This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. Moreover, there are risks associated with any investment. Some of the particular risks of investing in the [**REDACTED**] *are set out in "Risk Factors." You should read the entire document carefully before you decide to invest in the* [**REDACTED**]. *Various expressions used in this section are defined in "Definitions" and "Glossary of Technical Terms."*

OVERVIEW

We are a key fabless chip designer and provider in China specializing in smart vision technologies. We focus on the design of vision processing ICs for security cameras, video recorders, and other vision devices in video, IoT and mobility applications.

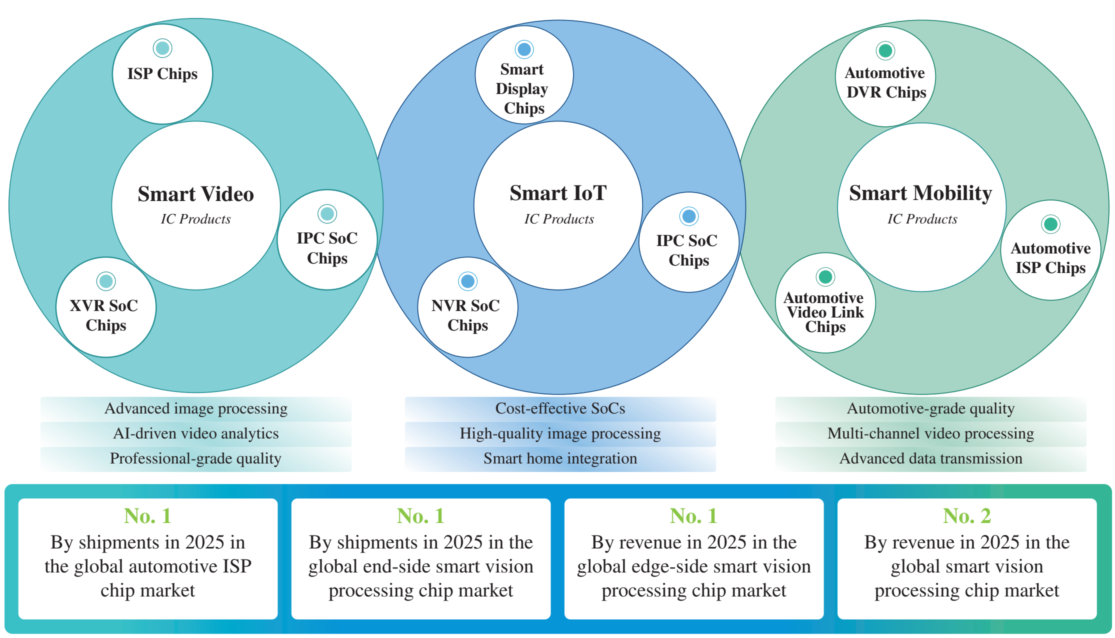
We are dedicated to powering an intelligent world with advanced vision technologies. According to Frost & Sullivan:

- We ranked No. 1 globally in terms of shipments in 2025 in the global end-side smart vision processing chip market, with a market share of over 20%.
- We ranked No. 1 globally in terms of shipments in 2025 in the global automotive ISP chip market, with a market share of over 50%.
- We ranked No. 2 globally in terms of revenue in 2025 in the global smart vision processing chip market, with a market share of 18.6%.

Our comprehensive offerings from end-side (such as security cameras) to edge-side (such as NVRs) chips combine advanced vision processing ICs with integrated on-chip AI capabilities, enhanced by bundled software development kits, application software and AI algorithms. These integrated solutions enable our customers to accelerate product development, facilitate seamless system integration, and address a wide spectrum of application requirements.

Through continuous investment in technological innovation, stringent quality assurance processes, and a prioritized focus on customer needs, we have fostered a virtuous cycle of technology advancement, product enhancement, network expansion, and constructive feedback. Our commitment to excellence is underscored by our ISO9001 certification, reflecting our dedication to the highest quality standards. These ongoing efforts have strengthened our market position in key specialized market segments. We have established ourselves as an established provider of smart vision processing chips and are rapidly emerging as a prominent player in the vision chip markets for smart IoT and smart mobility applications.

Below diagram illustrates our three IC product lines: (i) smart video; (ii) smart IoT; and (iii) smart mobility.



The application scenarios of our IC products are set forth below:

Product Lines	End-side Devices	Edge-side Devices
Smart Video	IP cameras, video conferencing cameras, industrial cameras	DVRs/NVRs, AI boxes
Smart IoT	Home cameras, video doorbells, home appliances, wearable video products (sports cameras, smart watches, AI glasses), AI toys	Home NAS, home NVRs
Smart Mobility	Automotive cameras (such as DMS, OMS, AVM, CMS), dashboard displays	Automotive DVRs

We are committed to delivering value to our customers and building a strong, long-term global partnership network. We plan to leverage the growth opportunities created by AI-driven advancements in smart vision technologies to further strengthen our leadership in the vision processing chip market.

In 2023, 2024 and 2025, our total revenue was RMB1,822.4 million, RMB1,790.0 million and RMB1,688.2 million, respectively; while our net profit during those years was RMB252.4 million, RMB232.0 million and RMB120.3 million, respectively.

OUR COMPETITIVE STRENGTHS

We believe that we possess the following key competitive strengths that differentiate us from our competitors: (i) an established and prominent player in the smart vision chip market; (ii) a diverse product matrix creating technological synergy and integrated competitive barriers; (iii) anchored by key customer relationships, a diverse and collaborative customer ecosystem; (iv) building a competitive moat through AI innovation with technological expertise and insight; and (v) an outstanding management and R&D team with deep industry expertise.

OUR STRATEGIES

By focusing on the smart vision processing chip industry, we are committed to creating value for our customers through continuous R&D efforts and investment, on our path to becoming a leading global provider of smart vision IC solutions. To achieve this goal, we intend to implement the following business strategies: (i) capitalizing on a historic industry shift by integrating AI technologies; (ii) continuous investment in core technologies to lead the next generation of vision IC evolution; (iii) strengthening global footprint, exploring M&A opportunities, and charting a long-term growth trajectory; (iv) building a smart ecosystem with key customers to jointly expand our commercial footprint; and (v) enhancing talent pool to drive organizational vitality.

MARKET OPPORTUNITIES

With rapid advancements in AI, security cameras, NVRs and IoT devices are evolving into intelligent terminals capable of real-time decisions. This shift is driving upgrades in smart video, IoT, and mobility applications, creating sustained demand for high-performance vision IC. The industry is moving from function-oriented to scenario-driven innovation. Our broad product portfolio offers integrated, video-centric solutions that capitalize on this trend, with continuous technological updates to meet emerging AI application needs and advance vision IC development.

According to Frost & Sullivan, measured by shipment volume, the global vision AI SoC market grew from 77.1 million units in 2021 to 364.7 million units in 2025, representing a CAGR of 47.5%. The market is expected to further expand to 1,116.1 million units by 2030, with a projected CAGR of 22.8% from 2026 to 2030. In terms of revenue, the global smart device AI SoC market grew from US$15.7 billion in 2021 to US$45.0 billion in 2025, representing a CAGR of

30.1% from 2021 to 2025. It is projected that by 2030, the market will further expand to US$143.8 billion from US$61.6 billion in 2026, with a CAGR of 23.6% from 2026 to 2030. From a development perspective, as AI applications in smart devices continue to deepen, the smart device AI SoC market is expected to enjoy broad and sustained growth potential in the future.

COMPETITION

We operate in a competitive market characterized by rapid technological evolution and diverse customer demands. The top three players in the global smart vision processing chip market occupied 58.3% of the global market share by the revenue in 2025. The competitive landscape is shaped by factors such as technological advancement, industry growth, production capacity and overall economic conditions. Our competition mainly centers on product innovation, performance, cost-efficiency and market responsiveness. We have developed a comprehensive product portfolio and solution capabilities covering core products such as IPC SoC chips, ISP chips and XVR SoC chips, forming a complete technology chain that supports our continued competitiveness.

We have established a strong position in the global smart vision IC market. According to Frost & Sullivan, in 2025, in the end-side smart vision processing chip market, we ranked first globally by shipments with 153.5 million units, first by revenue in China's market for end-side smart vision processing chips and we ranked as the world's second provider of smart vision processing chips in terms of revenues with a market share of 18.6%.

OUR PRODUCT LINES

We design and develop a broad range of ICs mainly for video processing. Our offerings include high-performance video SoCs and ISP which are designed to address the growing needs of the smart vision chips market. The table below shows the average price range and sales volume of our products by product line:

	Year ended December 31,					
	2023		2024		2025	
Product lines	**Sales volume**	**ASP[(1)]**	**Sales volume**	**ASP[(1)]**	**Sales volume**	**ASP[(1)]**
	Sales volume in thousands; ASP in RMB					
Smart Video	79,781.6	15.3	90,815.9	13.3	93,281.0	10.8
Smart IoT	27,115.1	11.6	28,870.3	9.6	38,598.6	8.8
Smart Mobility	33,175.8	5.7	39,875.5	6.0	46,269.3	6.0

(1) Average selling price ("**ASP**") is calculated through dividing revenue by the relevant sales volume during the same year/period, which represented the average price at which our products were sold to our customers.

See "Business — Our Products" for reasons of fluctuations.

Smart Video

We offer a broad portfolio of professional video chip solutions, ranging from analog to digital video technology and supporting both front-end cameras and back-end recorders. Our representative commercial video processing products comprise IPC SoCs chips, ISP chips, XVR SoC chips, and video link chips:

End-side/Edge-side	Applications	Representative Products
End-side	Network security cameras, Analog security cameras	IPC SoC chips: FH865X series, FH885X, FH8856v500 ISP chips: FH8536H, FH8556A

End-side/Edge-side	Applications	Representative Products
Edge-side	Security DVR/NVR	XVR SoC chips: MC6670, MC6870, MC6880

Smart IoT

We have invested in developing lightweight intelligent camera chips for the smart IoT market. These products make AI chips more accessible and easier to adopt in daily life worldwide. Our representative smart IoT IC products comprise IPC SoCs, smart display SoC chips and NVR SoC chips:

End-side/Edge-side	Applications	Representative Products
End-side	IP cameras, Video doorbell, Home appliance camera	IPC SoC chips: FH862X series
	Wearable video products (sports cameras, smart watches, and AI glasses) AI toys	IPC SoC chips: MC6350
Edge-side	Home NAS, and wireless NVRs	NVR SoC chips: MC6810
	Digital photo album, Home appliance display	Smart display SoC chips: MC331X

Smart Mobility

We not only provide cost effective aftermarket ISP chips but also provide factory installed automotive-grade ISP chips meeting the technical specifications and reliability requirements of tier-1 suppliers and automotive manufacturers. Our products cover in-cabin and external camera systems, transmission links, and video recording platforms. Our representative smart mobility products are summarized below:

End-side/Edge-side	Application verticals	Representative Products
End-side	Factory installed automotive cameras: DMS, OMS, AVM, and CMS	Automotive-grade ISPs: FH832X series and FH833X series
	Aftermarket cameras: DMS, OMS, AVM, and CMS	Industrial-grade ISPs: FH8323, FH8333, FH8536H series, and FH8550M series
Edge-side	Automotive DVRs	Video link chips: FH6210M DVR Chips: MC6357AT, MC6630

OUR CORE TECHNOLOGY PORTFOLIO

Our business is built on a foundation of deeply integrated core technologies. With years of experience in technical innovation and talent development, we have mastered image signal processing, video encoding, and decoding, NPU, and fully customized chip design. This comprehensive technology stack enables us to create powerful, efficient, and highly optimized SoCs. The diagram below showcases our technology matrix:

Our technologies work in synergy: our imaging signal processing technology creates a visual foundation; our video encoding technology manages data transmission with high efficiency; our NPU technology functions as the AI "brain", with our neural network compilers technology acting as the crucial translator between software and hardware; and our custom chip design technology brings it all together on one chip. This comprehensive approach allows for integrated solutions with combined capabilities.

OUR MAJOR CUSTOMERS

Our customers include major IoT companies and reputable distributors. In 2023, 2024 and 2025, sales to our five largest customers amounted to RMB1,660.1 million, RMB1,582.5 million and RMB1,393.2 million, respectively, accounting for 91.1%, 88.4% and 82.5% of our total sales in the respective years. In 2023, 2024 and 2025, sales to our largest customer amounted to RMB1,301.6 million, RMB1,193.9 million and RMB951.0 million, accounting for 71.4%, 66.7% and 56.3% of our total sales in the respective years. See "Risk Factors — Risks Relating to Our Business and Industry — A substantial portion of our revenue has been derived from a small number of customers. The loss of, or significant reduction in the purchases by, one or more of such customers could materially and adversely affect our business, financial condition and results of operations." One shareholder of our Single Largest Shareholder Group held approximately 13.2%

of the issued share capital of our Company as of the Latest Practicable Date. She and her spouse respectively held approximately 1.6% and 10.5% of the equity interest in one of our customers, which was one of our five largest customers during the Track Record Period. According to the Listing Rules, this customer is not a connected person of our Company. Save as disclosed above, to the best knowledge of our Directors, all of our top five customers during the Track Record Period were Independent Third Parties and none of our Directors, their close associates or any Shareholder (who, to the knowledge of the Directors, owns more than 5% of the issued shares of our Company) had any interest in any of our five largest customers during the Track Record Period.

OUR MAJOR SUPPLIERS

Our suppliers include chip foundries and manufacturers of various components and parts used in the production of our chip products. In 2023, 2024 and 2025, purchases from our five largest suppliers amounted to RMB842.3 million, RMB1,094.3 million and RMB1,031.4 million, respectively, accounting for 79.6%, 80.6% and 85.5% of our total purchases in the respective years. In 2023, 2024 and 2025, purchases from our largest supplier amounted to RMB386.1 million, RMB619.5 million and RMB595.3 million, accounting for 36.5%, 45.6% and 49.4% of our total purchases in the respective years.

RISK FACTORS

We face risks including those set out in the section headed "Risk Factors." As different investors may have different interpretations and criteria when determining the significance of risks, you should read the "Risk Factors" section in its entirety before you decide to invest in our H Shares. Some of the major risks that we face include: (i) the semiconductor industry is highly competitive and rapidly evolving. If we are unable to compete effectively with existing or new competitors, our sales, market share and profitability could be adversely affected; (ii) price pressures from market competition and fluctuating market conditions may negatively impact our revenue and gross profit margin; (iii) any industry downturn may in the future materially and adversely affect our business, results of operation and financial condition; (iv) a substantial portion of our revenue has been derived from a small number of customers. The loss of, or significant reduction in the purchases by, one or more of such customers could materially and adversely affect our business, financial condition and results of operations; (v) our R&D efforts are not guaranteed to yield the results we anticipate; (vi) we rely on a small number of suppliers. The loss of, or significant reduction in the selling from one or more of such suppliers could materially and adversely affect our business, financial condition and results of operations; and (vii) if we become subject to litigation, legal or contractual disputes, governmental investigations or administrative proceedings, our management's attention may be diverted and we may incur substantial costs and liabilities.

SUMMARY OF KEY FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information during the Track Record Period. The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS.

Consolidated Statements of Profit or Loss

	Year ended December 31,					
	2023		2024		2025	
	RMB in thousands, except for percentages					
Revenue	**1,822,382**	**100.0%**	**1,790,007**	**100.0%**	**1,688,230**	**100%**
Cost of Sales	(1,136,711)	(62.4)%	(1,123,382)	(62.8)%	(1,070,902)	(63.4)%

	Year ended December 31,					
	2023		2024		2025	
	RMB in thousands, except for percentages					
Gross Profit	**685,671**	**37.6%**	**666,625**	**37.2%**	**617,328**	**36.6%**
Other income and gains	82,570	4.5%	116,053	6.5%	95,976	5.7%
Selling expenses	(20,943)	(1.1)%	(27,318)	(1.5)%	(48,058)	(2.8)%
Administrative expenses	(128,430)	(7.0)%	(126,409)	(7.1)%	(138,090)	(8.2)%
Research and development expenses	(334,815)	(18.4)%	(349,898)	(19.5)%	(351,419)	(20.8)%
Reversal of impairment losses/(impairment losses) on financial assets, net	(1,095)	(0.1)%	(228)	0.0%	739	0.0%
Other expenses	(1,306)	(0.1)%	(23,006)	(1.3)%	(26,484)	(1.6)%
Finance costs	(33,149)	(1.8)%	(29,830)	(1.7)%	(31,343)	(1.9)%
Share of loss of associates	(1,429)	(0.1)%	(1,794)	(0.1)%	(3,522)	(0.2)%
Profit/(loss) before tax	**247,074**	**13.6%**	**224,195**	**12.5%**	**115,127**	**6.8%**
Income tax (expense)/credit	5,293	0.3%	7,765	0.4%	5,213	0.3%
Profit for the year/period	**252,367**	**13.8%**	**231,960**	**13.0%**	**120,340**	**7.1%**

Revenue

During the Track Record Period, our revenue, primarily derived from IC sales of our smart video, smart IoT, and smart mobility products. We also generate revenue from providing technical services and other ancillary activities.

Revenue by Product Line

The following table sets forth a breakdown of our revenue by major product lines, in absolute amounts and as a percentage of total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB in thousands, except for percentages					
Smart Video	1,218,584	66.9%	1,203,950	67.3%	1,003,933	59.5%
Smart IoT	313,798	17.2%	278,057	15.5%	338,833	20.1%
Smart Mobility	188,045	10.3%	237,107	13.2%	279,520	16.6%
Others[1]	101,955	5.6%	70,893	4.0%	65,944	3.8%
Total	**1,822,382**	**100.0%**	**1,790,007**	**100.0%**	**1,688,230**	**100.0%**

(1) Primarily included technical and other ancillary service fees, which we mainly provided customized chip solutions for our customers.

See "Financial Information — Period to Period Comparison of Results of Operations — Year Ended December 31, 2025 Compared to Year Ended December 31, 2024 — Revenue" and "Financial Information — Period to Period Comparison of Results of Operations — Year Ended December 31, 2024 Compared to Year Ended December 31, 2023 — Revenue" for reasons of material fluctuations.

Revenue by Geographical Location

The following table sets forth a breakdown of our revenue by geographical location, in absolute amounts and as a percentage of total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB in thousands, except for percentages					
Chinese Mainland	1,656,414	90.9%	1,652,472	92.3%	1,516,951	89.9%
Overseas	165,968	9.1%	137,535	7.7%	171,279	10.1%
Total	**1,822,382**	**100.0%**	**1,790,007**	**100.0%**	**1,688,230**	**100.0%**

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin by product line and geographical location for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB in thousands, except for percentages					
By product line and service						
Smart Video	445,709	36.6%	449,228	37.3%	358,720	35.7%
Smart IoT	96,627	30.8%	74,113	26.7%	70,024	20.7%
Smart Mobility	82,966	44.1%	113,182	47.7%	130,715	46.8%
Others	60,369	59.2%	30,102	42.5%	57,869	87.8%
By geographic location						
Chinese Mainland	618,640	37.3%	607,495	36.8%	528,678	34.9%
Overseas	67,030	40.4%	59,130	43.0%	88,650	51.8%
Total	**685,671**	**37.6%**	**666,625**	**37.2%**	**617,328**	**36.6%**

See "Financial Information — Period to Period Comparison of Results of Operations — Year Ended December 31, 2025 Compared to Year Ended December 31, 2024 — Gross Profit and Gross Profit Margin" and "Financial Information — Period to Period Comparison of Results of Operations — Year Ended December 31, 2024 Compared to Year Ended December 31, 2023 — Gross Profit and Gross Profit Margin" for reasons of material fluctuations.

Summary of Consolidated Statements of Financial Position

	As of December 31,		
	2023	2024	2025
	RMB in thousands		
Total current assets	2,686,192	2,967,837	3,223,902
Total non-current assets	991,146	914,073	923,857
Total assets	**3,677,338**	**3,881,910**	**4,147,759**

	As of December 31,		
	2023	2024	2025
	RMB in thousands		
Total current liabilities	317,026	327,816	446,684
Total non-current liabilities	576,107	582,296	602,047
Total liabilities	**893,133**	**910,112**	**1,048,731**
Net current assets	**2,369,166**	**2,640,021**	**2,777,218**
Net assets	**2,784,205**	**2,971,798**	**3,099,028**
Share Capital	230,587	231,807	232,533
Treasury shares	–	(70,624)	(70,624)
Reserves	2,315,037	2,597,855	2,749,131
Non-controlling interests	238,581	212,760	187,988
Total Equity	**2,784,205**	**2,971,798**	**3,099,028**

During the Track Record Period, our total net assets increased steadily from RMB2,784.2 million as of December 31, 2023, to RMB2,971.8 million as of December 31, 2024, and further to RMB3,099.0 million as of December 31, 2025. The fluctuations in our net assets during the Track Record Period were a result of our organic profit accumulation, the strategic use of equity incentives, and our proactive capital management through share repurchases and dividends.

Our total net assets increased from RMB2,784.2 million as of December 31, 2023, to RMB2,971.8 million as of December 31, 2024. This increase was primarily attributable to our profit for the year of RMB232.0 million and the implementation of our equity incentive plans. Specifically, the exercise of share options by our employees and the recognition of equity-settled share-based payments resulted in an increase in our equity of RMB45.0 million and RMB8.6 million, respectively. These increases were partially offset by our repurchase of treasury shares of RMB70.6 million and our dividend distributions to shareholders of RMB27.4 million in 2024.

Our total net assets further increased to RMB3,099.0 million as of December 31, 2025, compared to RMB2,971.8 million as of December 31, 2024. This growth was primarily driven by our profit for the year of RMB120.3 million. In addition, the exercise of employee share options and the recognition of equity-settled share-based payments contributed RMB31.7 million and RMB3.1 million to our total equity, respectively. These growth factors were partially offset by our dividend distributions of RMB27.6 million in 2025.

Cash Flows

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

	Years ended December 31,		
	2023	2024	2025
	RMB in thousands		
Net cash flows from operating activities	453,202	283,566	444,054
Net cash flows used in investing activities	(39,125)	(112,935)	(75,368)
Net cash flows from/(used in) financing activities	(51,976)	(106,282)	8,610
Net increase/(decrease) in cash and cash equivalents	362,101	64,349	377,296

	Years ended December 31,		
	2023	2024	2025
	RMB in thousands		
Cash and cash equivalents at beginning of the period	1,316,680	1,682,654	1,746,378
Cash and cash equivalents at end of the period	1,682,654	1,746,378	2,102,034

Key Financial Ratios

The following table sets forth our key financial ratios for the period/as of the date indicated:

	As of/Year ended December 31,		
	2023	2024	2025
Gross profit margin(1)	37.6%	37.2%	36.6%
Current ratio(2)	8.47	9.05	7.22
Gearing ratio(3)	23.1%	21.4%	22.0%

(1) Gross profit margin is calculated as gross profit for the period divided by revenue for the corresponding period and multiplied by 100%.

(2) Current ratio is calculated as current assets divided by current liabilities as of the end of the relevant period.

(3) Gearing ratio is calculated as total debts, comprising borrowings, convertible bonds and lease liabilities, divided by total equity as of the end of the relevant period.

[**REDACTED**]

FUTURE PLANS AND [REDACTED]

We estimate that the [**REDACTED**] from the [**REDACTED**] will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the [**REDACTED**] of HK$[**REDACTED**] per Share to HK$[**REDACTED**] per Share, after deducting [**REDACTED**] and estimated [**REDACTED**] expenses paid and payable by us in the [**REDACTED**], taking into account any additional discretionary incentive fee.

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

- approximately [**REDACTED**], or HK$[**REDACTED**], will be used for the expansion of our R&D team and capabilities in the next three years;

- approximately [**REDACTED**], or HK$[**REDACTED**], will be allocated to expanding our product portfolio and enriching applications in the next three years;

- approximately [**REDACTED**], or HK$[**REDACTED**], will be used to expand our domestic and overseas marketing and technical support in the next three years starting with Southeast Asia. These funds will help set up R&D and marketing centers abroad and improve regional technical services to drive global growth;

- approximately [**REDACTED**], or HK$[**REDACTED**], will be allocated for strategic investments and acquisitions over the next three to five years, targeting core video, audio, and transmission technologies that complement our existing portfolio. These funds may support further investment in current portfolio companies or the acquisition of assets or businesses with synergistic technologies, intellectual property, products, or solutions relevant to emerging applications; and

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

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

[**REDACTED**]

[**REDACTED**]

DIVIDEND POLICY

In 2023, 2024 and 2025, we declared and paid final dividends in respect of the previous year of RMB41.4 million, RMB27.4 million and RMB27.6 million. Subject to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2025年修訂)》) and pursuant to our dividend policy under the Articles of Association, if we record profit and positive accumulated undistributed profits for a given year, we will distribute no less than 10% of the distributable profits realized in that year (calculated based on the lower of the distributable profits in the consolidated financial statements or the parent company's financial statements), except for under special circumstances as stipulated in our Articles of Association. Our future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of both. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings as well as our Articles of Association and the relevant PRC laws.

We do not have a fixed dividend distribution ratio. Our Board may recommend dividend distributions after considering factors such as industry characteristics, stage of development, business model, profitability, debt repayment capacity, significant capital expenditure plans, investor returns, and any other matters deemed relevant. Subject to applicable PRC laws and regulations and in accordance with our Articles of Association, provided the conditions for cash dividend distribution are satisfied, we shall distribute not less than 10% of the lower of distributable profits between the consolidated financial statements and the parent company for the relevant fiscal year as cash dividends annually.

LISTING ON THE CHINEXT OF THE SHENZHEN STOCK EXCHANGE

Since February 2017, our Company has been listed on the Shenzhen Stock Exchange. As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects since our A-Share Listing, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shenzhen Stock Exchange. As advised by our PRC Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, our Company has not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, the Shenzhen Stock Exchange or other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Adviser's view above, no material matter has come to the Sole Sponsor's attention that would cause them to disagree with our Directors' confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

RECENT DEVELOPMENT

Based on our unaudited management accounts, we recorded a substantial increase in both revenue and net profit for the three months ended March 31, 2026 as compared to the corresponding period in 2025. This growth was primarily underpinned by a robust increase in total sales volume of over 55% and an expansion in blended ASP of more than 10%. Specifically, our smart video segment saw revenue growth exceeding 65% period-on-period, supported by a volume increase of nearly 60% and a relatively stable ASP. Our smart mobility segment recorded revenue growth of over 65%, fueled by a volume surge of more than 70% and a relatively stable ASP. This steady upward trend reflects the overall resilience of end-market demand and our continued successful market penetration. Furthermore, our smart IoT segment achieved a remarkable revenue jump of over 140%, resulting from a volume increase of above 85% and a significant ASP expansion of more than 30%, primarily attributable to overall resilience of end-market demand.

Our 2026 first quarterly report was published on the Shenzhen Stock Exchange in April 2026.

On April 27, 2026, we adopted the 2026 Restricted Stock Incentive Plan to incentivize our key senior management and employees, which is subject to subsequent implementation by our Board within 60 days of such approval. As of the Latest Practicable Date, no shares have been granted under this plan. See "History — Major Shareholding Changes of Our Company" and "Appendix IV — Statutory And General Information — C. Further Information About Our Directors And Substantial Shareholders — 6. Share Incentive Plans" for details.

Our Directors confirmed that, as of the date of this document, there has been no material adverse change in our financial position since December 31, 2025, and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.