655	21.3
– Optical sensing	*30,285*	*32.5*	*77,930*	*26.0*	*64,164*	*23.7*
– Smart audio	*28,269*	*19.7*	*41,715*	*17.1*	*63,103*	*16.5*
– Haptics	*(1,006)*	*(2,579.5)*	*12,222*	*41.6*	*23,388*	*42.9*
Machine vision products	(865)	(115.2)	5,553	12.0	18,091	25.6
Imaging technology products	(3,759)	(34,172.7)	18,728	40.3	35,325	49.6
Others	4,102	85.5	79	89.8	3,955	82.7
Total	**57,026**	**23.6**	**156,227**	**23.4**	**208,026**	**24.3**

Note: We recorded gross loss for haptics, machine vision products and imaging technology products in 2023, primarily attributable to the recognition of inventory provisions of RMB1.0 million, RMB1.4 million and RMB3.8 million for our haptics, machine vision products and imaging technology products, respectively, which resulted in higher cost of sales.

Intelligent Sensing Products — *Optical Sensing:* Gross profit increased from 2023 to 2024 due to a significant increase in sales volume primarily driven by domestic substitution, and decreased in 2025 due to a decrease in ASP. Gross profit margin declined during the Track Record Period, primarily reflecting a competitive pricing strategy, industry-wide price erosion and periodic price adjustments for key customers.

Intelligent Sensing Products — *Smart Audio:* Gross profit increased steadily during the Track Record Period, driven by sales volume growth resulted from our enhanced product competitiveness and diversified product portfolio. Gross profit margin decreased during the Track Record Period, primarily due to the competitive pricing strategy, industry-wide price erosion and a one-off write-down of inventory.

Intelligent Sensing Products — *Haptics:* After a negligible gross loss in 2023 during trial production, we began to achieve gross profit in 2024. Gross profit margin increased to 42.9% in 2025, primarily due to the reduction in unit costs as we secured more favorable pricing terms from our suppliers upon reaching mass production scale.

Machine Vision Products: We turned from a gross loss in 2023 to a gross profit in 2024 and 2025 following the transition to mass production. The gross profit margin increased during the Track Record Period, primarily attributable to supply chain optimization, specifically, (i) the active diversification of our supplier network to include more cost-advantageous partners to reduce procurement costs; and (ii) enhanced collaboration with suppliers to maintain stable relationship to better manage the quality and cost control, such as product yield rates improvement and on-time delivery, thereby further lowering our unit costs.

Imaging Technology Products: We turned from a gross loss in 2023 to a gross profit in 2024 and 2025 following the transition to mass production. Gross margin expanded during the Track Record Period primarily driven by supply chain optimization, coupled with a favorable shift in our product mix characterized by an increased sales contribution from products with higher gross margin.

See "Financial Information — Period-To-Period Comparison of Results of Operations" for detailed discussions of fluctuations of gross profit and gross margin in the relevant years.

Profit/(Loss) for the Year

Our net loss in 2023 were primarily due to (i) recognition of equity-settled share-based payments expenses of RMB43.4 million, and (ii) loss on fair value change of financial liabilities at FVTPL of RMB41.3 million. We recorded net profit of RMB9.7 million and RMB26.5 million in 2024 and 2025, respectively, primarily attributable to the decrease of in equity share base payment expenses and the decrease in the loss on fair value change of financial liabilities at FVTPL, partially offset by the increase in the [**REDACTED**] expenses related to our [**REDACTED**] in 2025. Concurrently, our revenue increased from RMB242.0 million in 2023 to RMB666.6 million in 2024 and further increased to RMB854.7 million in 2025, which in turn supported our overall profitability.

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current assets			
Inventories	113,317	283,920	206,265
Trade receivables, prepayments and other receivables	185,947	313,542	154,009
Cash and cash equivalents	186,582	33,899	717,257
Total current assets	**485,846**	**631,361**	**1,077,531**
Total non-current assets	**45,601**	**106,808**	**121,426**
Current liabilities			
Trade and other payables	61,877	124,548	89,469
Contract liabilities	3,005	3,047	3,480
Borrowing	–	70,000	–
Tax payable	64	71	26
Financial liabilities at FVTPL	1,012,806	1,053,274	–
Lease liabilities	849	2,222	3,147
Total current liabilities	**1,078,601**	**1,253,162**	**96,122**
Total non-current liabilities	**1,494**	**3,649**	**7,058**
Net current (liabilities)/assets	**(592,755)**	**(621,801)**	**981,409**
Net (liabilities)/assets	**(548,648)**	**(518,642)**	**1,095,777**

Our net current liabilities increased from RMB592.8 million as of December 31, 2023 to RMB621.8 million as of December 31, 2024, primary due to (i) an increase of RMB70.0 million in borrowings; (ii) an increase of RMB62.7 million in trade and other payables in parallel with our business expansion; and (iii) a decrease of RMB152.7 million in cash and cash equivalents, primarily as a result of our utilization of cash in connection with our operating activities, partially offset by an increase of RMB170.6 million in inventories.

We turned from net current liabilities of RMB621.8 million as of December 31, 2024 to net current assets of RMB981.4 million as of December 31, 2025, primarily due to (i) a decrease of RMB1,053.3 million in financial liabilities at FVTPL, as certain special rights of our Pre-[**REDACTED**] Investors were terminated on July 31, 2025; (ii) a decrease of RMB70.0 million in borrowings; and (iii) an increase of RMB683.4 million in cash and cash equivalents from RMB33.9 million, primarily due to the completion of our Series D+ Financing.

We had net liabilities of RMB548.6 million and RMB518.6 million as of December 31, 2023 and 2024, and we achieved net assets of RMB1,095.8 million as of December 31, 2025, which were resulted from the net movement of the profit/(loss) and total comprehensive (expense)/income for the year and equity-settled share-based transactions.

Our net liabilities decreased from RMB548.6 million as of December 31, 2023 to RMB518.6 million as of December 31, 2024 due to the recognition of net profit of RMB9.7 million in 2024, and equity-settled share-based transactions amounting to RMB20.9 million.

We turned from net liabilities of RMB518.6 million as of December 31, 2024 to net assets of RMB1,095.8 million as of December 31, 2025 due to termination of the Company's obligations arising from preferential rights granted to the investors amounting to RMB1,579.4 million, the recognition of net profit of RMB26.5 million in 2025 and equity-settled share-based transactions amounting to RMB8.0 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected cash flow statement information for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash (used in)/from operating activities	(190,146)	(184,838)	270,173
Net cash from/(used in) investing activities	279,088	(35,504)	(17,778)
Net cash (used in)/from financing activities	(1,983)	67,515	430,720
Net increase/(decrease) in cash and cash equivalents	86,959	(152,827)	683,115
Cash and cash equivalents at the beginning of the year	99,473	186,582	33,899
Effect of foreign exchange rate changes	150	144	243
Total cash and cash equivalents at end of the year	**186,582**	**33,899**	**717,257**

We have recorded net cash used in operating activities of RMB190.1 million and RMB184.8 million in 2023 and 2024, respectively. In 2025, we have recorded net cash generated from operating activities of RMB270.2 million.

Operating Cash Flows

In 2025, we had net cash generated from operating activities of RMB270.2 million, primarily consisting of our profit before tax of RMB26.1 million, as adjusted by (i) non-cash and non-operating items, which mainly consisted of share-based payment expenses of RMB8.0 million, allowance for inventories of RMB21.7 million, loss on fair value change of financial liabilities at FVTPL of RMB16.5 million, and depreciation and amortization of RMB7.1 million, partially offset by net foreign exchange gain of RMB1.0 million; and (ii) changes in working capital, which mainly reflected a decrease in inventories of RMB63.5 million and a decrease in trade receivables of RMB71.2 million, partially offset by (i) an increase in prepayments and other receivables of RMB101.7 million and (ii) a decrease in trade and other payables of RMB39.4 million.

In 2024, we had net cash used in operating activities of RMB184.8 million, primarily consisting of our loss before tax of RMB30.9 million, as adjusted by (i) non-cash and non-operating items, which mainly consisted of allowance for inventories of RMB22.8 million driven by factors including long-aged, obsolete, and slow-moving inventories, alongside ongoing technological updates and product iteration, share-based payment expenses of RMB20.9 million, loss on fair value change of financial liabilities at FVTPL of RMB40.5 million, and depreciation and amortization of RMB5.6 million, partially offset by net gain on fair value changes of financial assets at FVTPL of RMB1.6 million; and (ii) changes in working capital, which mainly reflected an increase in inventories of RMB187.2 million and an increase in trade receivables RMB113.1 million, partially offset by an increase in trade and other payables of RMB73.2 million.

In 2023, we had net cash used in operating activities of RMB190.1 million, primarily consisting of our loss before tax of RMB110.1 million, as adjusted by (i) non-cash and non-operating items, which mainly consisted of share-based payment expenses of RMB43.4 million, allowance for inventories of RMB18.9 million driven by factors including long-aged, obsolete, and slow-moving inventories, alongside ongoing technological updates and product iteration, loss on fair value change of financial liabilities at FVTPL of RMB41.3 million, and depreciation and amortization of RMB5.0 million, partially offset by net gain on fair value changes of financial assets at FVTPL of RMB8.6 million; and (ii) changes in working capital, which mainly reflected an increase in inventories of RMB100.1 million and an increase in prepayments and other receivables of RMB72.8 million, partially offset by an increase in trade and other payables of RMB14.7 million.

Working Capital Sufficiency

Our Directors are of the opinion that, taking into account the estimated net [**REDACTED**] from the [**REDACTED**] and the financial resources available to us, including expected cash generated from operating activities, we have sufficient working capital to cover our costs, including research and development expenses, selling expenses, general and administrative expenses and other operating costs, for the next 12 months from the date of this document.

As of December 31, 2025, we had RMB717.3 million in cash and cash equivalents. As of December 31, 2025, we had committed unutilized banking facilities of RMB100.0 million, and we may seek further banking facilities depending on our financing needs. In addition, we expect to receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] million, based on the low-end [**REDACTED**] of HK$[**REDACTED**] per Share.

During the Track Record Period, we have implemented stringent cash management measures to regularly review our cash position and optimize allocation to support our operations.

Key Financial Ratios

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

	Year ended December 31,		
	2023	2024	2025
Gross margin	23.6%	23.4%	24.3%
Net margin	(45.5)%	1.5%	3.1%
Current ratio	0.5	0.5	11.2
Quick ratio	0.3	0.3	9.1

Notes:

(1) Gross margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Net margin is calculated based on (loss) profit and total comprehensive (expense) income for the year/period divided by revenue and multiplied by 100%.

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

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

For further details, see "Financial Information — Key Financial Ratios."

RECENT DEVELOPMENTS

Subsequent to the Track Record Period, we continued to make progress across our various products lines, with advancements in commercialization, product development and customer expansion.

In the first quarter of 2026, the sales volume of our intelligent sensing products, machine vision products and imaging technology products reached approximately 176,982 thousand, 1,123 thousand and 9,567 thousand pieces, respectively. We expect sales volume to increase in the remainder of 2026 based on the seasonality of our business and purchase forecasts provided by our customers.

Intelligent Sensing Products: Building on our strategic focus on the wearable device segment, multiple new products developed in response to market demand secured their first orders in January 2026, marking the initial commercialization phase of our wearable-related initiatives. Tape-out of our optical navigation sensors was completed in March 2026, with anticipated commercialization in the second half of 2026.

Imaging Technology Products: Our imaging co-processor and dual-axis integrated OIS products completed tape-out and are progressing in accordance with our established R&D roadmap. Our dToF ranging sensors have entered the early commercialization stage with small-scale mass production. We delivered approximately 78,000 pieces of OIS driver ICs products in the first quarter of 2026. Leveraging these developments, we have expanded our customer base and broadened application scenarios, with our products gradually extending into high-end handheld photography devices and smart glasses.

Machine Vision Products: We recorded new customer engagements in January 2026 across application areas including robotic vacuum cleaners, PC cameras and real-time conferencing systems, further strengthening our market presence in these segments.

In February 2026, our Company entered into equity transfer agreements with three Independent Third Parties (the "**Vendors**"), pursuant to which (i) our Company agreed to acquire 20.07% equity interest in the target company (the "**Target Company**") from the Vendors at a total consideration of RMB6.0 million (the "**Equity Transfers**"), and (ii) it is further proposed that our Company will subscribe for up to 5.48% post-dilution equity interest in the Target Company at a subscription price of not more than RMB30 million within six months from the completion date of the Equity Transfers, subject to terms of a separate agreement to be entered into. The Equity Transfers were completed in February 2026 and it is anticipated that the subscription, if agreed by both parties under a separate agreement, will be completed no later than August 2026, upon which our Company will hold up to 24.45% post-dilution equity interest in the Target Company. The Target Company will be accounted for as an associate and its financial results will not be consolidated into the financial statements of our Group. For this acquisition occurring after the Track Record Period, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules in relation to the preparation of financial statements in respect of the Target Company. See "Waivers from Strict Compliance with the Requirements Under the Listing Rules — Acquisition after the Track Record Period."

NO MATERIAL CHANGE

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

OUR CONTROLLING SHAREHOLDERS

Immediately upon completion of the [**REDACTED**] (without taking into account any Shares which may be issued pursuant to the exercise of the [**REDACTED**]), Mr. Liu and our Share Incentive Platforms, namely Juxinwei Enterprise, Zhihui Juxin, Zhike Juxin, Zhituo Juxin and Zhixin Enterprise, will be directly interested in an aggregate of [**REDACTED**]% of the total number of Shares. Accordingly, immediately upon completion of the [**REDACTED**] (without taking into account any Shares which may be issued pursuant to the exercise of the [**REDACTED**]), Mr. Liu and our Share Incentive Platforms will be our Controlling Shareholders under the Listing Rules.

PRE-[REDACTED] INVESTMENTS

Since our establishment, we have received substantial investments and support from our Pre-[**REDACTED**] Investors which are renowned private equity and strategic investors, and have raised funds of over RMB1,100 million as of the Latest Practicable Date. See "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" for details.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of the [**REDACTED**] of, and permission to [**REDACTED**], our H Shares to be converted from Unlisted Shares and issued pursuant to the [**REDACTED**], on the basis that we satisfy the [**REDACTED**]/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2025, which exceeds HK$500 million, and (ii) our expected [**REDACTED**] at the time of [**REDACTED**], which exceeds [**REDACTED**].

RISK FACTORS

Our business and operations involve certain risks and uncertainties, many of which are beyond our control. Some of the major risk factors that we face include:

- a significant proportion of our revenue was derived from certain customers during the Track Record Period. Any decrease in sales from, or loss of, one or more of our major customers would have negative impacts on our results of operations;
- we rely on major suppliers for procurement of raw materials during the Track Record Period. Any decrease in purchases from, or loss of, one or more of our major suppliers would have negative impacts on our results of operations;
- our business growth and prospects are affected by our ability to continuously innovate and iterate our existing products and to expand our product mix and penetrate new markets;

- our inability to continuously develop our technological capabilities and improve our R&D capabilities could make our products uncompetitive and obsolete, which may impede our ability to address the requirements in technology segments that are expected to contribute to our growth;
- the industries in which we operate are highly competitive. If we fail to compete against other market players, our business, results of operations and financial condition may be materially and adversely affected;
- our business, financial condition and results of operations may be materially and adversely affected by international laws, regulations and policies and international export controls and economic sanctions;
- our business is susceptible to any policy changes affecting the semiconductor industry which may materially and adversely affect our business;
- our operational performance depends in part on our ability to enforce our intellectual property rights and to maintain freedom to operate in all jurisdictions where we conduct business;
- we may be unable to adequately protect our proprietary rights, which may impact our ability to compete effectively and
- our historical growth may not be indicative of our future growth. If we are unable to manage our growth or execute our business strategies effectively, our results of operations and business prospects may be materially and adversely affected.

DIVIDEND

No dividend was paid or declared by our Company since its date of incorporation and up to the end of the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy. The determination of whether to pay a dividend and in which amount is based on factors the Board may deem relevant. Any dividend distribution will also be subject to the approval of the Shareholders in a Shareholders' meeting. Under PRC law and the Articles of Association, the general reserve requires annual appropriations of 10% of after-tax profits at each year-end until the balance reaches 50% of the relevant PRC entity's registered capital. In view of our accumulated losses, as advised by our PRC Legal Advisors, according to the relevant PRC laws and regulations and the Articles of Association, we shall not declare or pay dividend until the accumulated losses are covered by our after-tax profits and sufficient statutory common reserve are drawn in accordance with the relevant laws and regulations.

[REDACTED] STATISTICS

[REDACTED]

[**REDACTED**]

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] million from the [**REDACTED**], after deducting the [**REDACTED**] and other estimated expenses payable by us in connection with the [**REDACTED**], assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range in this document. We intend to use the net [**REDACTED**] from the [**REDACTED**] for the following purpose:

- approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used to research and development of key technologies in the fields of intelligent sensing machine vision and imaging, including (i) approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used to retain, expand and strengthen our R&D team; (ii) approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used to procure tape-out services, raw materials and non-recurring engineering services; and (iii) approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used to upgrade our R&D technology and purchase advanced R&D equipment;
- approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used to expand our global sales and service network, promote our products worldwide and strengthen our relationship with customers;
- approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used for strategic investments and/or acquisitions to achieve our long-term growth strategies; and
- approximately [**REDACTED**]% (or HK$[**REDACTED**] million) will be used for working capital and general corporate purposes.

See "Future Plans and Use of [**REDACTED**]" for details.

[REDACTED] EXPENSES

Based on the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] per Share, the total estimated [**REDACTED**] expenses in relation to the [**REDACTED**] are RMB[**REDACTED**] million (HK$[**REDACTED**] million), assuming the [**REDACTED**] is not exercised, which constitute approximately [**REDACTED**]% of the gross [**REDACTED**]. Our total estimated [**REDACTED**] expenses consist of (i) [**REDACTED**] related expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), and (ii) non-[**REDACTED**]-related expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), including (a) fees payable to our legal advisors and Reporting Accountants of RMB[**REDACTED**] million (HK$[**REDACTED**] million) and (b) other fees and expenses, including fees payable to other professional parties such as financial printers, industry consultant, background search agent and [**REDACTED**], of RMB[**REDACTED**] million (HK$[**REDACTED**] million). During the Track Record Period, we incurred [**REDACTED**] expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), of which RMB[**REDACTED**] million (HK$[**REDACTED**] million) was recognized as expenses in our consolidated statements of profit or loss, and of which RMB[**REDACTED**] million (HK$[**REDACTED**] million) was attributable to the issue of Shares and will be deducted from equity. Subsequent to the Track Record Period, RMB[**REDACTED**] million (HK$[**REDACTED**] million) is expected to be recognized as expenses in our consolidated statements of profit or loss, and RMB[**REDACTED**] million (HK$[**REDACTED**] million) is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.