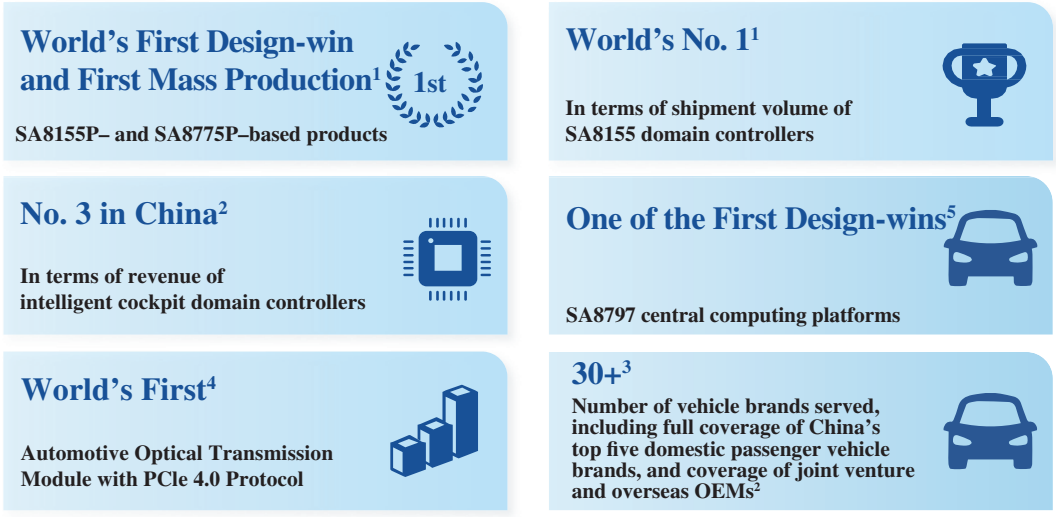
OVERVIEW

Who We Are

We are a pioneer, promoter and key player in the evolution of the automotive E/E architecture. With our expertise in integrating all domains in intelligent automotive systems, we deliver full-stack solutions encompassing hardware platforms, underlying software, application ecosystems and service architectures. Our product portfolio includes vehicle computing solutions and zone controllers solutions. Under our vehicle computing solutions, we offer OEMs the options of intelligent cockpit domain controller, integrated advanced driver assistance system (ADAS) and cockpit controller and the Autosee OS software platform. According to Frost & Sullivan, we ranked third in terms of revenue of intelligent cockpit domain controllers in China in 2025.

We adopt an open and collaborative approach, building strategic relationships with partners both globally and in China. By utilizing a modular structure within domain and cross-domain integrated architectures, we enable automotive OEM partners to participate in the selection of SoCs and algorithms, allowing for customized intelligent upgrades. This collaborative approach enables us to adapt to a continuously evolving technology landscape and meet diverse customer needs. As technology evolves, we leverage industry-leading resources to accelerate product innovation and development. As one of our core strategies, we proactively cooperate with various globally leading hardware partners, such as Bosch, NavInfo and Neusoft, and various chip manufacturers, such as Qualcomm, Renesas, SemiDrive and AutoChips, to develop a diverse range of products that work with all major SoC systems. We successfully achieved the world's first launch and mass production of the SA8155 domain controllers in 2021 and SA8775 controllers in 2025, respectively. According to Frost & Sullivan, we ranked first in terms of shipment volume of SA8155 domain controllers globally as of December 31, 2025. We also collaborate with top algorithm companies in the industry, such as Zhuoyu, to drive the implementation of autonomous driving algorithms onto our integrated ADAS and cockpit controller. We have established partnerships with multiple leading OEMs to reinforce our established industry position across a diverse customer base. As of December 31, 2025, we, as a Tier-1 supplier, have secured design-wins for mass production of our intelligent cockpit domain controllers in over 110 series of vehicle models.



Notes:

1. As of December 31, 2025 and according to Frost & Sullivan
2. In 2025 and according to Frost & Sullivan
3. As of December 31, 2025
4. According to Frost & Sullivan, as of the Latest Practicable Date and in partnership with ReinOCS
5. As of the Latest Practicable Date and according to Frost & Sullivan

Our Industry Opportunity

We have experienced and deeply participated in the profound transformation of the automotive E/E architecture. According to Frost & Sullivan, the global domain controller industry has tremendous growth potential as represented by an estimated market size of RMB278.0 billion in 2025 to RMB872.2 billion in 2030. To capture opportunities, we have made proactive steps and established ourselves as a key driver of industry transformation. At the same time, we have taken a forward-looking approach in technological planning and established a clear product evolution roadmap as follows.

Establishing benchmarks for domain controllers

In the early years since our establishment in 2014, we provided hardware and software products for distributed architecture vehicles, including instrument clusters, in-vehicle infotainment systems and telematics Box (T-Box), a telematics control unit handling communication between a vehicle and cloud servers. In 2018, distributed ECUs remained mainstream in the automotive electronics industry. However, we were among the first to identify domain-centralized architecture as the future trend and dedicated ourselves to advancing intelligent cockpit domain controllers. In 2019, we formed a strategic partnership with Bosch China and actively engaged in the R&D of intelligent cockpit domain controllers. In 2021, we launched our Wuxi manufacturing base, establishing the world's first automated production line dedicated to intelligent cockpit domain controller, according to Frost & Sullivan. In June 2021, we became the world's first company to achieve mass production of SA8155 domain controllers, according to Frost & Sullivan. As of the Latest Practicable Date, our cumulative shipments of SA8155 domain controllers had exceeded 2.3 million units, ranking us first in terms of shipment volume globally, according to Frost & Sullivan.

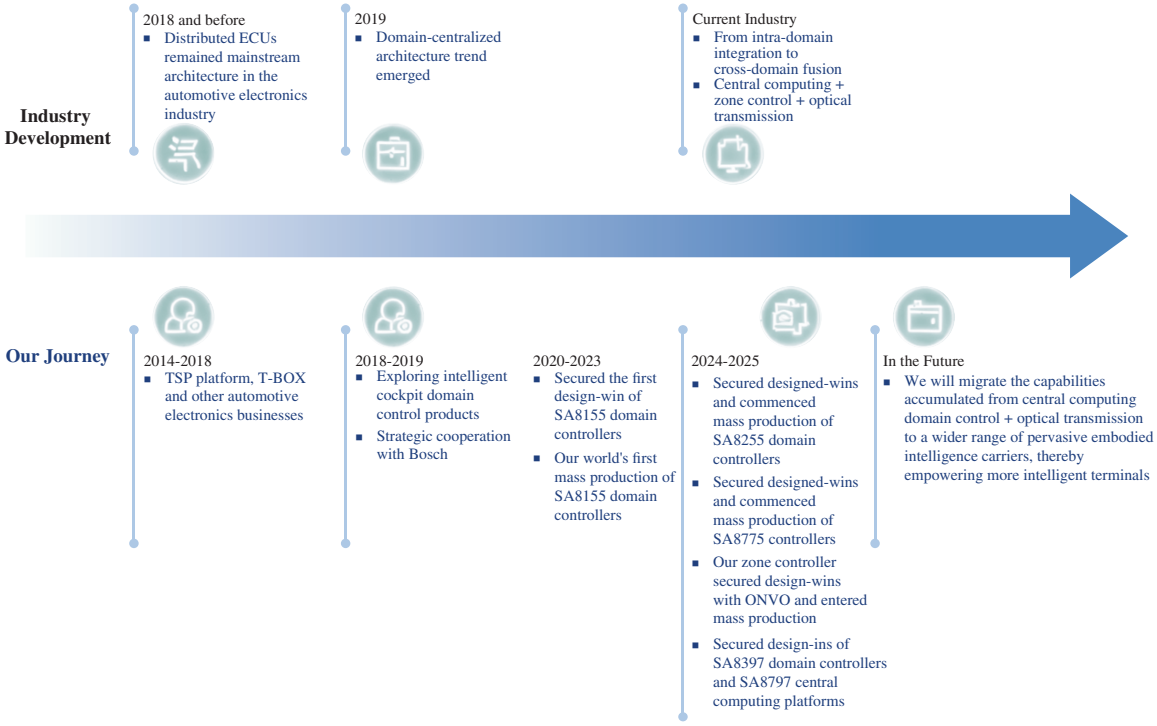
Breaking through cross-domain integration and centralized computing, driving technological transformation.

Driven by technological advancement, we have taken the lead in developing the integration technologies of ADAS and cockpit domain. We launched the world's first SA8775 controller, seamless integrating intelligent driving and smart cockpit functionalities. As of December 31, 2025, our integrated ADAS and cockpit controller has secured design-wins and is schedule for mass production in ten vehicle models. In addition, we have introduced and commenced mass production of zone controller with ONVO. We have also liaised with world leading optical transmission manufacturer and released the world's first automotive PCIe 4.0 optical transmission module prototype, an advanced system designed for high-speed data transfer in vehicles. Furthermore, we have developed a central computing platform solution that leverages the Qualcomm fifth-generation SoC, the Qualcomm Snapdragon Ride Elite SA8797P. This platform integrates ADAS and intelligent cockpit features with advanced artificial intelligence technologies, delivering seamless technology fusion and enhanced capabilities for next-generation automotive applications. These advancements have established a solid foundation for the next-generation E/E architecture.

Enabling intelligent vehicle companionship with AI technologies

Vehicles are now evolving beyond passive tools that simply follow instructions. They have become intelligent objects that are increasingly capable of sensing, understand and proactively anticipate users' needs. To human drivers and passengers, they are becoming mobility partners offering meaningful support and connection. We are among the first companies globally to deploy on-device AI technologies on cockpit domain controllers. Being at the forefront of deploying various AI agents tailored to specific scenarios, we are introducing AI technologies that offer users emotionally intelligent companionship and outstanding convenience.

Building on the product experience and technology accumulated in earlier development stages, we are committed to extending our cross domain capabilities to a wider range of embodied intelligence applications, enabling more intelligent terminals across diverse contexts.



Our Technologies and Solutions

We have a forward-looking perspective on automotive E/E architecture, supported by our comprehensive full-stack R&D capabilities spanning the entire technology chain. Our technological strengths lie in both hardware and software architecture, cross-domain intelligent technologies, on-device AI deployment and E/E architecture design capabilities.

- We have established a platform-based technical architecture, integrating standardized hardware platforms with layered, modular software design. In terms of hardware integration, our platform-based architecture combines standardized hardware platforms with layered, modular software design. In terms of software design, our layered architecture covers operating system, middleware and application layers.

- We possess cross-domain intelligent capabilities that enable real-time coordination across cockpit, driving, body, powertrain and chassis domains. We integrate advanced driver assistance systems and cockpit technologies to enable integrated perception, driver monitoring and cockpit interaction on a unified computing framework for enhanced system synergy and user experience.

- We have proven capabilities in deploying on-device AI solutions. We address diverse in-vehicle requirements by offering cross-platform, on-device AI deployment solutions, resulting in standardized product offerings. Our comprehensive services span the entire process, from model optimization through to automotive-grade integration.

- We possess outstanding capabilities in the design and development of intelligent vehicles under E/E architecture. Our end-to-end competencies cover scenario-oriented function development, overall vehicle architecture design, service-oriented architecture

(SOA) design, network communication design and diagnostic system design. We provide clients with advanced, comprehensive solutions for holistic vehicle E/E architecture design, as well as processes for building robust system frameworks.

Relying on these core technologies, our product portfolio has evolved beyond domain controllers to include intelligent cockpit domain controllers, integrated ADAS and cockpit controllers, as well as zone controllers. Notably, our design wins increased significantly, rising by 45 in 2024 and by 41 in 2025 as compared to their respective preceding year. Our business scale has continued to expand, supported by increasing product orders, successful commencement of mass production and rising demand for domain controllers. During the Track Record Period, we delivered a cumulative aggregate of over 2.6 million shipments of vehicle computing solution and close to 60,000 zone controllers.

OUR COMPETITIVE STRENGTHS

Promoter of Global Automotive Intelligence, Pioneer in Domain Controller Ecosystem and Key Player in Intelligent Cockpit Domain Controllers

We were among the first industry players to recognize the inevitable evolution of the E/E architecture, from distributed to domain and multi-domain integration structures and ultimately toward a central computing architecture. Having anticipated this trend before it became widely accepted in the industry, we systematically developed technologies and products and built an ecosystem required to efficiently support the transformation of E/E architecture. Throughout this process, our accumulated technical expertise and successful products have formed a validated methodology, which not only strengthens the trust of our customers but also enables us to continuously turn our early mover advantage to results. As one of our key milestones, we launched the world's first mass-produced SA8155P domain controller in June 2021, which enabled a breakthrough transformation of the smart cockpit controller from a functional device to an intelligent device. Through our continued innovation, we secured the world's first design win of SA8775 controller–AL-A1 in September 2024. This solution set a new benchmark for the industry, promote the automotive sector's shift toward greater intelligence and integration and lead new trends in smart vehicle development. These advancements marked a complete journey from our technical leadership to scaled commercial validation. Drawing on our understanding of the automotive electronics value chain and our insights into industry trends, we proactively anticipate the technological evolution and stay at the forefront of the industry.

According to Frost & Sullivan, we ranked third in terms of revenue of intelligent cockpit domain controllers in China in 2025. In addition, we ranked first in terms of shipment volume of SA8155 domain controllers globally in the same year.

Comprehensive Product Portfolio and Reliable Manufacturing Capabilities

We have built an comprehensive product portfolio that covers our current, mid-term and long-term technology roadmap. Our product portfolio offers solutions ranging from single-domain control to multi-domain integration, and from intelligent cockpit domain controller to full-domain integrated solution, ensuring our delivery of forward-looking and sustainable solutions tailored to our customers' evolving architecture needs.

- ***Vehicle computing solution.*** We are the first company globally to achieve mass production of SA8155 domain controllers, according to Frost & Sullivan. We had shipped over two million of AL-C1, SA8155 domain controllers as of December 31, 2025. As of Latest Practicable Date, our AL-A1, the SA8775 controllers, was the first mass-produced integrated ADAS and cockpit controller in the world, accordingly to Frost & Sullivan. In addition, we have secured design-win from BAIC Arcfox to install AL-A1 as of the same date. In addition, we have jointly developed an "optical-electrical fusion solution" and a new generation of in-vehicle high-bandwidth optical transmission

module with ReinOCS Autophotonics. As one of the most forward-looking advanced technologies, these solutions and modules feature enhanced data transmission rates, environmental adaptability and system integration capabilities, which will provide more stable and efficient data transmission support for scenarios such as intelligent cockpits and autonomous driving.

- ***Zone controller solution.*** By integrating and centralizing functions, our zone controller enables a shift from dispersed domain-based architectures to highly centralized computing and zonal wiring layouts, significantly reducing harness length, weight and complexity, while allowing for more efficient deployment of computing power and supporting advanced design features, such as ultra-high bandwidth and low latency. Our zone controller has been adopted by ONVO in three of its vehicle models.

Our products have been validated by the market, and our deliveries remain consistently reliable. We have established a digital manufacturing facility in Wuxi, equipped with advanced intelligent manufacturing capabilities and comprehensive software and hardware testing centers. This facility is the world's first automated production line dedicated to intelligent cockpit domain controller, according to Frost & Sullivan. We possess comprehensive, end-to-end manufacturing capabilities for key automotive components, such as cockpit domain controller, integrated ADAS and cockpit controller, zone controller, central computing platform and displays. The facility features a surface-mount technology (SMT) workshop and a domain controller assembly workshop. Within these workshops, we have built advanced processing capabilities and operate five domain controller assembly lines, as well as two SMT production lines. All of our core manufacturing processes are carried out using fully automated production lines without manned supervision and participation. Our automated production lines achieved a pass yield rate of 99.9% in 2025. This is calculated as the number of products manufactured without defects through the production process divided by the total number of products manufactured. All equipment is connected through an internet of things (IoT) network, enabling end-to-end digital management from order to delivery. This ensures that production is controlled, quality is reliable, and deliveries are fully traceable.

Full-stack In-house R&D and Platform-based Capabilities to Achieve Cost Efficiency

Building on comprehensive in-house R&D capabilities and a platform-based architecture, we have established a new paradigm of efficiency for the intelligent automotive era. We possess a deep understanding and accurate insight into trends in the development of automotive E/E architecture. Building on this expertise, we establish clear roadmaps for product planning, technology development and market growth. As of December 31, 2025, we had an R&D team of over 500 employees with experience in the entire value chain of automotive electronics industry, including system architecture, middleware, functional algorithm and testing and verification model. Our R&D capability enables us to deliver full-stack, in-house development capabilities for both software and hardware. As to software, our expertise spans the full stack, from the underlying software platforms to middleware and upper-layer applications. As to hardware, we independently design, integrate and validate domain controller platforms, supporting rapid customization for different customers' requirements.

Our R&D capabilities enable us to offer a technology-driven experience to our OEM customers. Using high-performance SoC platforms as the foundation, we move beyond hardware compatibility to maximize the capabilities and performance of SoCs in our solutions. In terms of R&D and application capability, we leverage our deep understanding of automotive functional safety (ASIL-B/D), heterogeneous SoC architecture and automotive-grade chip computing power to enable effective deployment and stable operation of on-device technologies. In terms of innovation in functional scenarios, we leverage the computing power of next-generation SoCs to integrate cutting-edge technologies, and deliver more natural voice interactions and precise, scenario-based services, efficiently converting computing power into superior, perceptible user experiences. In terms of AI technical capabilities, we achieve key capabilities such as model pruning, validation and deployment by collaborating with upstream and downstream partners. These strengths enable us to

continuously enhance our core competencies and respond swiftly to evolving requirements. We maintain a leadership position in advanced SoC technology, consistently delivering high-performance computing products. The continuous iteration of computing power and functionality has enabled us to evolve from a traditional cockpit supplier to a partner in intelligent solutions.

Our technical platform employs a highly reusable architecture. By pursuing standardization in hardware and layered decoupling of software, we have created a flexible technical foundation that transforms complex functions into configurable standard units. This approach not only improves development efficiency and delivery capabilities, but also enables widespread reuses across our product portfolio. It supports rapid customization for different customers, allowing for fast adaptation, significantly enhancing R&D efficiency, shortening R&D cycles and achieving controllable development costs. It also enables OEMs to achieve swift, tailored solutions through continuous architectural optimization.

Open and Flexible Collaborative Ecosystem

Guided by three core principles of technological neutrality, ecosystem openness and partnership reciprocity, we have established an intelligent collaboration ecosystem that fundamentally differs from the closed full-stack model. Based on our partners' core strengths, we optimize the work allocation with them and have created a flexible, modular technology stack and a diverse suite of solutions. This approach gives our customers the freedom and autonomy to select chip architectures, hardware suppliers, algorithm modules and application ecosystems, without having to commit to a single technology path. With this approach, we are able to meet customers' diverse and fast-evolving development needs, significantly improving satisfaction and delivery efficiency. Our core ecosystem partners include:

- *SoC and hardware.* Partnering with leading domestic and international SoC platforms, including Qualcomm, SemiDrive and Renesas, we have achieved comprehensive coverage across high-end, mainstream and budget market segments. This enables us to address the diverse hardware adaptation requirements of the industry. In addition, working together with Bosch, Neusoft, NavInfo and other global leaders in the automotive supply chain, we accelerate product commercialization and mass production through specialized division of labor and collaboration. This exemplifies our ecosystem approach of optimizing complementary strengths.

- *Intelligent driving algorithms and large AI models.* Leveraging our expertize in intelligent cockpit controllers, and in partnership with Zhuoyu's autonomous driving algorithms and top-tier industry AI models, we have co-developed a full suite of integrated software and hardware solutions for integrated ADAS and cockpit controller. This delivers users an ever-evolving intelligent experience and demonstrates our leadership in forward-looking technology.

- *In-vehicle transmission solutions.* Together with ReinOCS Autophotonics, we have jointly developed an "optoelectronic fusion solution" and the next generation of highbandwidth in-vehicle optical transmission module solutions. These provide smarter cockpits and autonomous driving scenarios with more stable and efficient information transmission.

- *Global ecosystem.* We are building a diversified cockpit internet application ecosystem by bringing together high-quality partners from China and abroad. Covering services such as navigation, voice, audio-visual, 3D engines and mobile connectivity, we deliver a digital cockpit experience tailored to the habits of users at major domestic auto makers. We are establishing an overseas local supplier system and have formed cooperative intentions with internationally renowned automotive parts companies, marking a new stage in our global development efforts.

Deepened Customer Partnerships, Unlocking Possibilities along Automotive Value Chain

Our relationships with mainstream OEMs have evolved from a traditional supplier-purchaser one to partnerships focusing on jointly defining products and co-creating user experiences. We provide customers with holistic support, from chip platform selection and solution design to AI product enablement, validation, production, delivery and after-sales service. We engage deeply with customers from the earliest stages of their product specification of requirement (SOR), ensuring our solutions are closely aligned with their vehicle platforms through precise chip platform selection and tailored solution design. This approach greatly improves implementation efficiency and elevates the overall user experience. Our robust end-to-end industry collaboration allows us to respond more rapidly to market changes and continuously deliver intelligent solutions that combine leading competitiveness with cost advantages. Our next-generation products, such as SA8797 central computing platforms, Qualcomm Snapdragon Cockpit Elite SA8397P–based intelligent cockpit domain controllers ("SA8397 domain controllers") and AI boxes, provide OEMs with distinctive selling points. These innovations help them stand out through intelligent experiences rather than competing solely on price, and strengthen the bond between us and our OEM partners.

We have established solid collaborations with all top five leading Chinese OEMs in terms of vehicle shipment volume in 2024. As of the Latest Practicable Date, our products had featured 45 brands from these OEMs, with the number of design-wins increased significantly, by 45 in 2024 and by 41 in 2025 as compared to their respective preceding year. For these customers, we provide one-stop services for the design, development and production of intelligent cockpit and integrated cabin-driving products, allowing them to differentiate themselves in the market through enhanced intelligent driving experiences.

Efficient Team Productivity and Experienced Management Team

We have established a fully digitalized operational system spanning research and development, production, supply chain and finance. Through deep integration of Product Lifecycle Management (PLM), System Applications and Products (SAP), Manufacturing Operations Management (MOM) and Customer Relationship Management (CRM), we have streamlined every stage from product design and order management to intelligent manufacturing. These digitalization systems enable highly efficient operations and seamless collaboration among research and development, production, supply, sales and finance functions, and have thereby increased significantly our per capita monetization output.

Our founder, Mr. Yang, has more than 30 years of experience in the automotive industry chain. With extensive management expertise gained from leading OEMs, major dealership group and key suppliers of automotive components, Mr. Yang has accumulated significant practical experience and industry knowledge, as well as deep industry insight. He has built extensive industry relationships and resources. Based on his profound understanding of the automotive sector and his sharp insight into the trends shaping intelligent vehicle development, Mr. Yang plays a pivotal role in advancing the our vision and technological progress. His strategic thinking consistently guides the management team, ensuring that the company maintains a superior and well-directed strategy, as well as strong operational capabilities. Our core management team has, on average, more than 20 years' experience across automotive electronics, intelligent cockpits, and autonomous driving, with comprehensive expertise covering hardware, software, algorithms, and mass production implementation. The team possesses strong technical capabilities. Supported by our leadership's

extensive experience, industry resources, and deep understanding of sector trends, we anticipate technological developments and achieve successful commercialization. Our industrial shareholders include leading global OEMs such as BAIC, Chery and NIO Capital, alongside local state-owned capital. This provides us with robust supply chain resources and enables strong strategic collaboration.

OUR GROWTH STRATEGIES

We are committed to reinforcing our forward-looking advantages in the global evolution of the automotive E/E architecture through the following growth strategies:

Driving Industry Transformation through Continuing Technological Innovation

As consumer preferences for enhanced driving experience continue to evolve, global automotive manufacturers are seeking increasingly diverse and rapidly evolving intelligent domain controller solutions. To respond swiftly to market changes, we plan to increase investment in research and development of next-generation intelligent domain controller solutions. With our understanding of E/E architecture, we will focus on continuous innovation across three key areas: central computing architecture, on-device AI application and information and data processing system. Our goal is to drive and lead technological transformation in intelligent automotive solutions. Key research and development strategies include:

- *Build a central computing architecture.* Our goal, in the context of AI-driven industrial transformation, is to break down inter-domain barriers using a full-domain architecture and drive the migration of vehicle functions toward more centralized high-performance computing platforms. We are advancing our products along a well-defined technical roadmap from domain integration to cross-domain convergence, and ultimately centralized computing. Based on our top level initiatives and technical philosophy, we are working to gradually achieve cross-domain integration and centralized computing. At the same time, we will collaborate with OEMs and ecosystem partners to jointly define interface standards and development paradigms for the next generation of E/E architecture, promoting large-scale implementation of central computing solutions.

- *Accelerate on-device AI model deployment.* We are committed to accelerating the large-scale deployment and application of AI technology in intelligent domain controller solutions. We will build and continue to enhance our capabilities in AI model pruning, optimizing, validating, packaging and updating, and thereby enable efficient implementation of various on-device AI large model products. This will provide OEMs with richer and more differentiated choices, allowing them to response precisely to the pressing market demand for AI-powered intelligent products and fostering AI ecosystem collaboration.

- *Build an information and data processing system.* As automotive intelligence progresses to more advanced levels, information and data will grow exponentially, requiring the development of efficient information processing systems to enable intelligent decision-making. For data acquisition and processing, we will pursue a vision-centric multi-sensor fusion approach to achieve efficient acquisition and processing of information. For data transmission, we will work with leading optical transmission suppliers to develop high efficiency and high performance in-vehicle optical transmission modules, further improving the efficiency of information flow. By taking the lead in this area, we aim to transform our technical edge in efficient information processing systems into competitive market advantage, thereby strengthening our early-mover and core position in next-generation intelligent domain controller solutions.

Expanding Our Core Products and Solutions

We will continue to lead the evolution of the next-generation intelligent vehicle E/E architecture. Specifically, we will iteratively upgrade our new generation of intelligent cockpit domain controller and integrated ADAS and cockpit controllers. By implementing versatile chip functionality in conjunction with on-device AI deployment, we aim to popularize cost-efficient cockpit and intelligent driving functions, providing users with an enhanced experience that surpasses typical expectations. By leveraging advanced computing capabilities, we enable dynamic sharing and flexible scheduling of all system functions. Based on our central computing platform, we will partner with ReinOCS Auto Photonics to promote the deployment of in-vehicle optical transmission module. At the same time, we will encourage adoption of next-generation AI zone controller products, solidifying our position as a key enabler for OEMs.

Throughout this process, we will continue to promote platform-based capabilities, standardization and reuse of middleware and other software modules, resulting in a more efficient development workflow and significant cost reductions at scale. This will also improve our overall operational efficiency and market competitiveness. We will continue to expand access to top industry resources and deepen strategic partnerships in every dimension. By fostering a robust industry ecosystem, we aim to drive rapid product iteration and establish a solid market foundation and industry-leading position early in each new wave of technological advancement.

Strengthening and Expanding Customer Engagement within an Open Industry Ecosystem

We firmly believe that advancing automotive intelligence depends on a close-knit, efficient, open, and collaborative ecosystem among industry partners, particularly our customers. Our goal is to increase market share by deepening partnerships with existing OEM customers while also expanding our customer base through the following approaches:

Strengthening relationships with strategic customers. We have established long-term, stable collaborations with leading domestic OEMs, including BAIC, Changan, Chery and GAC. In the future, we will further leverage our forward-looking insights into industry technology trends and robust research and development capabilities to engage early in OEMs' SOR processes. By collaborating closely on technology and innovation, we intend to reinforce these partnerships, drive sales growth, and increase market share.

Expanding coverage of emerging customers. While continually optimizing cooperation with current partners, we are proactively developing new customers in both China and overseas market with a forward-looking perspective. Relying on our strong industry resources, efficient market intelligence capabilities and extensive experience in benchmark projects, we aim to secure additional designated programs. By providing leading-edge solutions and reliable mass-produced delivery, we build client trust, enabling sustainable repeat business and long-term collaboration.

Accelerating Global Expansion

To proactively seize the opportunities arising from the transformation of the global automotive industry and to create new drivers for growth, we aim to systematically expand into established and emerging overseas markets by targeting internationally renowned OEM customers. We are developing global, localized functions across R&D, supply chain operations, sales and marketing, manufacturing, and aftersales services to meet varying regional requirements. We are establishing sales centers and teams in international key markets such as Asia and Europe. Leveraging these local platforms, we are actively engaging with target customers and advance project acquisition efforts. Overseas, we will set up local R&D teams, building upon our domestic platform to establish full-stack development capabilities abroad. This will enable us to fulfill localized delivery needs for overseas customers.

We will continue to enhance our international systems and capabilities, especially in standard certification, to ensure that the entire process, from customer engagement to aftersales support, meets international OEM standards. Additionally, we aim to rely on our increasingly robust global network to deepen customer relationships and advance project development. This will allow us to undertake R&D, and fulfill delivery of international orders. By achieving scaled mass production deliveries in established and emerging overseas markets, we aim to complete the strategic cycle from market expansion to commercial success. Leveraging the transferable capabilities that we developed through our automated production lines in Wuxi, we will bring our products to global markets quickly, efficiently and cost-effectively. As our global footprint strengthens, we will have the ability to compete alongside leading international enterprises and lay a solid foundation for sustainable growth.

OUR BUSINESS MODEL

We operate an integrated business model that combines software, automotive-grade hardware and system-level engineering to deliver integrated intelligent connected vehicle (ICV) solutions to OEM customers. Our offerings span the entire development cycle of ICVs, from platform design and product R&D to mass production and lifecycle services. Through close collaboration with OEMs, we provide customized, scalable and software-defined solutions that enhance vehicle intelligence, comfort and connectivity.

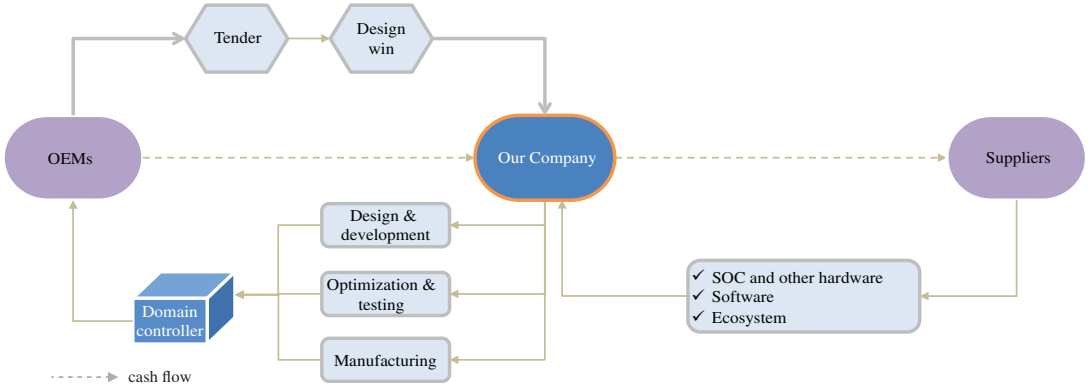
Our business consists of two interrelated product lines, namely vehicle computing solutions and zone controllers solutions, which together form a cross-domain and scalable computing framework of the vehicle, enabling OEMs to transition from distributed domain controllers to centralized and software-defined vehicle architectures. We provide these products either on a standalone basis or as customized combinations of hardware and software that are configured in accordance with the requirements of OEM vehicle programs. Leveraging our platform-based development capabilities, we design and deliver product portfolios and development scopes tailored to each OEM's technical specifications, enabling us to address differentiated needs across a broad range of vehicle models.

Our core value as a Tier 1 intelligent vehicle solution provider lies in our ability to design, integrate and deliver end-to-end domain controller product solutions. We independently define the system architecture and carry out hardware solution design. We also design and develop the underlying software, middleware and application layers that sit on top of the hardware. In doing so, we transform fragmented upstream resources, such as chips, hardware, software and content ecosystem resources, into unified, mass-producible product solutions, and deliver complete products and provide ongoing technical services and software upgrades to OEMs.

Our value add is primarily reflected in three areas. First, we possess end-to-end capabilities from chip selection and architecture design to hardware and software solution definition, which enables us to take the lead in designing and proposing product solutions that are tailored to the needs of individual OEMs and vehicle models. In particular, based on our designed architecture, we design and develop the middleware and application layers on our domain controllers, including, among others, communication middleware, system service middleware, human-machine interaction and infotainment applications, vehicle control and comfort applications and over-the-air upgrade modules. Secondly, we continuously carry out in-house research and development around our core hardware and software, and build cross-platform standardization capabilities in our middleware and application layers to enhance platform reuse efficiency and shorten development and integration cycles for new projects. Thirdly, we provide full life-cycle services, covering E/E architecture advisory, solution demonstration and joint development through to mass production delivery and after-sales technical support.

To support our solutions, we procure from third parties a range of components and inputs, including SoCs and other automotive-grade chips, PCBs, memories, power management and connectivity modules, display panels and other peripheral devices, as well as software and content

services. These third-party components are integrated by us into our self-developed hardware designs and software stacks, including our middleware and application layers, and are validated and optimized as part of our overall product solutions before delivery to OEM customers. The process of provision of our solutions is illustrated as follows.



The development and customization of our intelligent vehicle solution are aligned with the lifecycle of OEM vehicle programs and differ depending on the stage of engagement. Prior to achieving a design win, our development efforts are primarily focused on platform-level research and development, with relatively limited customization, including SoC evaluation and selection, product specification definition and development of hardware and underlying layer software to establish standardized and reusable platforms. Following the achievement of a design win, further customization is typically undertaken to integrate our products with the specific vehicle architecture and components of the relevant OEM program. Such project-level development may include adjustments to hardware design and interfaces, software development in accordance with OEM technical standards and communication protocols, vehicle-level testing and validation, and, where applicable, application-layer customization such as human-machine interface design and application integration. For products that integrate intelligent driving functions, additional adaptation may involve algorithm optimization, vehicle calibration and alignment with OEM production-line testing requirements. These customization efforts form an integral part of our collaboration with OEM customers and are generally reflected in the overall commercial arrangements of each vehicle program, either embedded in product pricing or charged separately in accordance with contractual terms.

The intelligent vehicle industry is undergoing rapid technological evolution, with emerging architectures such as integrated ADAS and cockpit controllers and central computing platforms gaining wider adoption. In response to these developments, we have adopted a number of measures to mitigate the risks of technological substitution and obsolescence. We place a strong emphasis on forward-looking R&D and have, ahead of broader industry adoption, taken the lead in developing integrated cockpit and intelligent driving solutions and central computing platforms. We have launched an integrated ADAS and cockpit controller that seamlessly combines intelligent driving and smart cockpit functionalities. Our integrated ADAS and cockpit controllers have secured multiple design wins and are scheduled for mass production in several vehicle models. We have also introduced and commenced mass production of zone controllers and developed optical high-speed transmission modules and central computing platform solutions for next-generation vehicle architectures.

Building on our long-standing software and hardware platform capabilities, we have established a highly reusable development framework. On the software side, core functionalities, including cockpit interaction, ADAS perception algorithms and multi-domain coordination, are modularized into standardized middleware components, enabling flexible reuse across different chip platforms and vehicle models without repeated redevelopment of foundational functions. On the hardware side, we adopt unified interface specifications and architectural designs to facilitate

cross-platform adaptation of key hardware modules, thereby reducing development effort and improving efficiency when introducing new SoC platforms. This platform-based and modular approach enables us to shorten development cycles, enhance cost efficiency and accelerate the commercialization of new technologies. Through continuous product iteration and close collaboration with OEM customers, we are able to adapt to evolving technology routes and vehicle architectures, thereby mitigating the risks associated with rapid technological change and increasing industry competition.

OUR PRODUCT PORTFOLIO

We offer a comprehensive portfolio of innovative products and solutions in the ICV industry, including vehicle computing solutions and zone controller solutions. Our vehicle computing solutions encompass intelligent cockpit domain controllers, integrated ADAS and cockpit controllers, the Autosee OS software platform and display components. Together, they constitute a cross-domain and scalable E/E architecture of the vehicle and support the transformation toward software-defined architectures. Our offerings collectively serve as the core software and hardware foundation that supports the development of intelligent and software-defined vehicles, facilitating the decoupling of software and hardware and enabling more flexible and upgradeable vehicle functions.

- *Intelligent cockpit domain controller.* It serves as the controller for infotainment, human-machine interaction and in-vehicle connectivity. It integrates multiple distributed ECU functions into a single computing platform, improving system stability and reducing wiring complexity.

- *Integrated ADAS and cockpit controller.* It merges ADAS and cockpit functionalities into a single computing unit to enable cross-domain coordination and shared computing resources. This integration improves performance efficiency and supports L2+ highway and urban NOA.

- *Autosee OS software platform.* Our proprietary automative-grade operating system connects hardware layers with intelligent applications. It provides a standardized operating environment, middleware, API framework and application layer apps, enabling OEMs to build customized HMI designs and differentiated in-vehicle experiences.

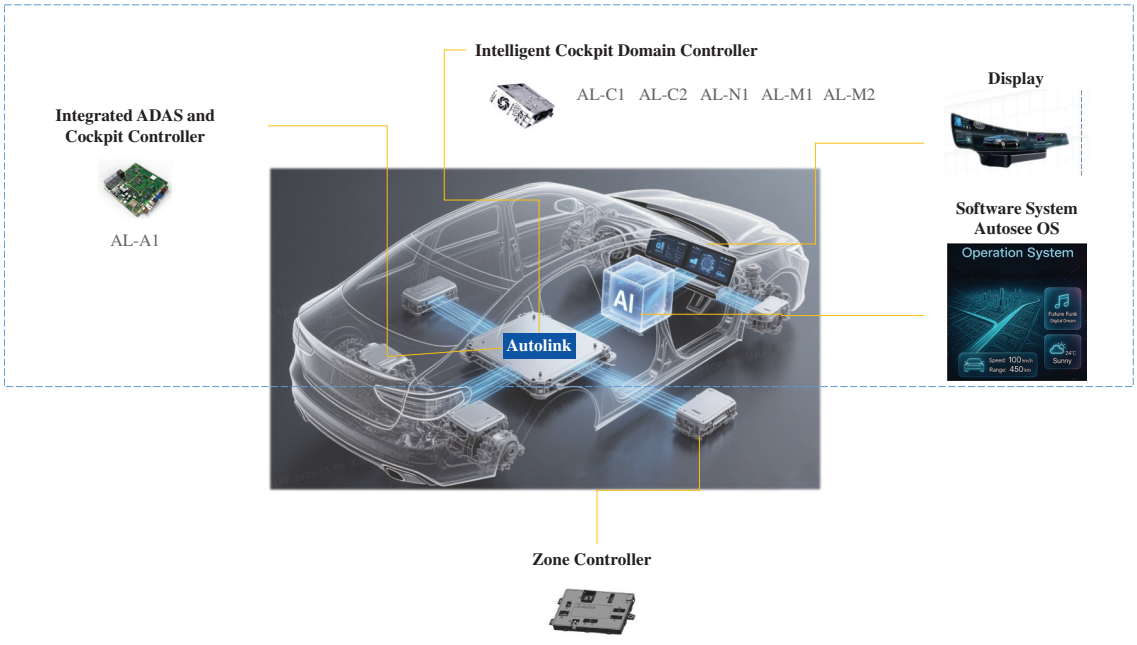
- *Display components.* We integrate high-quality, in-house produced displays into our vehicle computing solutions to ensure system-level compatibility and superior performance.

Our zone controllers function as control nodes for body electronics, lighting, power distribution and comfort systems across different areas of the vehicle. They form the hardware foundation of a zonal E/E architecture that supports modular function deployment and centralized software management. Through flexible configuration and standardized interfaces, our zone controller solutions enable OEMs to simplify wiring harnesses, enhance reliability and reduce overall vehicle costs.

Our customers have the flexibility to choose solutions that may be provided either on a standalone basis or as integrated packages, combining our intelligent cockpit domain controllers, integrated ADAS and cockpit controllers, our Autosee OS system, zone controllers and display components. In our integrated packages, our customers may select either intelligent cockpit domain controllers or integrated ADAS and cockpit controllers, but not both within the same package. Under these integrated offerings, the hardware platforms, software systems and peripheral components are pre-validated and jointly optimized and are delivered as a single integrated system, which enhances hardware-software collaboration and overall system stability while reducing the integration complexity and development cycle for our OEM customers. We recently launched our

AI-linked deep-fusion in-vehicle solution. It integrates the central computing platform, zone controllers and in-vehicle optical communication to create a high-bandwidth, ultra-low-latency, microsecond-level synchronized cross-domain system, enabling tightly coordinated perception, decision-making and control.

By adopting a platform-based and modular design approach, our products offer scalability and reusability across different vehicle models. This approach allows flexible configuration to meet the differentiated requirements of OEMs across various market segments, while maintaining strong cost efficiency and short development cycles. Our product portfolio also supports cross-domain integration and coordinated computing between the cockpit and driving domains, which represents an important step toward more intelligent and connected vehicles. Through continuous R&D investment and close collaboration with OEMs, we aim to further enhance our product capabilities and extend our solutions across multiple vehicle domains, supporting the ongoing industry evolution toward SDV architectures. The following chart sets forth our product portfolio as of December 31, 2025.



During the Track Record Period, we generated a substantially all portion of our revenue from vehicle computing solutions. In 2023, 2024 and 2025, our vehicle computing solutions contributed 100.0%, 100.0% and 97.3% of our revenue, respectively. The following table sets forth a breakdown of our revenue by product lines for the periods indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousandss, except for percentages)					
Vehicle computing solutions	2,297,665	100.0	2,655,571	100.0	2,010,099	97.3
Zone controller solutions	–	–	–	–	55,167	2.7
Total	**2,297,665**	**100.0**	**2,655,571**	**100.0**	**2,065,266**	**100.0**

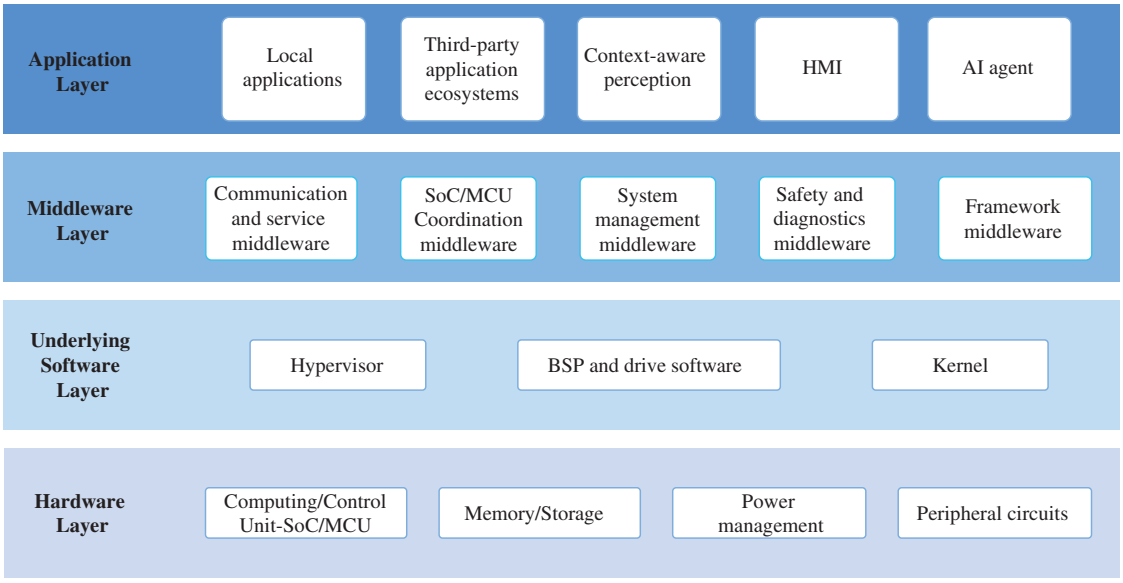
Vehicle Computing Solutions

Intelligent Cockpit Domain Controller

We design, develop and manufacture intelligent cockpit domain controllers that manage automotive infotainment, human-machine interaction and in-vehicle connectivity. By integrating the instrument cluster, multimedia entertainment, navigation and voice recognition functions into a unified computing unit, our cockpit domain controllers simplify the vehicle's E/E architecture, reduce wiring complexity, enhance system stability and improve user experience. Our products support the transition of OEMs from distributed ECU architectures toward centralized and software-defined vehicles (SDVs). As of December 31, 2025, our intelligent cockpit domain controllers had been adopted by leading OEMs including Chery, GAC and Geely and deployed in 136 mass-production vehicle projects.

Our intelligent cockpit domain controllers are developed under a platform-based and modular architecture with the decoupled software and hardware, enabling flexible adaptation to multiple SoC platforms. Through joint development with OEMs, covering high-end, mid-range and entry-level vehicle models, we provide customized solutions from concept design through mass-production validation. Upon completion of technical and commercial evaluations, our products achieved design wins and are deployed in mass-production vehicle programs.

Our intelligent cockpit domain controller products employ a four-layer architecture: (i) the hardware layer, which is integrated on the PCB to provide essential computing, storage and interface functions; (ii) the underlying software layer, which provides core software capabilities, ensuring stable allocation of hardware resources and reliable system operation; (iii) the middleware layer, which connects upper-layer application innovation with lower-layer system capabilities and builds a unified platform that works across different chips, operating systems and functional modules, improving system integration efficiency, software reusability and product development agility; and (iv) the application layer, which delivers human-machine interaction and in-vehicle applications for multiple intelligent cockpit use cases, covering information display, interactive experiences and ecosystem services, and supports rapid configuration and continuous iteration for different vehicle models and user needs. In essence, our clients can either utilize their own application layer software or choose our Autosee OS at the application layer. The middleware layer ensures that the application layer is decoupled from the hardware and underlying software layer, allowing flexible and adaptable integration. The following chart illustrates this four-layer architecture in detail.



To address the diverse requirements of different OEMs, we have developed a comprehensive portfolio of cockpit domain controller products built upon leading automotive-grade SoC platforms such as Snapdragon SA8155P and SA8255P, SemiDrive X9 and MT8675 and MT8676 platforms. As of December 31, 2025, our intelligent cockpit domain controller portfolio primarily comprised: (i) the AL-C1 series or SA8155 domain controllers, our mid-range intelligent cockpit controller; (ii) the AL-C2 series or SA8255 domain controllers, our high-end intelligent cockpit controller; (iii) the AL-N1 series, our economy-range intelligent cockpit controller; and (iv) the AL-M1 series or MT8675 domain controllers, our mid-range intelligent cockpit controller; and (v) the AL-M2 series or MT8676 domain controllers, our mid-to high-end intelligent cockpit controller. These products are summarized below.

	AI-C1 Mid-Range Intelligent Cockpit Controller	**AI-C2 High-End Intelligent Cockpit Controller**	**AI-N1 Mid-Range Intelligent Cockpit Controller**	**AI-M1 Mid-Range Intelligent Cockpit Controller**	**AI-M2 Mid-To-High-End Intelligent Cockpit Controller**
Number of vehicle projects in mass production	71	7	6	1	1
Number of vehicle projects with design win	86	9	8	1	1
Computing power	CPU: 100k NPU: 8T GPU: 1000GFLOPS	CPU: 230k NPU: 24T GPU: 1300GFLOPS	CPU: 51k NPU: 0.4T GPU: 140GFLOPS	CPU: 119K NPU: 4.2T GPU: 288GFLOPS	CPU: 170K NPU: 20T GPU: 1800GFLOPS
Representative SoC	Snapdragon SA8155P	Snapdragon SA8255P	SemiDrive X9HP	MT8675	MT8676
Technical features	Support: (i) hypervisor-based virtualization technology enabling dual operating systems on a single chip; (ii) multiple high-definition display and camera inputs; (iii) rich peripheral interfaces; (iv) integration of visual algorithms such as AVM and DMS; and (v) OTA functional upgrades to meet future product-line requirements.	Support: (i) a wide range of 3D HMI content; (ii) multiple high-definition display and camera inputs; (iii) rich peripheral interfaces; (iv) functional safety upgraded to ASIL-B with optional integration of CMS; and (v) integration of on-device large models; and (vi) integration of parking functions, supporting APA and RPA.	Support: (i) multiple high-definition display and camera inputs; (ii) integration of transmission modules including Wi-Fi, Bluetooth (BT), 4G, GPS and gyroscope; (iii) vehicle networks such as Ethernet, CAN and LIN; (iv) rich audio input and output interfaces; and (v) integration of visual algorithms such as AVM and DMS.	Support: (i) multiple high-definition display and camera inputs; (ii) integration of a built-in 5G (Cat-18) communication module enabling high-speed network connectivity; (iii) rich peripheral interfaces; and (iv) integration of visual algorithms such as AVM and DMS.	Support: (i) multiple high-definition display and camera inputs; (ii) integration of a built-in 5G (Cat-19) communication module with higher bandwidth than the previous generation; (iii) a 3D HMI rendering engine and enables 3D application scenarios such as AR-HUD; (iv) rich peripheral interfaces; (v) integration of visual algorithms such as AVM and DMS; and (vi) more advanced visual and AI algorithm deployment on the SoC.

Our intelligent cockpit domain controller is built on leading automotive-grade SoC platforms. It features high computing power, real-time responsiveness and modular scalability. The hardware side integrates CPU, GPU, NPU and communication interfaces to support various vehicle communication protocols such as CAN, LIN and Ethernet. The software stack, which includes an Android, Linux and QNX-based operating system and customized middleware, enables seamless integration with OEM systems and third-party applications.

AL-C1

The AL-C1 series is our core product platform and serves as the computing center for multi-screen interaction and infotainment systems. Based on the Qualcomm Snapdragon SA8155P and other equivalent SoC platform, it supports four high-definition displays and multiple camera inputs. The software environment combines Android and QNX operating systems to ensure stable performance and functional safety. Our AL-C1 series obtained its first design win in April 2020 and entered mass production for the first project in June 2021. As of December 31, 2025, our AL-C1 series had achieved design wins in 86 vehicle projects, of which 71 had entered mass production. According to Frost & Sullivan, we ranked first in terms of shipment volume of SA8155 domain controllers globally as of December 31, 2025.

AL-C2

The AL-C2 series is our high-end intelligent cockpit domain controller built on the Qualcomm Snapdragon SA8255P and other equivalent SoC platform. It provides enhanced graphics and AI-processing capabilities, supports 4K multi-screen rendering, AI voice assistant and AR-HUD visualization, and integrates a redundant safety island for ISO 26262 compliance. Our AL-C2 series obtained its first design win in November 2024. As of December 31, 2025, our AL-C2 series had achieved design wins in nine vehicle projects, of which seven had entered mass production.

AL-N1

The AL-N1 series adopts domestic automotive SoC platforms based on SemiDrive X9 and other equivalent chipsets, supporting multiple 2K displays and camera connections. It delivers performance comparable to imported chipsets while enhancing supply-chain resilience. Sharing the same software stack as our Qualcomm-based controllers, AL-N1 ensures efficient migration and high software reuse across platforms, offering customers a localized yet scalable cockpit solution. Our AL-N1 series obtained its first design win in September 2022 and entered mass production for the first project in May 2024. As of December 31, 2025, our AL-N1 series had achieved design wins in eight vehicle projects, of which six had entered mass production.

AL-M1

The AL-M1 series is our mid-range intelligent cockpit domain controller built on the MT8675 and other equivalent chipsets. It delivers approximately 120K DMIPS of computing power and supports front-row infotainment and intelligent-interaction functions including AVM, DMS and OMS. The AL-M1 series integrates the instrument cluster, center and head-up display within a single unit, with optional 4G/5G T-Box connectivity to streamline in-vehicle communication. Its platform-based and modular hardware and software architecture enables high component reuse and efficient adaption across vehicle configurations. Our AL-M1 series obtained its first design win in April 2025. As of December 31, 2025, our AL-M1 series had achieved a design win in one vehicle project, which had entered mass production.

AL-M2

The AL-M2 series is our mid- to high-end intelligent cockpit domain controller built on the MT8676 and other equivalent chipsets. It delivers up to approximately 170K DMIPS of general computing power, 1.8 TFLOPS of graphics computing power and 20 TOPS of AI computing power. The AL-M2 series supports up to 16 camera inputs and 6 display outputs, enabling intelligent

presentation and optimized user interaction across the instrument cluster, center display and AR-HUD. Its enhanced graphics rendering capabilities support 3D desktop interfaces, 3D vehicle-model interaction and transparent-chassis visualization. The AL-M2 series is equipped with an integrated 5G (Cat-19) communication module delivering downlink speeds of up to 1.6 Gbps, significantly improving user experience for media consumption and cloud-based large-model applications. Our AL-M2 series obtained its first design win in April 2025. As of December 31, 2025, our AL-M2 series had achieved a design win in one vehicle project, which had entered mass production.

Production and testing of all our intelligent domain controller products are conducted in our Wuxi facilities, which are certified to IATF 16949, ISO 26262 functional-safety, ISO/SAE 21434 cybersecurity and TISAX cybersecurity standards. These certifications cover our relevant processes, ensuring product reliability, functional safety and cybersecurity across mass-production programs.

Case Study – Intelligent Cockpit Domain Controller Solution for Chery Jetour Series

In May 2022, we secured a design win from Chery Automobile Co., Ltd. for the development of an intelligent cockpit domain controller solution for Jetour, an off-road and travel-oriented vehicle brand under Chery. The solution is based on our AL-C1 intelligent cockpit domain controllers and the Autosee OS software platform, forming a highly integrated hardware and software system designed to deliver immersive human-machine interaction and intelligent cockpit functions under complex off-road and long-distance driving conditions.

Our solution enables multi-screen coordination across the instrument cluster, center display and passenger display, and is embedded with Autosee OS featuring customized human-machine interfaces, AI-powered voice assistants and scenario-based service functions.

We are deeply involved throughout the full lifecycle of the project. With an integrated hardware-software development approach, we undertake end-to-end responsibilities from system design and integration verification to production readiness. On the hardware side, we focus on customized adaptation based on the Jetour vehicle-platform requirements, leading core hardware selection, schematic design and PCB layout development, as well as conducting hardware compatibility testing, electromagnetic compatibility (EMC) optimization and reliability validation to ensure seamless alignment with the vehicle's E/E architecture. On the software side, we provide full-stack technical support, covering low-level driver development, middleware, application-layer programming and algorithm optimization. We also perform multi-scenario calibration, including on-vehicle road-test calibration, to ensure functional stability and response performance. Through automated testing and boundary-condition verification, we support performance iteration and upgrades to meet Jetour's advanced requirements for intelligent and connected features.

To ensure project execution quality and efficiency, we deploy dedicated engineering teams to work onsite with the OEM, respond to technical requirements in real time and participate in OEM design review meetings to proactively identify and mitigate design risks.

As of December 31, 2025, Jetour vehicle models equipped with our AL-C1 intelligent cockpit domain controllers and Autosee OS software platform had entered mass production and were launched in both domestic and international markets. This achievement demonstrates our strong capability to deliver robust, scalable and locally optimized intelligent cockpit domain controller solutions that support Chinese OEMs in developing software-defined vehicles tailored for off-road and adventure-travel scenarios.

Integrated ADAS and Cockpit Controller

Our AL-A1 series represents our high-end integrated ADAS and cockpit controller, developed based on the Qualcomm Snapdragon Ride Flex SA8775P platform. It enables the convergence of cockpit and driving-assistance domains within a single hardware and software system, addressing the industry's transition toward centralized, cross-domain E/E architectures.

The AL-A1 adopts a single-SoC, multi-system architecture that integrates mid-to-high-end cockpit, driving and parking functions on one chip. It supports L2+ highway and urban NOA capabilities while providing high-performance computing for both infotainment and driving assistance. The system supports multi-display configurations, including the center console, instrument cluster and HUD, as well as the integration of visual functions such as AVM, DMS and OMS. The SoC used in the AL-A1 series meets ASIL-B functional-safety standards and incorporates a built-in ASIL-D safety island, ensuring reliable performance for mission-critical cockpit and ADAS functions. In addition, the AL-A1 controller supports OTA updates and future software extensions, allowing OEMs to continuously enhance vehicle functionality.

Our AL-A1 series obtained its first design win in September 2024. As of December 31, 2025, our AL-A1 series had achieved design wins in ten vehicle projects and entered the joint development phase prior to mass production, focusing on cross-domain integration validation and pre-SOP testing. As of the same date, four of such vehicle projects had entered mass production. According to Frost & Sullivan, Qualcomm Snapdragon Ride Flex SA8775P forms the underlying SoC platform for the world's first mass-produced single-chip-based integrated ADAS and cockpit controller solution developed and commercialized by us, which serves as a crucial transitional step towards central computing architectures.

Autosee OS Software Platform

Autosee OS is our proprietary automative-grade operating system system that forms a key part of our vehicle computing solutions. It serves as the software system that connects the hardware layer with cockpit applications, supporting human-machine interaction, voice, navigation, multimedia and connectivity functions.

Autosee OS features a layered and modular architecture, enabling efficient coordination among software modules and seamless adaptation to multiple hardware platforms. It supports flexible deployment and customization by OEMs to align with their vehicle models, brand designs and user experience preferences. Its main characteristics include:

- *Multimodal interaction.* The system supports the integration of voice, gesture, gaze and touch controls for intuitive operation.
- *3D visualization interface.* The system provides clear and responsive cockpit visualization for driving and navigation information.
- *Driver status monitoring.* The system detects fatigue and distraction through sensors to enhance safety.
- *Context-aware intelligence.* The system adjusts vehicle functions based on time, environment and user behavior.
- *Personalized profiles.* The system enables individualized settings for drivers and passengers.
- *Open ecosystem.* The system offers SDK and APIs for OEM and third-party customization.
- *OTA upgrade.* The system supports ongoing software and feature updates.

In addition to its core system, Autosee OS incorporates several functional modules that complement our hardware controllers:

- *Auto Voice.* It provides an intelligent voice assistant enabling natural-language control for navigation, vehicle functions and infotainment.
- *Media Center.* It provides an in-vehicle entertainment platform supporting local and online multimedia playback with third-party integration.
- *App Store.* It provides an application management system enabling OEMs to manage and update in-vehicle applications through SOTA mechanisms.
- *Auto Do.* It provides smartphone connectivity integrating with Apple CarPlay, Android Auto, Huawei HiCar and ICCOA Carlink.
- *Auto Holo.* It provides an optional holographic interface enhancing cockpit interaction through 3D visualization and voice coordination.

As of December 31, 2025, our Autosee OS had been deployed in 36 vehicle projects that had entered mass production and achieved design wins in seven additional projects, covering both passenger and commercial vehicle models. Subsequent to the Track Record Period, our Autosee OS obtained a new design win from a Chinese NEV OEM. The collaboration covers this OEM's overseas models across four major regional markets, including Europe and the Middle East. This partnership validates our technological strengths and mass-production delivery capabilities in Autosee OS, particularly its intelligent voice capabilities, and establishes a solid commercial foundation for expanding into the overseas intelligent voice markets. By combining a unified software framework with modular hardware integration, it enables OEMs to deliver differentiated and continuously upgradable intelligent cockpit experiences as part of our integrated software and hardware solutions.

Display Components

We provide a range of high-resolution displays, including instrument clusters, infotainment screens and passenger screens, as part of our intelligent cockpit systems.

- *Instrument cluster.* It displays essential vehicle information such as speed, battery level, and navigation directions;
- *Infotainment screen.* It acts as the central interface for multimedia, navigation and connectivity functions, supporting touch, voice and gesture control for intuitive operation; and
- *Passenger screen.* It enables passengers to independently access entertainment and control cabin functions without distracting the driver.

We source display panels and cover lenses from external suppliers and integrate them with our in-house designed driver circuit boards. The software and hardware of our domain controllers and integrated ADAS and cockpit controllers, along with the driver circuit boards of the displays, enable these screens to perform a wide range of functions. Each display undergoes rigorous reliability and functional testing before being incorporated into our intelligent cockpit solutions. Our vehicle computing solution, which integrates our domain controllers and display screens, enables a wide range of functions including seamless realtime switching and multi-display interactions. This integrated solution provides 3D visual experiences for both drivers and passengers, ensuring stable and efficient performance through rigorous reliability and functional testing. As of December 31, 2025, we had provided displays as part of our integrated solutions in 12 mass production vehicle projects.

Project Overview

During the Track Record Period, we undertook projects primarily relating to (i) intelligent cockpit domain controllers and (ii) integrated ADAS and cockpit controllers. Although our Autosee OS software system and display components can be offered separately as standalone software or hardware products, during the Track Record Period we did not undertake any projects where such products were delivered on a standalone basis.

Year ended December 31,	Product	Number of projects	Average project value	Number of loss-making projects
			(RMB in thousands)	
2023	Intelligent Cockpit Domain Controller	17	135,156	4
	Integrated ADAS and Cockpit Controller	–	–	–
	Total	17	135,156	4
2024	Intelligent Cockpit Domain Controller	31	85,664	2
	Integrated ADAS and Cockpit Controller	–	–	–
	Total	31	85,664	2
2025	Intelligent Cockpit Domain Controller	44	43,018	2
	Integrated ADAS and Cockpit Controller	4	29,321	–
	Total	48	41,877	2

During the Track Record Period, our average project value for intelligent cockpit domain controller products decreased, primarily because the number of our new SoC platforms increased, which in turn led to an increase in the number of new projects. As a result, a higher proportion of our projects were at an early research and development stage and generated relatively low revenue, which diluted our average project value.

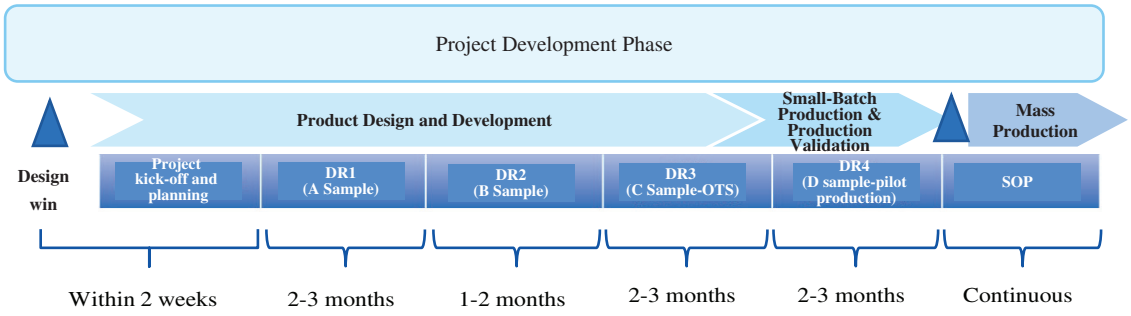
Zone Controller Solutions

We design and manufacture automotive-grade zone controllers that serve as the control nodes of the vehicle's electronic and electrical architecture. Acting as the foundational hardware layer of our intelligent vehicle system, each zone controller governs body electronics, lighting, power distribution and comfort functions within specific physical areas of the vehicle. By consolidating dozens of low-voltage ECUs into several high-integration computing nodes, our zone controller solution simplifies the wiring harness, enhances energy efficiency and system stability, and reduces manufacturing cost. Our zone controller solutions are designed based on a platform-based and modular hardware and software architecture to ensure scalability, reusability and ease of integration.

As of December 31, 2025, our zone controller products had been deployed in three vehicle projects. All zone controller products are manufactured in our Wuxi facilities certified under IATF 16949, where each unit undergoes comprehensive in-circuit testing, environmental simulation and end-of-line functional validation. With proven mass-production performance, high scalability and strong compatibility with different vehicle platforms, our zone controller solution has become a key component of our integrated software and hardware solutions, supporting the industry's transition toward centralized, software-defined and intelligent connected vehicles architecture.

Project Development

Our intelligent vehicle solutions development follow a structured framework consisting of several key stages from design-win to revenue recognition. The following chart sets out our end-to-end process, from design-win to mass production.



Upon securing a design win, we advance the project in accordance with our internal product development management procedures, and exercise end-to-end control over project progress and product quality through a dual mechanism that combines management reviews with quality gate reviews. Once product planning is completed, the project proceeds through four stages: product design and development, small-batch production, production validation and mass production. At each stage, we sequentially complete initial function verification, design iteration and testing verification, production of engineering samples using full production tooling and product certification, followed by trial production under mass-production-equivalent conditions together with ramp-up audits. During this process, we freeze hardware design and software design in sequence, and progressively converge product maturity. Each review gate is subject to clearly defined entry and exit criteria, covering functionality, performance, reliability, software quality and manufacturing readiness. Only after all reviews have been passed may the product enter into formal mass production.

Key Operational Data

Our key operational data primarily reflect the sales performance of our major product categories, namely vehicle computing solution and zone controllers. During the Track Record Period, we continued to expand our customer base and product coverage, driven by increasing adoption of our domain controller solutions and the steady commercialization of our proprietary software platform. The following table sets forth the certain information for our major products for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
Vehicle Computing Solutions			
Intelligent Cockpit Domain Controller			
AL-C1			
Number of vehicle projects with design win	20	21	9
Number of vehicle projects with design win from our five largest customer in the year	20	21	9
Revenue (RMB in thousands)	2,283,821	2,631,008	1,704,869
Sales volume (units)	623,764	798,141	563,102

	For the year ended December 31,		
	2023	2024	2025
Average selling price (RMB per unit)	3,661	3,296	3,028
AL-C2			
Number of vehicle projects with design win	–	4	5
Number of vehicle projects with design win from our five largest customer in the year	–	4	5
Revenue (RMB in thousands)	–	–	109,036
Sales volume (units)	–	–	12,610
Average selling price (RMB per unit)	–	–	8,647
Others[(1)]			
Number of vehicle projects with design win	5	16	18
Number of vehicle projects with design win from our five largest customer in the year	–	5	2
Revenue (RMB in thousands)	13,844	24,563	78,910
Sales volume (units)	20,362	9,368	57,730
Average selling price (RMB per unit)	680	2,622	1,367
Integrated ADAS and Cockpit Controller			
AL-A1			
Number of vehicle projects with design win (units)	–	1	9
Number of vehicle projects with design win from our five largest customer in the year (units)	–	–	9
Revenue (RMB in thousands)	–	–	117,284
Sales volume (units)	–	–	18,642
Average selling price (RMB per unit)	–	–	6,291
Zone Controller Solutions			
Number of vehicle projects with design win	–	3	–
Number of vehicle projects with design win from our five largest customer in the year	–	–	–
Revenue (RMB in thousands)	–	–	55,167
Sales volume (units)	–	–	59,152
Average selling price (RMB per unit)	–	–	933

Note:

(1) Others include our AL-N1, AL-M1, AL-M2 and other products manufactured in small quantities, which are not representative.

As of December 31, 2023, 2024 and 2025, our conversion rate of design-wins to purchase orders, calculated as the number of cumulative mass production projects divided by the number of projects with confirmed design-wins, was 44.0%, 35.6% and 48.8%, respectively. In the years ended December 31, 2023, 2024 and 2025, we had nil, two and one terminated projects, respectively, which refer to projects for which we had previously obtained design-wins but were subsequently notified by the relevant OEM customers within the relevant year that such projects had been cancelled.

As of the Latest Practicable Date, our products had obtained design-wins for 164 vehicle models and had entered into mass production for 130 vehicle models. These vehicle models are offered under 45 brands of our OEM customers, covering a broad spectrum of market positions from mass-market to premium segments, including entry-level, mid-range, premium and luxury passenger vehicles. Our products have been designed into and deployed on a variety of vehicle types, including sport utility vehicles (SUVs), sedans, multi-purpose vehicles (MPVs) and pickup truck, and across different vehicle energy types, including battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), hybrid electric vehicles (HEVs) and internal combustion engine (ICE) vehicles. The vehicle models equipped with our products are primarily retailed in the PRC and in a number of overseas markets through the sales networks of our OEM customers. Major overseas retail locations are mainly situated in Europe, East Asia and Southeast Asia.

OUR CORE TECHNOLOGIES

We possess deeply integrated, full-stack research and development capabilities covering the entire technology chain from the underlying hardware level to the top-tier application layer. This includes chip selection and hardware adaptation, in-house hardware design and module development, low-level driver and system software, high-performance middleware and the design and optimization of intelligent application algorithms. This comprehensive end-to-end capability enables us to efficiently achieve a closed technological loop, significantly enhance system compatibility, stability and performance, and rapidly respond to diverse customer needs.

Platform-based Software and Hardware Architecture

We have established a platform-based technology architecture that integrates standardized hardware platforms with layered and modularized software design, supported by unified development processes. At the hardware level, our platform approach enables shared hardware foundations across different product lines and customer projects, enhancing reusability, scalability and development efficiency. By adopting standardized interfaces and modular hardware design, we reduce repeated engineering effort and accelerate the introduction of new products.

At the software level, our architecture follows a layered and service-oriented structure comprising the operating system, middleware and service layers. Through decoupled layers, comprehensive hardware-software separation and standardized middleware, our software platform supports flexible configuration across vehicle platforms and independent evolution of applications minimizing hardware constraints. The middleware layer provides standardized hardware abstraction for displays, audio, cameras, sensors, communication and connectivity interfaces. Through the unification of HAL interfaces, we have achieved a 100% standardization rate, increasing BSP and HAL reuse rate from approximately 40% to 70% and reducing hardware adaptation cost by around 30%. Leveraging this decoupled and modular design, our cross-platform migration capability enables the same codebase to be adapted to multiple SoC platforms, significantly shortening migration cycles and improving version delivery efficiency. The platform-based architecture also allows new features to be introduced or updated through standardized interfaces without affecting system stability, ensuring long-term compatibility and continuous iteration.

Cross-domain Intelligent Capability

Building upon our modular software framework and unified computing architecture, we have developed comprehensive cross-domain intelligent capabilities that enable real-time collaboration among the cockpit, driving, body, powertrain and chassis domains. Through a unified central computing platform and zone controllers, our system realizes centralized perception, decision-making and control across multiple domains, supporting the full-domainization evolution of vehicle architectures.

Our integration of ADAS and cockpit domain technology leverages cross-domain data fusion and resource scheduling algorithms to share computing power, sensor inputs and perception data between the intelligent cockpit and ADAS. This integration enables concurrent execution of driving perception, driver monitoring and cockpit interaction functions within a single computing framework, improving system coordination and user experience.

To support such integration, we have established a dynamic resource management mechanism based on a multi-core heterogeneous architecture, which allocates computing, memory and bus resources in real time according to task priority and vehicle state. This mechanism ensures stable operation of safety-critical ADAS functions while maintaining smooth human-machine interaction within the cockpit.

Through continuous optimization of our full-domainization framework, we have created an intelligent and collaborative vehicle system that bridges the physical and digital worlds, laying the foundation for large-scale deployment of ICVs.

On-device AI Large Model Deployment Capability

We possess on-device AI deployment capabilities across multiple technical pathways, enabling us to deliver on-device AI deployment solutions tailored to diverse automotive scenarios. These solutions have been standardized into product forms. In addition, we have established cross-chip AI deployment capabilities based on NPUs, through which we convert automotive algorithms into device-side products and collaborate with chip manufacturers to achieve toolchain interoperability. These capabilities enable us to support rapid implementation of multimodal cockpit interactions and provide end-to-end solutions from model optimization to automotive-grade integration. We also utilize these capabilities to provide OEMs with AI empowered intelligent products, such as in application layers, allowing them to response rapidly to the pressing market demand.

We have expanded our strategic collaboration with a Chinese AIoT chip company and an on-device large model provider. By leveraging our vertically integrated capabilities across AI chips, on-device large models and application software, we will further enhance our AI deployment capabilities and deliver more advanced intelligent cockpit solutions.

Electrical and Electronic Architecture Design Capabilities

We possess comprehensive E/E architecture design and development capabilities to meet the evolving demands of software-defined vehicles. Our architecture design encompasses system development, hardware topology, software layering, communication networks, and power management, establishing a flexible and scalable foundational platform for intelligent in-vehicle systems.

Commencing at the product design stage, we precisely address the differentiated requirements of various vehicle manufacturers by integrating our expertise in system architecture, hardware-software integration, and validation testing. Our E/E architecture platform enables decoupled hardware-software design and parallel development, supporting flexible functional upgrades or replacements without impacting the overall architecture. This decoupling accelerates iteration cycles while integrating safety-critical design principles to streamline maintenance and reduce development timelines.

This architecture broadly accommodates diverse intelligent vehicle products, encompassing integrated ADAS and cockpit controller, intelligent cockpit domain controllers and zone controllers for body control subsystems such as doors, windows, and lighting. Unified architectural planning enables controllers to efficiently coordinate with sensors including cameras, radars, and ultrasonic modules, constructing an integrated network that enhances perception, decision-making, and vehicle safety.

Within the E/E architecture, we have developed standardized communication frameworks and data protocols, alongside SOA middleware tailored to SDV requirements. This ensures reliable information and data exchange between controllers and subsystems. Data flows seamlessly across vehicle domains, supporting real-time coordination and efficient system updates. The modular, scalable design of the SOA middleware enables system functionality to be extended or reconfigured for different vehicle models with minimal engineering effort.

OUR RESEARCH AND DEVELOPMENT CAPABILITIES

We have developed full-stack research and development capabilities across chip adaptation, hardware design, system software platforms, middleware and intelligent application layers. Our R&D framework covers the complete technology chain from the underlying chip layer to upper-level intelligent applications, forming the foundation of our full-domainization and platform-based architecture. We adhere to an open, collaborative and technology-neutral R&D methodology that emphasizes interoperability, ecosystem integration and long-term scalability. By embedding these principles into our research activities, we ensure that our unified technology architecture and full-domainization framework remain compatible with mainstream standards and third-party ecosystems, enabling seamless cooperation across diverse hardware and software.

We have established our R&D headquarters in Wuxi, Jiangsu province, with R&D sub-centers in Shanghai and Wuhu, Anhui province. We are also actively expanding into overseas markets and plan to establish R&D centers abroad to support global customer collaboration and localization. As of December 31, 2025, we had 520 in-house R&D specialists, representing approximately 59.6% of our total employees. They are led by experienced technical leaders with an average of more than 15 years' experience in the industry, many of whom have backgrounds from top global technology and automotive companies, and over 87.4% of our R&D team hold bachelor's or higher degrees. Our teams collaborate across the full project lifecycle, covering software development, integration, testing and large-scale project delivery. In 2023, 2024 and 2025, our research and development expenses amounted to RMB406.6 million, RMB367.7 million and RMB336.9 million, respectively.

The table below set out details of our major projects under development as of the Latest Practicable Date.

Project Name	Expected Objectives	Core Technologies and Key Features	Status
SA8797 Central Computing Platform	Targeting the high-end and flagship passenger vehicle market, priced above RMB300,000, for advanced intelligent driving and full-domain fusion	Based on Qualcomm's fifth-generation SA8797P SoC and deep fusion E/E architecture, positioned as a central computing platform that unifies advanced intelligent driving and smart cockpit functions on a single computing platform. Supports cross-domain perception fusion and multi-domain coordination capabilities required for L3-level intelligent driving scenarios, while also accommodating on-device large model deployment and immersive cockpit functions. Suitable for high-end and flagship vehicle models.	Debuted at industry exhibitions; Achieved one design win; Aim to achieve mass production by June 2027

Project Name	Expected Objectives	Core Technologies and Key Features	Status
SA8397 Domain Controller	Targeting the mid-to-high-end passenger vehicle market, priced at RMB250,000–350,000	Based on Qualcomm's fifth-generation SA8397P chip platform, positioned with smart cockpit experience as its core focus, featuring significantly enhanced NPU and GPU computing capabilities. Supports on-device large model deployment, multi-screen high-definition display, and multi-camera input, enabling immersive cockpit functions such as 3D HMI, multimodal perception, and natural language interaction. Suitable for mid-to-high-end vehicle models emphasizing differentiated smart cockpit experiences.	Expected mass production in the fourth quarter of 2026
MTK-based Intelligent Domain Controller Platform	Targeting the intelligent cockpit market for mainstream economy passenger vehicles priced at RMB100,000–200,000	Based on MediaTek's automotive chip platform, focusing on standardized smart cockpit capabilities. Supports multi-core virtualization isolation, multi-OS compatibility, and integration of functions such as AVM, DMS, and OMS, while being compatible with mainstream vehicle-phone connectivity protocols. Adopts a highly platformized software architecture and unified SDK for rapid adaptation to different vehicle configurations, meeting automotive-grade functional safety requirements. Primarily designed for scaled mass production scenarios.	Mass production in 2025
Zone Controller	Targeting mainstream domestic brands and emerging OEMs across all price segments of the passenger vehicle market, with a focus on supporting central computing plus zone control architecture vehicle models	Based on an automotive-grade MCU platform, supporting distributed power management and multi-protocol communication including CAN-FD, LIN, and Ethernet, enabling centralized control of body electronic devices. Software complies with AUTOSAR Classic and ISO 26262 standards and is compatible with SOA communication protocols. Capable of consolidating multiple low-voltage ECUs into highly integrated computing nodes, simplifying wiring harnesses, improving energy efficiency, and reducing costs.	Mass production in 2025

Project Name	Expected Objectives	Core Technologies and Key Features	Status
AI BOX	Targeting the intelligent upgrade market, with a focus on serving OEMs that need rapid deployment of on-device AI large models and cockpit/intelligent driving capability upgrades	Based on automotive-grade high-performance chips and dedicated AI acceleration units, adopting a hardware-software co-design architecture that supports on-device AI large model deployment and can interface with existing cockpit domain and intelligent driving domain controllers. The product features plug-and-play capability, open protocol compatibility, and automotive-grade reliability, reducing the cost of whole-vehicle intelligent upgrade retrofits and shortening development cycles.	Achieved one design win; Expected mass production in the fourth quarter of 2026
In-Vehicle Optical Communication Solution	Building an in-vehicle optical communication solution for next-generation E/E architectures	Based on in-vehicle high-speed optical communication transmission, opto-electronic fusion architecture design, and multi-domain fusion communication system integration technologies. The product features high bandwidth, low latency, electromagnetic interference resistance, lightweight design, and scalability. It can be adapted to central computing platforms and zone control architectures, meeting the high-capacity data transmission requirements of intelligent cockpit, intelligent driving, and other scenarios.	Debuted at industry exhibitions; Achieved two design wins; Expected mass production by 2027.

For our commercialised products, the patents generally have long remaining terms and are not expected to face a material concentration of patent expiries in the near to medium term. Moreover, our business model and competitive advantages are supported by a broad and evolving portfolio of patents and proprietary technologies, rather than reliance on a single short-dated patent. A significant portion of our patents are shared across multiple products, and only a limited number are product-specific. Accordingly, we do not expect any material patent cliff impact on our business operations or financial performance arising from upcoming patent expiries based on our current patent portfolio. The following table sets forth certain major product-specific patents relating to our key products.

Commercialised products	Patent name	Expiration date
Vehicle Computing Solutions		
Intelligent Cockpit Domain Controller	A Method and Device for Generating Test Case Scripts for Vehicle Instrument Functions	December 27, 2044
	A vehicle data de-identification method based on image patch detection	December 24, 2044
	An Audio Playback Device in a Vehicle and Vehicle	December 17, 2034
	Domain Controller Host	July 3, 2034

Commercialised products	Patent name	Expiration date
Integrated ADAS and Cockpit Controller	A monocular ranging method based on a vehicle-mounted fisheye camera	March 25, 2045
	A Multi-Scale Object Detection Method Based on Feature Enhancement and Pixel-Inverted Dehazing	December 13, 2044
	A deep learning-based visualization method for dynamic linear radar walls in vehicle monitoring	November 21, 2044
	An Underwater Image Enhancement Processing Method	November 21, 2044
	An AVM Image Distortion Correction Method Based on Cross-Domain Transfer Network	July 10, 2044
	An Anti-Parallel Longitudinal Evasion Control Method During ACC Car-Following	June 27, 2044
	A Dynamic Gesture Recognition Method for Vehicle-Mounted Monitoring Systems	June 13, 2044
	A method for lane line and drivable area segmentation based on fisheye camera	May 16, 2044
	An Integrated Computing Unit for Vehicle Cockpit and Driving	May 13, 2034
Autosee OS Software Platform	A Method for Collaborative Processing of Vehicle System Tasks Between Mobile Devices and Vehicle Head Units	May 22, 2043
	A Vehicle Brake Control Method, Device, Electronic Equipment and Storage Medium	September 8, 2043
	A Voice Assistant Implementation Method, Device and Electronic Equipment for Intelligent Cockpit	July 17, 2043
Zone Controller Solutions		
Zone controller products	An Automated Assembly Device for Domain Controllers	December 25, 2044
	A PCBA Board Bracket Screw Locking Machine	December 25, 2044
	A Soldering Device for Processing Chips in Domain Controllers	April 2, 2034

We have developed the Autolink AI R&D platform, an AI driven toolset that enables intelligent automation to further enhance R&D efficiency and accelerate innovation. The platform consists of two main components: (i) AI-based cockpit visual generation platform, for real-time generation and optimization of in-vehicle interfaces and interactive scenarios, and (ii) Autolink AI test automation platform for streamlined testing. Together, these systems form a unified AI-driven engineering ecosystem, deeply enhancing our development efficiency. As of the Latest Practicable Date, our Autolink AI R&D platform was used solely for internal purpose and we had no plan to commercialize it.

PRODUCTION

Our Production Process

We design and oversee our production processes in line with rigorous industry standards. Our production management system is designed and operated under the IATF16949 quality management framework, and are fully digitalized through a Manufacturing Operation Management (MOM) system that integrates Manufacturing Execution (MES), Warehouse Management (WMS), Quality Management (QMS), Equipment Asset Management (EAM) and Electrostatic Discharge (ESD) systems. The MOM platform is seamlessly connected to our ERP and PLM systems, allowing for real-time monitoring, production traceability and coordination with OEM customers' order systems. The following diagram outlines the key stages of our intelligent production process, each supported by automation, visual inspection and digital data collection to ensure high-quality and consistent production standards.

- *Material preparation.* Materials and components are received, checked by automated systems and then moved by Automated guided vehicles (AGVs) from the central warehouse to the production lines. Each batch is kept under moisture and electrostatic protection, and its movement is fully recorded in the MES system for traceability. For example, when starting a new batch of in-vehicle communication units, each reel of chips and each can of solder paste is scanned and compared with the bill of materials and its valid usage time; only materials that match can be sent by AGVs to the line. This material preparation takes approximately 20 seconds.

- *Surface mount technology (SMT)/Dual in-line package (DIP) process.* In the SMT stage, solder paste is printed on the circuit board, components are automatically placed, the board passes through a reflow oven and is then checked by solder paste inspection (SPI), optical inspection (AOI) and X-ray to ensure soldering precision and consistency. For larger or non-standard components, the DIP process uses selective wave soldering and automated inspection to complete soldering. For example, a board for an in-vehicle communication unit first has solder paste 3D-checked, then chips are placed and soldered in a multi-zone reflow oven, after which AOI and X-ray check for missing, misaligned or hidden solder defects, while special connectors are inserted and soldered in the DIP line under the same automated inspection system. The SMT stage takes approximately 80 seconds for top and bottom sides.

- *PCBA testing.* PCBA testing includes in-circuit testing (ICT) and functional circuit testing (FCT), which verify the internal circuits and components of each board. Automated test fixtures and equipment are controlled by an upper-level computer system, which runs test programmes and records results. For example, a PCBA is put into a bed-of-nails fixture, where ICT checks for open or short circuits and confirms that key components meet their specified values, and then FCT powers up the board to simulate vehicle power and communication conditions and confirm that core functions respond as designed, with all results linked to that PCBA's serial number.

- *Intelligent assembly.* Assembly operations are supported by automated gluing, robotic screw-locking and flexible component assembly systems. Using AI-driven adaptive robots, the system automatically analyzes torque, alignment and placement precision, achieving repeatable and accurate assembly. The assembly takes approximately 45 seconds.

- *Intelligent testing and software flashing.* Each product undergoes high-temperature aging, end-of-line (EOL) functional testing and software flashing to verify system reliability, environmental tolerance and software stability. Testing data are uploaded to the MES system in real time for automatic archiving and performance traceability. For example, an assembled unit runs in a high-temperature chamber to screen out early-life failures, then at the EOL station it is powered under simulated vehicle conditions while the target firmware and software are automatically flashed and verified, and the corresponding test and software records are saved in the MES system. The testing takes approximately 45 seconds.

- *Packaging and warehousing.* Qualified products are labeled, serialized and sealed through automated packaging lines. Finished goods are scanned and stored by AGVs into designated warehouse zones according to box numbers and electronic tags. The WMS system provides full visibility and traceability throughout the logistics process. The packaging takes approximately 20 seconds.

Production Facilities and Production Capacity

During the Track Record Period and up to the Latest Practicable Date, all of our intelligent cockpit domain controller, integrated ADAS and cockpit controller and zone controller products were manufactured in-house at our Wuxi smart manufacturing facility. Our Wuxi smart manufacturing facility adopts a highly automated, information-enabled and intelligent production model, integrating advanced technologies such as robot-assisted assembly, automatic changeover, real-time production data capture, high-density automated warehousing and AI-assisted data mining and decision-making, thereby enhancing process and quality reliability, ensuring high traceability and enabling low-cost, low-manpower mass production. Our Wuxi facility integrates new product introduction, pilot testing, mass production and quality management within one unified operation. Our Wuxi production facility has complied with rigorous industry standards, mainly including the IATF 16949 quality management framework. As of the December 31, 2025, our manufacturing department had 96 employees. The team is led by experienced management with extensive industry backgrounds of 15 to 30 years. Our production facility is located at our headquarters in Wuxi, Jiangsu and has a GFA of over 13,112 sq.m. As of December 31, 2025, our production facility had two SMT lines and five final assembly lines, of which four were fully automated and one was semi-automated.

Our productions lines are capable of producing all of our existing products. During the design stage, the research and development team and the production team jointly analyze manufacturability. In addition, we fully takes flexible manufacturing into account when formulating

technical specifications for the production lines. The following table sets forth the planned capacity, actual production volume and utilization rate of our production facility, which produces intelligent cockpit domain controller, integrated ADAS and cockpit controller and zone controller products, during the Track Record Period.

	For the year ended December 31,		
	2023	2024	2025
Planned capacity[(1)] *(units in thousands)*	897	1,101	1,101
Actual production volume[(2)] *(units in thousands)*	650	812	713
Utilization rate *(%)*	72.5	73.8	64.8

Notes:

(1) Represent the overall planned capacity of our aggregate designed capacity of all fully assembly lines. The designed annual capacity of each fully assembly line is derived by converting the average cycle time into an estimated hourly throughput and applying assumptions regarding effective working hours, shift arrangements, equipment utilization rates and scheduled operating days.

(2) Represents the actual production volume of intelligent cockpit domain controller, integrated ADAS and cockpit controller and zone controller products that have completed the final assembly process.

Logistic and Warehouse

We deliver our products primarily through qualified third-party logistics service providers with which we have established long-term cooperative relationships. These logistics partners provide transportation and distribution services covering both raw materials and finished products, ensuring safe and timely delivery to locations designated by our customers.

As of December 31, 2025, we operated self-owned warehouses located adjacent to our production facilities. Our warehouse is maintained under well-controlled environmental conditions, including ventilation, cleanliness and temperature and humidity management for sensitive electronic components. We implement strict warehouse management policies and safety measures, supported by an ERP system to ensure traceable inventory control and smooth logistics operations.

We maintain an optimized inventory policy that balances supply stability with operational efficiency. Inventory levels are managed based on supplier lead times and customer demand. We regularly monitor inventory aging and coordinate among our supply chain, operations and risk management teams to minimize risks of obsolescence and ensure sufficient supply for ongoing production and delivery needs. See "Financial Information—Discussion of Certain Key Items of Consolidated Statements of Financial Position—Inventories" for details.

QUALITY ASSURANCE

We implement a rigorous quality control system throughout our project delivery to ensure high product reliability and customer satisfaction. It safeguards our products and solutions' consistency, safety and long-term reliability in mass production deliveries.

We have established our own quality center, comprising multiple specialized functions such as system quality, design and development quality, supplier quality, process quality, software quality, after-sales quality and acceptance testing quality. Our quality center oversees quality assurance across the full lifecycle, from supplier evaluation and material inspection to in-process monitoring, software verification and after-sales feedback, ensuring end-to-end control and continuous improvement.

Our quality management system is built upon internationally recognized automotive standards, including IATF 16949 for quality management, ISO 26262 for functional safety, and ISO/SAE 21434 and TISAX for cybersecurity. We also adopt the ASPICE framework to strengthen software development and testing processes, ensuring high reliability and performance. Through this integrated system, we deliver products that meet stringent automotive-grade standards and align with the evolving safety and reliability expectations of our customers and the industry.

As of December 31, 2025, our quality control team consisted of 74 personnel with rich experience in production and quality control. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material product return or recall. In addition, during the Track Record Period and up to the Latest Practicable Date, our products had not been subject to any material claim, litigation or investigation.

SALES AND MARKETING

We have established a comprehensive sales and marketing management system that integrates customer relationship management, project pricing management and brand promotion. Leveraging our experienced sales and technical teams, we focus on maintaining close collaboration with OEM customers to understand their evolving needs, deliver customized solutions and continuously enhance customer satisfaction. Our marketing initiatives further strengthen our brand awareness, ensuring the stability and sustainability of our business development.

Sales

We sell our domain controller solutions and zone controller solutions directly sales model to OEM customers. Departments responsible for sales and marketing activities include the marketing center, the European business department, the U.S. business department and the Japanese business department. The European business department, the U.S. business department and the Japanese business department are specialized sales and marketing departments that serve international customers (OEMs or Tier 1 suppliers) in their respective regions across the global supply chain, supporting our globalization strategy. They are primarily responsible for the development, maintenance and servicing of international customers, covering the full process from lead generation and demand alignment to order acquisition, delivery coordination and after-sales support. We have established a standardized pre-sales and quotation process to ensure that our technical proposals and commercial offers are aligned with customer requirements and internal cost assessments.

As of December 31, 2025, we had a sales and business development team of 50 members, organized by OEM customer category to more accurately address customer needs. Based on factors such as the market scale, market positioning, potential project size and geographical location of OEM customers, as well as the professional capabilities, industry experience and educational background of our sales personnel, we have organized our team into four business departments. The first business department has 65 members and focuses on major existing customers, including day-to-day account management, follow-up of key projects and coordination of cooperation matters. The second business department has 14 members and mainly covers a wider group of domestic customers, with a focus on new customer acquisition, business development and project onboarding. The third business department has one member and is responsible for ongoing service and project support for another group of core customers and partners. The fourth business department has seven members and primarily serves strategic and high-potential customers, and follows up on selected cross-regional business opportunities. This customer-type-based specialization enables our sales representatives to develop a deep understanding of the technical standards, procurement processes and decision-making mechanisms of different OEMs, thereby improving the efficiency and accuracy of our pre-sales communication and quotation process. Our sales personnel work in close coordination with solution engineers and other functional departments throughout the entire pre-sales cycle, covering requirement analysis, technical proposal preparation, internal cost evaluation and quotation submission.

Pricing

We adopt a rigorous and structured pricing mechanism that reflects the technical complexity and commercial value of our products. We do not apply a single universal pricing formula across all of our offerings. Instead, we determine the selling prices of different types of products by taking into account their specific functions, cost structures and expected contribution to our business.

Our pricing strategy is based on a comprehensive cost analysis that covers raw materials, components, processing, tooling, packaging and development. Our pricing also reflects expected order volume and required quality and reliability standards, with reference to prevailing market prices for comparable products. In particular, when a customer requires its solution to incorporate our Autosee OS, the pricing also reflects the additional development, integration and testing efforts associated with such customised implementation. We may adjust our quotations from time to time to reflect fluctuations in raw material prices and supply chain conditions.

All quotations are reviewed by our pricing strategy committee to ensure internal consistency and commercial competitiveness. Quotations are prepared on the basis of consolidated cost analyses and internal profit-and-loss evaluations, and all pricing assumptions are properly recorded and archived for traceability. When determining our prices, we also take into account the nature and bargaining power of the relevant customer, the strategic importance of the project, and our experience with similar projects in the past. We generally set our prices with reference to an internal target margin range for different product categories. We regularly review and adjust our pricing policies to reflect changes in material costs, technical requirements and market conditions.

Marketing

Our marketing strategy focuses on enhancing brand awareness and expanding our customer base in the vehicle industry. The marketing center leads our marketing initiatives, coordinating participation in industry exhibitions, technology forums and customer collaboration events to promote our products and reinforce our brand positioning. We also utilize both online and offline marketing channels to increase visibility among industry participants and potential customers. The marketing center works closely with the sales team to ensure alignment between marketing communication and business development priorities, thereby maintaining consistency in our brand image and product promotion.

BUSINESS SUSTAINABILITY AND PATH TO PROFITABILITY

We had a net loss position during the Track Record Period, which was primarily attributable to our modest revenue scale and significant cost of revenue and various expenses during the Track Record Period. In addition, our net loss was also attributable to change in fair value of paid-in capital with preferred rights, which is associated with increases in our valuation. Such preferred rights were terminated in September 2025 and ceased to have effect on the Group's consolidated statements of comprehensive income since its termination. Without considering changes in fair value of paid-in capital with preferred rights and [**REDACTED**] expense, our adjusted net loss (non-IFRS measure) would have been RMB108.8 million, RMB95.3 million and RMB129.9 million in 2023, 2024 and 2025, respectively.

Factors Contributing to Historical Net Losses

We were in a net loss position during the Track Record Period primarily because we are actively developing and expanding our product portfolio. As a result, our revenue generating product offerings remained limited during the Track Record Period. We also incurred significant cost of revenue and research and development expenses.

Concentrated revenue-generating product portfolio during the Track Record Period

During the Track Record Period, substantially all of our revenue was generated from SA8155 domain controllers. Due to our limited revenue sources, any fluctuation in revenue from the SA8155 domain controllers would have a significant impact on our financial condition and further contributed to our net loss position.

As the domain controller industry develops rapidly, domain controllers equipped with newer and more advanced SoCs are being adopted in higher-end vehicle models, while older SoCs are used in mid-range and entry-level models. The price of domain controller with new and more advanced SoCs is typically set at a relatively high level upon launch. When we launched our SA8155 domain controller, it was, according to Frost & Sullivan, the world's first mass-produced intelligent cockpit domain controller based on Qualcomm's then most advanced Snapdragon SA8155P SoC. As newer and more advanced SoCs are introduced to the market, the price of SA8155 domain controllers has declined. In addition, as the domain controller industry has become more competitive, unit prices for domain controllers are in general under greater pressure.

Substantially all of our SA8155 domain controllers were sold to our five largest customers during the Track Record Period. Any reduction, delay or cancellation of orders from these customers could adversely affect our business, financial condition and results of operations. As our existing contract orders with certain OEMs, particularly Customer A, approach their end, our shipment volume of SA8155 domain controllers decreased in 2025 compared to 2024. Due to the decrease in shipment volume, our revenue from SA8155 domain controllers is expected to continue to decline in 2026. This decline has adversely affected our financial performance and has been a contributing factor to our net loss position.

Significant cost of revenue

During the Track Record Period, we incurred significant cost of revenue, primarily to procure raw materials, to support the manufacturing of our domain controllers. Procurement of PCBAs accounted for the substantial majority of our raw material costs.

We primarily sourced PCBAs from international suppliers, particularly Bosch, during the Track Record Period. According to Frost & Sullivan, international suppliers of generally have higher pricing power and are able to maintain higher prices than Chinese domestic suppliers. In addition, due to our modest revenue scale, we did not have a strong bargaining power with international suppliers. As a result, our cost of revenue remained high, which, together with the pressure on selling price, contributed to a stable but declining gross profit margin over the Track Record Period. Our gross profit margin decreased from 17.5% in 2023 to 16.2% in 2024, and further to 15.5% in 2025.

Significant R&D investments to expand our product portfolio

During the Track Record Period, we incurred significant research and development expenses for the development and iteration of our intelligent cockpit controller, integrated ADAS and cockpit controller, and zone controller solutions. In 2023, 2024 and 2025, our research and development expenses amounted to RMB406.6 million, RMB367.7 million and RMB336.9 million, representing 17.7%, 13.8% and 16.3% of our revenue, respectively. During the Track Record Period, our research and development expenses were mainly related to the development of SA8155 domain controllers, although such amount had continued to decrease. This decrease was primarily because the SA8155 domain controller has passed the research and development phase and entered mass production, with the relevant research and development activities now focusing on customization for different vehicle models.

To expand our product portfolio, we commenced research and development of our zone controller in 2025, our SA8775 controllers in 2024, our SemiDrive X9-based platform in 2022 and our MT8675- and MT8676-based platforms in 2025. We made significant investments in the development of these pipeline solutions. We typically expect to generate substantial revenue in the

second to fifth year following the launch of initial research and development. According to Frost & Sullivan, such significant upfront capital investments and research and development expenses are in line with peer companies in the industry, and our timeline to recoup such investments is also broadly consistent with that of our peers. As the above pipeline solutions remained in the research and development stage, we only recorded insignificant revenue from them during the Track Record Period, while incurring substantial research and development expenses.

In addition, we conduct extensive testing, validation and optimization to meet stringent automotive-grade safety and stability requirements. Our comprehensive reliability, safety and functional tests include high- and low-temperature, vibration and long-duration durability testing, as well as large-scale road tests under diverse driving and environmental conditions. These efforts are essential to ensuring that our products perform safely and reliably over the vehicle life cycle and position us at the forefront, but they also contribute substantially to our research and development expenses.

Strategies to Achieve Profitability

In view of the factors contributing to our net losses, we have formulated the following strategies to achieve profitability. First, we plan to broaden our revenue base by rapidly expanding our product portfolio, strengthening customer relationships and expanding into overseas markets, with a view to driving steady revenue growth. Second, we intend to continue investing in research and development to maintain our competitiveness, capture market opportunities and improve operational efficiency. Lastly, as we grow our revenue scale, we aim to enhance our cost efficiency and strengthen our bargaining power.

Broadening Our Revenue Base

Expansion of product portfolio

We are constantly expanding our product portfolio, including the launch of integrated ADAS and cockpit controllers and SA8797 central computing platforms, and increase in sales volume of various vehicle computing solutions, such as SA8397 domain controllers, and zone controllers. We believe these advanced products are positioned to contribute increased revenue. The table below sets forth our pipeline product portfolio:

Product	Development Status
Integrated ADAS and cockpit controllers	We have launched AL-A1 or SA8775 controllers, the integrated ADAS and cockpit controllers, built on the Qualcomm Snapdragon Ride Elite SA8775P. We secured our first design win from BAIC Arcfox and a total of nine design-wins from BAIC Arcfox and Chery Jetour in 2025. In addition, we commenced the mass production of AL-A1 in October 2025, being a key step to achieve its scaled revenue. In 2025, we sold 18,642 units of AL-A1 and recorded revenue from the sales of AL-A1 of RMB117.3 million. Based on our confirmed contract orders, we expect a substantial increase in the shipment volume and revenue of AL-A1 in 2026, making it as a key revenue contributor to our business.

Product	Development Status
Intelligent cockpit domain controllers	• SA8155 domain controllers Although facing pricing pressure, the SA8155 domain controllers are penetrating all vehicle tiers and, according to Frost & Sullivan, are expected to remain competitive in the domain controller industry. With its attractive price-performance ratio and reliable performance, we expect to continue generating stable and recurring revenue from SA8155 domain controllers. • SA8397 domain controllers We are developing intelligent cockpit domain controllers backed by Qualcomm Snapdragon Cockpit Elite SA8397P SoC. This solution aims to serve mid- to higher-end vehicle models with advanced computing and graphics capabilities. Leveraging its capabilities to support multi-display configurations, high-definition voice interaction and enhanced in-car experiences, we believe this platform has substantial growth potential as demand for high-performance, immersive intelligent cockpits in mid- to high-end vehicle models continues to increase. Our SA8397 domain controller is currently in the second stage of its production design and development phase. • Other intelligent cockpit domain controllers We secured our first design win for SA8255 domain controllers from Chery in 2024 and commenced its mass production in August 2025. We also secured design win for cockpit domain controllers built on MT8675 and MT8676 platforms from Changan in 2025, and SemiDrive X9 platform from Geely in 2024. In 2025, we recorded RMB226.3 million from intelligent cockpit domain controllers other than the SA8155 domain controllers, and we expect revenue from these platforms to continue increasing significantly in 2026.
Central computing platforms	We are developing SA8797 central computing platform, which we expect to be one of the major future growth drivers for our business. As centralized computing architectures become standard in the intelligent vehicle industry, we believe our SA8797 central computing platform will be an essential solution for mid- to high-end vehicle models. Our SA8797 central computing platform is one of the world's first product to achieve deep integration of cockpit–driving functions and optical communication. In view of OEMs' increasing demand, we consider that the SA8797 central computing platform offers substantial growth potential. Our SA8797 central computing platform is currently in the first stage of its production design and development phase. We have obtained design wins from OEMs, including a German OEM, for this platform and expect to commence mass production in June 2027.

Product	Development Status
Zone controllers	In 2023, 2024 and 2025, we delivered nil, nil and 59,152 units of zone controllers. We commenced the mass production for ONVO in 2025, and recorded a revenue of RMB55.2 million in 2025. As E/E architectures evolve, we expect each vehicle to be equipped with approximately two to four zone controllers, which will significantly expand the addressable market and create meaningful upside for our revenue and profitability. Our zone controllers are differentiated from many existing products by their in-vehicle computing capabilities and their ability to integrate with central computing platforms under the latest E/E architecture. This makes our zone controller an indispensable component in next generation intelligent vehicles. Based on our confirmed contract orders, we expect a substantial increase in the shipment volume and revenue of our zone controllers in 2026.

Strengthening relationship with existing customers and expansion of customer base

We are pursuing revenue growth by deepening relationships with existing OEM customers while actively acquiring new customers. For existing customers, we have moved beyond single product supply provider, and are now an integrated platform solution provider that combine hardware, software and value-added services. We are already seeing this trend being reflected in orders from certain customers, who have shifted from purchasing a single product to procuring integrated platform solutions. This approach increases the value contributed per vehicle and strengthens customer relationships. We also secure new business by engaging early in our customers' model planning, accurately identifying needs and providing tailored solutions. Our robust project management and quality assurance systems ensure a steady flow of new pipelines from current customers as their vehicle models evolve.

In parallel, we are actively expanding our customer base. We leverage successful, high-profile offerings with leading OEMs as case studies to attract new customers seeking advanced technology. Proactive technical workshops and demonstration vehicles showcase our full-stack capabilities and the advantages of our solutions to targeted potential customers. To meet diverse customer needs, we offer flexible cooperation models. Underpinning these strategies are our self-developed technology platform, substantial research and development investments and proven quality management systems, all of which support our consistent growth and strengthen our competitive position in the market.

Expansion into overseas markets

We are firmly advancing our global strategy, focusing on bringing vehicle computing solutions to major international OEMs. Our international expansion balances risk management with proactive market development. In the initial phase, we plan to partner with established local distribution channels who are familiar with overseas OEMs' requests and standards. As we become better acquainted with these OEMs, we intend to enter into sales arrangements with them directly, rather than through local partners. This combination allows us to respond rapidly to overseas customer needs while lowering barriers to market entry.

To achieve long-term, scalable growth overseas, we are actively building a strong local presence in key markets. We are accelerating the establishment of sales, research and development and manufacturing centers in overseas market. Securing international OEM customers will serve as a key driver of our revenue growth. For example, we plan to build a manufacturing plant in

Romania, which will gradually take over our overseas orders and significantly enhance our overseas production capacity. This facility is expected to improve our delivery efficiency on an ongoing basis. We plan to begin construction by the end of 2026 and to commence production by the end of 2027. As we expand globally, our enhanced presence will enable us to provide comprehensive solutions to leading OEMs worldwide. This positions us to achieve sustained revenue growth and establishes the foundation to become a global Tier 1 supplier.

Optimizing Our Procurement Model to Improve Our Gross Profit Margin

Our ability to increase our gross profit margin is crucial to our business success and long-term profitability. We have proactively adopted, and will continue to adopt, the following measures to enhance our gross profit margin.

First, leveraging our full-stack R&D framework, we are self-developing PCBAs with functions equivalent to those of Bosch's PCBAs. Instead of procuring fully assembled PCBAs, we plan to procure basic electronic components directly and perform the integration and assembly in-house. This revised procurement and production approach enables us to reduce the premium embedded in previously purchased complete PCBAs and to exercise greater control over product design, cost structure and quality. Through direct procurement, our procurement costs for these raw material components decreased to RMB1,661.0 million in 2025 as compare to RMB2,161.6 million 2024.

Second, we plan to gradually transition our procurement from international suppliers to Chinese domestic suppliers where appropriate. According to Frost & Sullivan, Chinese domestic suppliers generally offer lower prices than international suppliers. As the number of Chinese domestic suppliers increases, we are actively pursuing the localization of our material supply chain. By gradually replacing imported materials with domestically sourced alternatives, we are able to reduce the overall cost of components. The continued expansion of the domestic supplier base supports more competitive pricing and better alignment with our quality standards. With this approach, we expect to benefit from lower unit costs, shorter lead times and reduced logistics expenses.

Third, as our product portfolio and business scale continue to expand, we expect our bargaining power with suppliers to improve. A larger and more diversified procurement volume will allow us to negotiate more favorable commercial terms, including lower pricing, better payment terms and more flexible delivery arrangements. This is expected to further reduce our cost of revenue and support a gradual improvement in our gross profit margin. Aiming to strengthen our bargaining power and maximize cost advantage, we have established a team to liaise with key suppliers and consolidate purchasing volume with them.

Continuing R&D Investments to Maintain Competitiveness, Capture Market Opportunities and Enhance Efficiency

According to Frost & Sullivan, high performance vehicle computing solutions using new SoCs are expected to remain at relatively high price level, while the prices of prior-generation solutions will gradually decline to a stable price level. To stay competitive on both price and product performance, we need to closely track industry trends and move quickly to adopt new and advanced SoCs. To support this, we have been continuously strengthening our in-house R&D capabilities to develop advanced and cutting-edge products. Although our R&D expenses have been significant, this investment is expected to help us maintain our technological edge, capture a broader market and reduce our long-term product costs and operating expenses.

During the Track Record Period, we invested in SA8775 controllers, the SemiDrive X9 platform and the MT8675 and MT8676 platforms. We expect these solutions to generate substantial revenue from 2025 to 2027. As revenue from these products grows, the upfront R&D expenses will be spread over a larger number of units sold, reducing the R&D expense per unit.

We have also developed a layered platform that provides an efficient, low-cost foundation for future products. The platform combines common modules with high reusability and modules tailored for specific vehicle models. Common modules, such as core system modules, control units and functional support modules, are reusable, with only minor customization required to meet different OEM requirements. As to model-specific modules, such as Global Navigation Satellite System (GNSS), audio and video input, inertial measurement units (IMU) and Bluetooth/Wi-Fi accessories, are also reusable with limited changes. This platform offers full-stack validated options and standard interfaces, allowing flexible, menu-style integration for each car model. It allows us to move away from designing everything from scratch for each project offering strong support for scaling up and quickly meeting the evolving requirements of next-generation vehicle E/E architectures. The full-stack options, standard interfaces and reusable modules on our layered platform significantly improve cost efficiency.

Director's View

Benefiting from the revenue growth drivers and cost control measures described above, we expect our revenue to continue to increase, which will progressively amortize our operating costs and expenses. We are also committed to expanding our operations, thereby managing operating expenses more efficiently and supporting our path to profitability. Our Directors are therefore of the view, and the Joint Sponsors concur, that our business is sustainable.

OUR CUSTOMERS

During the Track Record Period, we primarily sell vehicle computing solution to OEMs, who design, develop and manufacture passenger vehicles. Our current customers include some of the Chinese top brands, such as Geely, Chery and GAC. We provide solutions to 9, 11 and 19 customers in 2023, 2024 and 2025. In addition, during the same period, we acquired four, two and eight new customers, respectively. In 2023, 2024 and 2025, the average revenue generated per customer amounted to RMB255.3 million, RMB241.4 million and RMB108.7 million, respectively. Moreover, we recorded customer retention rate of 100.0%, 100.0% and 100.0%, respectively, calculated based on the number of customers who generated revenue in both the current year and the immediately preceding year, divided by the total number of customers that generated revenue in the preceding period.

In 2023, 2024 and 2025, revenue from our five largest customers accounted for 99.5%, 98.7% and 90.4% of our total revenue, respectively. In 2023, 2024 and 2025, revenue from our largest customer accounted for 59.0%, 58.7% and 30.6% of our total revenue, respectively. The table below sets forth the details of our five largest customers in each year during the Track Record Period.

Customer	Revenue	% of total revenue	Solutions provided	Background and principal business activities	Year of commencement of relationship with the Group	Credit terms and payment method
	(RMB'000)					
Year ended December 31, 2025						
B	631,325	30.6%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Anhui province, with a registered capital of RMB5,808.6 million.	2018	60 days; wire transfer/bank acceptance bill
A	542,558	26.3%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Zhejiang province, with a registered capital of RMB1,030 million.	2017	75 days; wire transfer/ bank acceptance bill
C	447,577	21.7%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shenzhen Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB9,117.2 million.	2022	60 days; wire transfer/commercial acceptance bill/bank acceptance bill
D	130,226	6.3%	Vehicle computing solutions	An OEM headquartered in Beijing province, with a registered capital of RMB19,956.5 million.	2024	60 days; wire transfer/ bank acceptance bill
E	114,824	5.6%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB10,232.5 million.	2022	60 days; wire transfer
Total	**1,866,510**	**90.4%**				

Customer	Revenue	% of total revenue	Solutions provided	Background and principal business activities	Year of commencement of relationship with the Group	Credit terms and payment method
	(RMB'000)					
Year ended December 31, 2024						
A	1,557,485	58.7%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Zhejiang province, with a registered capital of RMB1,030 million.	2017	75 days; wire transfer/ bank acceptance bill
B	538,403	20.3%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Anhui province, with a registered capital of RMB5,808.6 million.	2018	60 days; wire transfer/ bank acceptance bill
F	255,256	9.6%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Hebei province, with a registered capital of RMB8,558.9 million.	2019	90 days; wire transfer/ bank acceptance bill
E	197,747	7.5%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB10,232.5 million.	2022	60 days; wire transfer
C	72,867	2.7%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shenzhen Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB9,117.2 million.	2022	60 days; wire transfer/commercial acceptance bill/ bank acceptance bill
Total	**2,621,758**	**98.7%**				
Year ended December 31, 2023						
A	1,355,606	59.0%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Zhejiang province, with a registered capital of RMB1,030 million.	2017	75 days; wire transfer/ bank acceptance bill
F	415,807	18.1%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Hebei province, with a registered capital of RMB8,558.9 million.	2019	90 days; wire transfer/ bank acceptance bill
E	392,030	17.1%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB10,232.5 million.	2022	60 days; wire transfer
B	118,828	5.2%	Vehicle computing solutions	An OEM listed on HKEx and headquartered in Anhui province, with a registered capital of RMB5,808.6 million.	2018	60 days; wire transfer/ bank acceptance bill
C	4,691	0.2%	Vehicle computing solutions	An OEM dual-listed on HKEx and Shenzhen Stock Exchange, and headquartered in Guangdong province, with a registered capital of RMB9,117.2 million.	2022	60 days; wire transfer/ commercial acceptance bill/bank acceptance bill
Total	**2,286,962**	**99.5%**				

During the Track Record Period, we generated substantially all of our revenue from sales to our five largest customers, which accounted for 99.5%, 98.7% and 90.4% in 2023, 2024 and 2025, respectively. We expect that our sales to our five largest customers will continue to contribute a significant portion of revenue in the foreseeable future, which is primarily attributable to the inherent concentration of the downstream passenger vehicle OEM market in China. According to Frost & Sullivan, participants in the ICV and intelligent cockpit industry in China typically generate a high proportion of their revenue from a limited number of OEM customers, and it is common for the top five customers to account for more than 85% of total revenue. This is primarily because the downstream passenger vehicle OEM market in China is itself relatively concentrated and suppliers are usually deeply embedded in the vehicle platforms of a small number of leading OEM groups. As a result, a high level of customer concentration is generally considered to be in line with industry practice, according to Frost & Sullivan. Our customer concentration primarily reflects such industry characteristics and the fact that our products have been selected and adopted by leading Chinese OEMs.

Our major customers are mostly leading Chinese OEMs which we have served for a number of years. For example, we have maintained business relationships with our key OEM customers, including Customer A, Customer B and Customer F, since 2017, 2018 and 2019, respectively, and have supplied them with a series of vehicle computing solutions across multiple vehicle models and platforms. Our products are typically adopted by these OEMs following a competitive bidding and validation process, during which we are required to meet demanding technical, quality, safety and compliance standards in order to be admitted into their supply chain. Once selected, our products are then supplied throughout the life cycle of the relevant vehicle models, which generally ranges from three to five years. Once our solutions are designed-in and validated, the relevant OEMs generally have limited incentives to switch to alternative suppliers for the same platform, given the substantial time and costs required for re-design, re-validation and system integration, as well as the potential quality and safety risks associated with such changes.

Our relationships with our major customers are based on normal commercial terms and are mutually beneficial. We provide our customers with stable and high-quality supplies of vehicle computing solutions, as well as continuous engineering and technical support, while our customers in turn provide us with stable demand and revenue visibility over the life cycles of their vehicle models. We did not experienced any material disputes with, or any termination of cooperation by, our major customers during the Track Record Period and up to the Latest Practicable Date. As of the Latest Practicable Date, we had not received any notice from our major customers indicating any intention to terminate our business relationships or to materially reduce their purchases from us. During the Track Record Period and up to the Latest Practicable Date, there were no incidents of failure to renew or early termination of our agreements with major customers, and we did not experience any material reduction, delay or cancellation of orders that had a material adverse impact on our business, financial condition or results of operations.

In addition, Customer A contributed to 59.0%, 58.7% and 26.3% in 2023, 2024 and 2025, respectively, which was mainly in relation to sales of SA8155 domain controllers. Our existing contracted orders of SA8155 domain controllers for Customer A is expected to be fulfilled in the second half of 2025. As we continued to broaden our customer base and secure new projects with multiple OEMs, the revenue contribution from Customer A decreased, and in 2025 the revenue from each of our customers accounted for less than 35% of our total revenue. In light of (i) the industry practice of customer concentration as described above, (ii) the declining revenue contribution from Customer A over the Track Record Period and the fact that we did not have any single customer accounting for 30% or more of our total revenue in 2025, and (iii) the growth and increasing contribution of revenue from non-Customer A customers and new projects, our Directors are of the view that, although we have historically derived a significant portion of our revenue from Customer A, we are not materially reliant on Customer A.

While we expect revenue from Customer A to decrease, we aim to diversify our customer base, deepen relationship with existing customer and enhance customer loyalty:

- *Diversify our customer base to reduce reliance on existing customers*. We plan to actively engage with new customers, particularly leading OEMs, in order to broaden our revenue base. As a result of our efforts, the number of customers we served increased from 5 in 2022 to 14 in 2025. In March 2026, we had secured a design win from a German OEM. By expanding our product portfolio, we aim to reduce our reliance on existing customers, particularly Customer A, and enhance the resilience of our business against reductions in customer demand. We have expanded from primarily offering SA8155 domain controllers in 2022 to currently providing a broader range of intelligent cockpit domain controller solutions based on various SoCs, integrated ADAS and cockpit controller solutions, SA8797 central computing platforms and zone controller solutions.

- *Deepen engagements and project allocations with other existing customers*. We intend to strengthen relationships with our existing customers by securing additional design-wins and increasing our share of business on their key vehicle models. By broadening the scope of our cooperation, including cross-selling complementary products and solutions, we expect to achieve a more balanced revenue contribution across our customer portfolio and mitigate concentration risk.

- *Leverage our technical capabilities to enhance customer loyalty*. We aim to participate in the early stages of OEM project selection and design, using our R&D capabilities and system integration know-how to provide tailored, high value-added solutions. By leveraging our forward-looking understanding of E/E architectures in collaborating with OEMs on their platform planning, we seek to improve customer loyalty, which is particularly important given the high level of concentration among OEMs in the industry.

If any of our major customers were to significantly reduce their orders or terminate their business relationships with us, our revenue, results of operations and utilization of production capacity could be adversely affected in the short term. However, in light of (i) the industry practice of maintaining long-term and concentrated relationships between OEMs and vehicle computing solution providers, (ii) our long-standing and stable relationships with our major customers and the life-cycle nature of our projects, and (iii) the absence of any indication from our major customers of any intention to terminate or materially reduce purchases from us as of the Latest Practicable Date, our Directors are of the view, that our relationships with our major customers are not mutually dependent to an extent that would render us materially reliant on any single customer, and that the likelihood of any material adverse change or termination of such relationships is remote.

During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their 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 any of our five largest customers in each year during the Track Record Period that are required to be disclosed under the Listing Rules.

Key Contractual Terms

A summary of the typical terms and conditions of our agreements with key OEM customers is set forth below:

- *Pricing and payment.* Product prices are determined on a purchase-order basis and may be adjusted through mutual agreement in light of market changes or cost variations. We generally grant credit period between 60 to 90 days which are agreed with each of our customers. Payments are generally settled by bank transfer within the agreed period following delivery and acceptance by the Customer.

- *Quality and inspection.* We undertake to ensure that all products conform to the agreed technical specifications and quality standards. The Customer is entitled to inspect and test the goods upon delivery and may reject or request replacement of non-conforming products.

- *Minimum purchase commitment.* We do not impose minimum purchase amount on our customers. The customer places orders based on their procurement needs. We further negotiate with the customer regarding the outstanding quantities where the quantities specified under the order are not fully consumed.

- *Delivery and acceptance.* We are responsible for delivering the goods to the locations and within the timelines specified in the purchase orders. Risk in the goods transfers upon acceptance by the Customer. For delays or defective deliveries, we may be subject to liquidated damages or other contractual remedies.

- *Warranty and after-sales obligations.* We warrant that all products supplied are free from defects in materials and workmanship. During the warranty period, or as otherwise agreed with the customer, we will repair or replace any defective goods at our cost. For vehicle computing solutions, we typically offer an assurance-type warranty of two to four years or 50,000 to 100,000 kilometers.

- *Confidentiality and intellectual property.* Both parties are required to maintain the confidentiality of technical and commercial information obtained in the course of cooperation. We retain ownership of our proprietary technology and intellectual property used in product development, while ensuring that supplied goods do not infringe any third-party rights.

- *Term and termination.* The master agreement is valid for a fixed term and may be renewed upon mutual consent. Under the master agreement, we collaborate with our customers on a project basis, with each project generally having a lifecycle of three to five years. Either party may terminate the agreement upon material breach or insolvency of the other party, or as otherwise provided under the contract.

During the Track Record Period and up to the Latest Practicable Date, there was no material breach of agreement and/or any purchase orders with our major customers. During the Track Record Period and up to the Latest Practicable Date, we had not encountered any material complaints, litigation, or incidents concerning the quality or safety of our products or services.

Customer Service and Warranty

We are committed to enhancing customer satisfaction. Our quality management team promptly addressing post-sales inquiries, swiftly diagnosing and resolving customer issues with precision. With our strong emphasis on customer service and long-term customer support, we have not experienced any material product returns or recalls during the Track Record Period and up to the Latest Practicable Date.

We offer a product warranty for our customers that typically spans three to six years or 60,000 to 150,000 kilometers, which is not uncommon in the industry. We establish an internal policy governing after-sales defective product returns and repairs. Within the warranty period, where customers report quality issues attributable to us, we address such issues through repairs or product replacements without additional charges to the customers, in accordance with our internal after-sales policies and the specific conditions applicable to each case. According to Frost & Sullivan, our after-sales services and return policy are not uncommon with the industry norm. We

make provisions for product warranty and the amount of such provisions is estimated based on a percentage of our revenue from sales of vehicle computing solutions, with reference to our historical warranty costs. Generally, our provision has been approximately equivalent to 1% of our cost of revenue.

Our customer support centers on maintaining continuous communication, catering the customers' demands and providing assistance throughout the entire project—from early engagement to post-delivery support. From time to time, we go to the local area where the customer operates to ensure the progress timeline is on track and responsiveness to inquiries.

According to the Civil Code of the PRC (《中華人民共和國民法典》), a manufacturer or a commercial seller is subject to liability for harm to persons or property caused by product defects. The infringed party may seek compensation from either the manufacturer or the commercial seller. Where the infringed party seeks compensation from the commercial seller, the commercial seller shall have the right of recourse against the liable manufacturer after it has made compensation.

And according to the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), which was promulgated by the SCNPC on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018, it is prohibited to produce or sell products that fail to meet the standards and requirements for the protection of human health and the safety of persons and property. If a product has defects that cause personal injury or property damage, the infringed party may claim compensation from the producer and the producers of non-compliant products may be ordered to cease the production of the products and could be subject to confiscation or fines.

Moreover, pursuant to the Implementation Rules on the Administrative Provisions on Defective Automotive Product Recalls (《缺陷汽車產品召回管理條例實施辦法》), promulgated by the SAMR on November 27, 2015 and last amended on October 23, 2020, if an auto part manufacturer is informed of any possible defect in its automobile products, it shall report such information to the SAMR and notify the manufacturer thereof. In conducting defect investigations, the SAMR and the entrusted provincial-level market regulatory departments shall have the authority to enter the premises of auto parts manufacturers for on-site investigations, and auto parts manufacturers shall cooperate with such defect investigations and provide relevant materials as required.

OUR SUPPLIERS

We mainly procure electronic components, such as chips and finished and semifinished PCBs and structural components. We maintain stable relationships with our suppliers to ensure the stability of material supply and delivery.

In 2023, 2024 and 2025, purchases from our five largest suppliers accounted for 89.0%, 85.0% and 70.6% of our total purchases, respectively. In 2023, 2024 and 2025, purchases from our largest supplier accounted for 82.9%, 80.3% and 62.4% of our total purchases, respectively. The table below sets forth the details of our five largest suppliers in each year during the Track Record Period.

Supplier	% of total purchase	Purchase amount	Products/service purchased	Background and principal business activities	Year of commencement of business relationship with the Group	Credit terms and payment method
		(RMB'000)				
Year ended December 31, 2025						
Bosch . .	1,664,058	62.4%	PCBAs and related services	A private company headquartered in Suzhou, Jiangsu Province, primarily engaged in the manufacturing of automotive electronic components and systems, with a registered capital of US$227.3 million.	2021	90 days; wire transfer/ bank acceptance bill
A	71,692	2.7%	Software development services	A listed company on NASDAQ headquartered in the United States, primarily engaged in providing software and chipsets.	2023	0 days; wire transfer
B	57,976	2.2%	Software development services	A private company headquartered in Nanjing, Jiangsu Province, primarily engaged in automotive intelligent-software solutions, with a registered capital of RMB10 million.	2022	15 days; wire transfer/ bank acceptance bill
C	53,661	2.0%	Software development services	A listed company on Shanghai Stock Exchange headquartered in Shenyang, Liaoning Province, primarily engaged in providing software, with a registered capital of RMB1,190.2 million.	2022	60 days; wire transfer/ bank acceptance bill
D	34,551	1.3%	Electronic components and structural components	A private company headquartered in Chongqing Province, primarily engaged in the production of electronic components and structural components, with a registered capital of RMB560.6 million.	2025	30 days; wire transfer
Total. . .	**1,881,938**	**70.6%**				

Supplier	% of total purchase	Purchase amount	Products/service purchased	Background and principal business activities	Year of commencement of business relationship with the Group	Credit terms and payment method
		(RMB'000)				
Year ended December 31, 2024						
Bosch . .	2,019,007	80.3%	PCBAs and related services	A private company headquartered in Suzhou, Jiangsu Province, primarily engaged in the manufacturing of automotive electronic components and systems, with a registered capital of US$227.3 million.	2021	90 days; wire transfer/ bank acceptance bill
B	38,606	1.5%	Software development services	A private company headquartered in Nanjing, Jiangsu Province, primarily engaged in automotive intelligent-software solutions, with a registered capital of RMB10 million.	2022	15 days; wire transfer/ bank acceptance bill
E	27,801	1.1%	Display module assembly	A private company headquartered in Guangzhou, Guangdong Province, primarily engaged in the R&D and manufacture of automotive electronics and consumer electronic devices, with a registered capital of RMB5 million.	2022	30 days; wire transfer
F	26,840	1.1%	Software	A private company headquartered in Guangzhou, Guangdong Province, primarily engaged in automotive artificial-intelligence technologies and smart vehicle cockpit & connected-car solutions, with a registered capital of RMB85 million.	2022	45 days; wire transfer
G	25,033	1.0%	Structural components	A listed company on Shanghai Stock Exchange headquartered in Shenyang, Liaoning Province, primarily engaged in providing software, IT solutions and smart-vehicle related products, with a registered capital of RMB500.5 million.	2022	90 days; wire transfer/ bank acceptance bill
Total. . .	**2,137,286**	**85.0%**				

Supplier	% of total purchase	Purchase amount	Products/service purchased	Background and principal business activities	Year of commencement of business relationship with the Group	Credit terms and payment method
		(RMB'000)				
Year ended December 31, 2023						
Bosch . .	2,217,800	82.9%	PCBAs and related services	A private company headquartered in Suzhou, Jiangsu Province, primarily engaged in the manufacturing of automotive electronic components and systems, with a registered capital of US$227.3 million.	2021	90 days; wire transfer/ bank acceptance bill
E	71,505	2.7%	Display module assembly	A private company headquartered in Guangzhou, Guangdong Province, primarily engaged in the R&D and manufacture of automotive electronics and consumer electronic devices, with a registered capital of RMB5 million.	2022	30 days; wire transfer
F	54,507	2.0%	Software	A private company headquartered in Guangzhou, Guangdong Province, primarily engaged in automotive artificial-intelligence technologies and smart vehicle cockpit & connected-car solutions, with a registered capital of RMB85 million.	2022	45 days; wire transfer
H	21,705	0.8%	Testing equipments	A private company headquartered in Zhuhai, Guangdong Province, primarily engaged in the design and manufacture of intelligent manufacturing equipment and solutions for the medical-device industry, with a registered capital of RMB13.8 million.	2021	30 days; wire transfer/ bank acceptance bill
I	15,150	0.6%	Software development services	An OEM company listed on HKEx and headquartered in Zhejiang province, with a registered capital of RMB1030 million.	2017	90 days; wire transfer/ bank acceptance bill
Total. . .	**2,380,667**	**89.0%**				

To the best of our knowledge, except for Bosch, all of our five largest suppliers during each year/period of the Track Record Period are Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the knowledge of our Directors, owned more than 5% of the issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest suppliers during the Track Record Period.

Key Contractual Terms

A summary of the typical terms and conditions of our purchase order with key suppliers is set forth below:

- *Pricing and payment.* Prices are determined on a purchase-order/pricing agreement basis and are generally settled by bank transfer within a specified period after delivery and acceptance. The agreement allows for price adjustments through mutual consent to reflect changes in market conditions or material costs.

- *Product/Solution specifications*. We specify the products or solutions, specification, price, quantity, delivery timeline and other detailed items in each purchase order.

- *Quality and inspection.* The supplier must ensure all goods meet the technical specifications, quality standards, and testing requirements set by us. We have the right to inspect goods upon delivery and reject non-conforming items.

- *Delivery terms.* Goods are to be delivered according to the timelines and locations specified in individual orders. Late delivery or delivery of defective products may result in penalties or compensation.

- *Confidentiality.* Both parties are required to maintain confidentiality of all business and technical information exchanged under the agreement.

- *Intellectual property.* The Supplier warrants that the supplied goods do not infringe upon third-party intellectual property rights, and shall indemnify the purchaser for any related claims.

- *Term and termination.* The framework agreement is typically valid for one year and may be renewed or terminated by written notice. Either party may terminate in the event of material breach, insolvency, or force majeure.

Supply of Raw Materials and Components

Our major raw materials and components primarily include PCBAs, electronic components, display screens, structural parts, PCBs and other materials. In 2023, 2024 and 2025, our aggregate purchase of PCBAs amounted to RMB1,801.0 million, RMB1,657.5 million and RMB1,387.1 million, respectively, which accounting for 93.5%, 94.1% and 80.5% of our total purchases, respectively. We classify procurement into two main categories: direct and indirect procurement. Direct procurement focuses on sourcing materials that serve production requirements, while indirect procurement covers non-production-related purchases that do not enter the bill of materials (BOM).

Direct procurement is further divided into in-house and contract manufacturing sourcing. For in-house developed products, our hardware team collaborates with the procurement department to select and verify components. The hardware team confirms that selected components meet product performance standards, while the procurement team focuses on cost management. For contract manufacturing projects, clients provide the full design and specific part numbers. Our role is to source components according to these part numbers and deliver completed products. During delivery, all materials undergo in-coming quality control (IQC) inspection. Upon passing inspection, we proceed with acceptance procedures and arrange payment based on three-way matching of relevant documentation.

Costs arising from indirect procurement are treated as indirect expenses, in alignment with asset and cost classification standards commonly adopted by leading automotive manufacturers. For indirect procurement, we primarily adopt a tender-based system to select suppliers. We set different tender thresholds in accordance with business approval processes and internal control requirements, broadly consistent with industry practice.

Supply Chain Risk Management

The supplier is relatively concentrating in the intelligent cockpit industry. We maintain stability of our procurement through establishing strategic partnership with suppliers of key raw materials. In addition, we also gain relatively high bargaining power and ordering priority with deep insights and strong capabilities in software development. When supply disruptions or allocation policies arise, we capitalize on these relationships to negotiate favorable terms and ensure continuity of critical components. This preferential access, combined with our proactive communication and long-standing collaboration with primary vendors, enables us to mitigate supply instability and maintain reliable production schedules.

We closely monitor our inventory on a weekly basis to maintain tight control. Before each purchase, we review the available inventory for each component and factor in lead times, production schedules and customer demand to manage inventory effectively and avoid unnecessary stockpiling. We draw on historical sales data and demand forecasts to determine appropriate stock levels, maintaining enough inventory to support production without overcommitting capital to unsold goods. Because our inventory is largely customer-driven, any potential excess can typically be managed through coordination with customers, product design modifications, or repurposing components in other products to minimize the risk of write-downs. Please see "Financial Information—Discussion of certain key items of consolidated statements of financial position—Inventories" for details.

During the Track Record Period and up to the Latest Practicable Date, we experienced material fluctuations of raw material prices, such as DDR/UFS storage and eMMC storage. To ensure a stable supply of raw materials and components and mitigate the potential supply chain disruptions, we adopt a proactive procurement strategy. We have implemented a number of measures to manage the volatility of prices of raw materials and components, including (i) monitoring market conditions on a continuous basis to avoid materials subject to price increases during the design phase; (ii) substituting price-sensitive materials with domestically produced alternatives; and (iii) establishing a senior management communication mechanism with our key suppliers to enhance cooperation and reduce the extent of price increases.

We believe we have sufficient alternative suppliers for raw materials and components that can provide us with substitutes of comparable quality and prices. During the Track Record Period, we did not experience any disruption to our business as a result of any significant shortage or delay in supply of the products we sourced from our suppliers.

We manage inventory through an integrated sales, production and material planning process, including monthly ABC classification of materials, defined safety stock levels for finished goods and raw materials, and regular monitoring of stock days and inventory turnover. We identify excess and obsolete inventory as materials held for more than three months with low usage and no orders, analyse root causes such as design changes, inaccurate forecasts, minimum order constraints and order cancellations, and implement handling measures including reuse or substitution in existing or new products, return or transfer to suppliers or other customers, discounted disposal, or formal scrapping under an approval workflow requiring cross-functional review and senior management approval.

Our Relationship with Bosch

Our Key Supplier

With a layered approach, our intelligent cockpit domain controller integrates hardware, underlying software, middleware platform and application layer. The hardware consists of a main SoC and peripheral circuits, which are integrated on a printed circuit board assembly (PCBA). The underlying software serves as the driver and creates operating environment for PCBAs, and it consists of underlying operating systems and hypervisors. The middleware platform serves as the bridge between the underlying operating system and application software, and it consists of instrument clusters and components enabling various applications. The application layer runs the algorithms and services for intelligent features, such as touch control, driver assistance, infotainment and human-machine interaction. This layered structure allows the intelligent cockpit domain controller to coordinate and manage all cockpit systems efficiently through integrated hardware and layered software.

During the Track Record Period, we procured PCBAs containing hardware and underlying software in intelligent cockpit domain controllers from Bosch. The PCBA is a key component of the hardware layer our intelligent cockpit domain controllers, serving as the physical carrier and electrical interconnection hub. According to Frost & Sullivan, the SoC and corresponding peripheral circuit support the performance boundaries of intelligent cockpit domain controllers, and are critical to achieving high computing power utilization, low power consumption and stable thermal management. Our collaboration with Bosch started with a leading Chinese OEM in 2020 and gradually expanded to other OEMs, including GAC and Geely in 2021, and Chery in 2022. This collaboration primarily focused on our SA8155 domain controllers. As of the Latest Practicable Date, these intelligent cockpit domain controllers were sold to six OEMs and equipped in 45 car models.

As a Tier 1 supplier, we discuss directly with OEMs and understand their specific requirements of intelligent cockpit domain controllers. Based on our understanding, we liaise with Bosch to design the hardware and underlying software for intelligent cockpit domain controllers. We are responsible for the overall project management, ecosystem integration and software installation of intelligent cockpit domain controllers. Upon receipt of PCBAs from Bosch, we install them into our designed PCBA outline and integrate them with middleware platform and application layer to form our intelligent cockpit domain controllers. As to the middleware platform, we design and develop modules based on OEMs' detailed software and application requirements. Based on the middleware platform, we supply vendor-specific software and enable core applications such as rear view camera (RVC), around view monitoring (AVM), heads-up-display (HUD), heating, ventilation, and air conditioning (HVAC), animation player, chime player, audio video bridging (AVB) and over-the-air (OTA) updates. Our application layer also enables correct display of safety relevant content (tell-tales), meter, gauges, waning and chime. We also provide the Human Machine Interface (HMI) module, being the middleware connecting user and in-vehicle applications, tailored for Android-based operating system and QNX operating system. Once the middleware platform and application layers are integrated, we conduct final testing and complete the final assembly process before intelligent cockpit domain controllers are delivered to OEMs.

In the development of SA8155 domain controllers, we led the entire process from laboratory testing to obtaining all necessary certifications, such as electromagnetic compatibility (EMC) and electronic safety certifications. We also obtained the State Radio Regulatory Commission (SRRC), Wi-Fi, Bluetooth Qualification Body (BQB) and USB Implementers Forum (USB-IF) in China, as well as international certifications such as Conformité Européenne (CE), Federal Communications Commission (FCC) and CE transfer certification. This demonstrates our comprehensive ability to independently achieve product compliance and secure market access worldwide.

During the research and development process, we lead and perform the substantial majority of the research and development and system integration for intelligent cockpit domain controllers, including overall system and product architecture design. Bosch participates within our project management framework and operates under our technical and schedule coordination. Its involvement in the research and development process is focused on PCBA design and manufacturing. Where an OEM raises specific requirements relating to PCBAs, we first interface with the OEM to clarify such requirements and then coordinate with Bosch to implement the necessary technical adjustments within the scope of its PCBA supply.

We implement rigorous project monitoring procedures and quality control processes. According to technical specifications provided by the OEMs, we conduct functional testing, reliability assessments and thorough compliance checks. We also maintain close communication with Bosch throughout the development and integration stages. If OEMs request any modification to the PCBAs or other related layers, we coordinate directly with Bosch to ensure those changes are assessed, incorporated where feasible and fully validated prior to installation. This collaborative approach guarantees that any required adjustments are swiftly addressed, and that the PCBAs consistently conform to the evolving standards and expectations of our OEM partners. Bosch supplies PCBAs built with modules on hardware layer and underlying software layer. We then integrate PCBAs with these modules with middle layer and application layer developed by us into our domain control solutions. See "—Our Product Portfolio—Vehicle Computing Solutions—Intelligent Cockpit Domain Controller" for the four-layer architecture.

Our Supplier Concentration on Bosch

Bosch was our largest supplier during the Track Record Period. In 2023, 2024 and 2025, we procured PCBAs and related R&D services in connection with its R&D activities on the PCBAs from Bosch, and the relevant purchase amount amounted to RMB2,217.8 million, RMB2,019.0 million and RMB1,664.1 million, respectively, which accounted for 82.9%, 80.3% and 62.4% of our total cost of revenue, respectively.

As part of our initiative to cooperate with global leading suppliers, we selected Bosch as our collaboration partner because of its clear leadership. According to Frost & Sullivan, Bosch introduced the world's first cockpit platform based on Qualcomm SA8155P SoC in 2020. Through our collaboration with Bosch, we integrated such cockpit platform into our SA8155 domain controllers in June 2021. It is the world's first mass-produced Qualcomm SA8155P–based intelligent cockpit domain controller.

Our Directors believe that, despite our concentration of procurement from Bosch during the Track Record Period, our business is sustainable while we relied on Bosch to procure PCBAs during the Track Record Period:

- *We have a mutually beneficial and stable relationship with Bosch.*

  Our close collaboration with Bosch exemplifies a mutually beneficial partnership built on complementary capabilities. Bosch contributes world-leading expertise in hardware and underlying software, while we provide software and middleware integration and rapid responsiveness to market needs, resulting in our comprehensive vehicle computing solutions. This synergy enables rapid design, validation and deployment across the product lifecycle, supporting reliable, scalable delivery and rapid adaptation to evolving customer requirements. We have secured 95 design wins with seven OEMs, establishing stable and strategic relationships that underpin long-term sustainability and commercial success. By focusing jointly on the Chinese automotive market, which features significant scale and is undergoing rapid intelligent transformation, we are well positioned to capture emerging market opportunities. Through this partnership, our products have set new benchmarks for industry innovation and performance.

Our partnership with Bosch is also characterized by an in-depth, stable and highly collaborative relationship. We have established smooth and effective processes to ensure quality development and timely delivery of intelligent cockpit domain controllers, which enabled us to extend our collaboration to include four additional OEMs. Our integrated manufacturing capabilities have been validated by OEMs. We have successfully internalized OEMs' manufacturing requirements into our production processes, further strengthening the reliability and quality of our solutions and ensuring that we continuously meet the high expectations of our partners and clients. As of the Latest Practicable Date, Bosch had not established similar collaborations with other intelligent connected vehicle solution providers in China.

- *We have proactively sought other suppliers to procure components of PCBAs as we expand our portfolio of vehicle computing solutions.*

  Our collaboration with Bosch primarily focused on SA8155 and SA8255 domain controllers. As our understanding of Qualcomm SA8155P and SA8255P SoCs advances, we secured design-wins through collaboration with another hardware supplier to procure System-in-Package (SIP) board from it. We then develop PCBAs by ourselves and deliver SA8155 and SA8255 domain controllers to OEMs. As of the Latest Practicable Date, we secured four design-wins, six design-ins and one project that had entered mass production of SA8155 and SA8255 domain controllers through such collaboration. Our widened supplier option has enabled us to source components and develop PCBAs, ensuring flexibility, supply chain resilience and the ability to tailor our solutions to meet the specific technological requirements of different OEM customers.

- *We are advancing our in-house development and manufacturing capabilities and expanding product portfolio.*

  We have developed capabilities to self-develop and produce PCBAs, supported by our comprehensive full-stack R&D framework. Our R&D framework combines chip adaptation, hardware and modular design, underlying software system, middleware platforms and intelligent applications, enabling us to create intelligent cockpit domain controllers and solutions with other mainstream SoCs. With well-established methodologies for hardware-software integration, cross-platform migration and efficient system integration, we are able to deliver high-reliability, cost-effective PCBAs tailored to customer needs, further enhancing innovation and scalability across our product portfolio.

  We have launched AL-A1, built on the Qualcomm Snapdragon Ride Flex SA8775P SoC. The Snapdragon Ride Flex SA8775P is Qualcomm's latest, highly advanced SoC, purpose-built for the automotive industry and supporting both integrated cockpit and advanced driver assistance systems. Our successful integration of Qualcomm Snapdragon Ride Flex SA8775 into our AL-A1 represents our expertise in incorporating Qualcomm SoCs across vehicle computing solutions, underscoring the adaptability and technological sophistication of our solutions. As of the Latest Practicable Date, we secured nine design-wins and had three additional ongoing design-ins of integrated ADAS and cockpit controllers. In addition, our cross-platform migration and modular design capabilities have enabled us to self-develop intelligent cockpit domain controllers based on non-Qualcomm SoCs. We have launched A1-N1 intelligent cockpit domain controllers built on SemiDrive X9 SoC and A1-M1/2 intelligent cockpit domain controllers built on MT8675 and MT8676 SoCs. As of the Latest Practicable Date, we secured 13 design-wins and had 4 additional ongoing design-ins of intelligent cockpit domain controllers through integrating these SoCs by ourselves.

In view of the above, Bosch's PCBAs are not irreplaceable for our intelligent cockpit domain controllers. For example, while we primarily procured PCBAs from Bosch for our SA8155 domain controllers before 2025, we have been progressively developing PCBAs in-house and sourcing PCBAs from other suppliers in accordance with our prudent internal control measures for these products. We have already secured design wins for SA8155 domain controllers that do not use Bosch's PCBAs. Leveraging our reusable research and development framework, we have also extended our in-house PCBA capabilities to domain controllers based on other SoCs, such as SemiDrive X9 and Qualcomm 8775P platforms. We have achieved mass production of intelligent cockpit domain controllers based on SemiDrive X9 in 2024 and SA8775 controllers in October 2025. We also commenced mass production of SA8155 domain controllers by the end of March 2026. In addition, we now provide PCBA design and manufacturing services to OEMs and have secured mass production orders.

Our in-house PCBAs and Bosch-supplied PCBAs are functionally equivalent: both meeting OEMs' specifications and having passed OEM acceptance tests. In terms of quality, our in-house PCBAs have been shipped in large volumes over an extended period and have been validated in the market, with after-sales quality performance broadly comparable to Bosch's PCBAs. In particular, following mass production of our SA8775 controllers, solutions using our in-house PCBAs have exceeded customer expectations and received customer commendations. Our capabilities to mass-produce SA8775 controllers with our self-developed PCBAs have proven that we can extend our in-house R&D capabilities to other products, such as SA8155 and SA8255 domain controllers. In terms of costs, our in-house PCBAs generally have a cost advantage. Bosch's overall PCBA cost that is higher than that of our in-house PCBAs. As such, our Directors are of the view that Bosch's PCBAs can be replaced by functionally equivalent PCBAs designed and produced either in-house or by other qualified suppliers without materially affecting the functionality or features of our intelligent cockpit domain controller products.

We expect to continue our cooperation with Bosch until the completion of all collaboration life cycles for all vehicle models using SA8155 domain controllers. Even if Bosch were to terminate its collaboration with us, we would be able to continue supplying our intelligent cockpit domain controllers based on our in-house capabilities and alternative PCBA suppliers without any material adverse impact on our operations or financial performance.

During the Track Record Period and up to the Latest Practicable Date, there was no interruption or material dispute or shortage of supply under the purchase orders in respect of our procurement from Bosch. However, if there is any discontinuation, or loss of business with respect to our cooperation with Bosch, our business, results of operations and financial condition could be materially and adversely affected. See "Risk Factors—We rely on Bosch, our largest supplier, for the procurement of PCBAs and related services, and any disruption in their supply or deterioration in our relationships with them could materially and adversely affect our operations".

Key Terms of Our Collaboration with Bosch

We entered into a commercial agreement as well as several supplement agreements with Bosch in connection with our collaboration with it. Below is a summary of salient terms of these agreements:

- *Scope of collaboration*. We collaborate with Bosch in the development, manufacturing and supplying intelligent cockpit domain controllers to Chinese OEMs. The parties agreed on the general product definition scope and allocation of responsibilities in the commercial agreement. Depending on the specific requirement of OEMs, the parties may amend or adjust production definition scope in supplement agreements. The collaboration is non-exclusive.

- *Term of collaboration*. The initial term of our collaboration with Bosch is from June 1, 2020 to December 31, 2026. This term of our collaboration with Bosch may be extended with a three-month advance notice by either party and subject to mutual agreement. In view of our confirmed design-wins as of the Latest Practicable Date, our collaboration with Bosch has been extended to 2028.

- *Order procurement and cancellation*. We are required to submit the confirmed quantity of PCBAs to Bosch on a monthly basis. We are also required to provide order forecasts to Bosch three to six months in advance. If there is any change to the quantity or delivery date of PCBAs in a particular order, the parties should communicate and resolve the issue through amicable negotiation. There is no minimum purchase requirement from Bosch.

- *Pricing*. Bosch's pricing mechanism is divided into two phases, as Bosch and we have renegotiated the pricing terms in light of industry developments, including market acceptance of specific vehicle models and intensifying competition in the industry:

  Phase 1: between June 1, 2020 and May 31, 2025

  The price is generally determined based on different volume requirements, configuration requirements and R&D expenses of Bosch. Price will be adjusted if configuration adjustment or additional services are required by OEMs.

  Phase 2: from June 1, 2025

  The price consists of the predetermined unit price for the specific OEM configuration, as well as a separate license fee. The unit price covers material and manufacturing costs, which are determined according to the configuration requirements. The license fee applies to the authorized use of PCBAs based on Qualcomm SA8155P SoC.

  There is no sales incentive arrangement between Bosch and us.

- *Credit period*. We usually pay Bosch via bank transfer within 60-90 days upon receipt of invoices.

- *Intellectual property*. Intellectual property of components developed by Bosch belongs to Bosch. Intellectual property of components developed by us belongs to us. There is a clear distinction between Bosch's intellectual property and ours. The PCBAs delivered by Bosch do not include editable source code, and we are therefore unable to access or analyze Bosch's underlying intellectual property. Similarly, the middleware and application layer that we provide to our customers, together with the related intellectual property, belong to us.

- *Termination*. The agreement shall be terminated upon the completion of all collaboration life cycles for all vehicle models using SA8155 domain controllers or mutually agreed by Bosch and us.

Bosch is one of our shareholders holding 3.63% of our H Shares as of the Latest Practicable Date. Bosch also holds more than 5.0% shares of Weifu High-Technology, which is also a shareholder of us holding 8.13% of our H Shares as of the same date. See "History, Development and Corporate Structure—Establishment and Major Shareholding Changes of Our Company—Capital increase (Series PI Investment) and transfer in November 2025." Some of our employees previously worked for Bosch. Save for these, our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Company, there had been no other past or present relationship (family, employment, shareholding, trust, financing, sharing of personnel, premises or other resources, or otherwise) between us, including our subsidiaries, their directors, shareholders, senior management and any of their respective associates, with Bosch.

OVERLAPPING OF MAJOR CUSTOMERS AND SUPPLIERS

During the Track Record Period, we had three overlapping major customers and suppliers, namely Customer A (Supplier I), Customer B and Customer C. The total revenue we generated from the overlapping major customers and suppliers amounted to RMB1,479.1 million, RMB2,168.8 million and RMB1,621.5 million in 2023, 2024 and 2025, respectively, and the purchases from the overlapping major customers and suppliers amounted to RMB15.1 million, nil and RMB0.3 million in the corresponding years, respectively.

Customer A (Supplier I), one of our five largest customers in 2023, 2024 and 2025, was also one of our five largest suppliers in 2023. During the Track Record Period, Customer A (Supplier I) purchased vehicle computing solutions from us, and also provided voice module products to us. We purchased the voice module products manufactured by Customer A (Supplier I) for integration into our intelligent cockpit domain controller solutions for sale to Customer A (Supplier I) as a whole. We provide value-added content in the integration process. According to Frost & Sullivan, this arrangement is common in vehicle computing industry. We are also solely responsible for the vehicle computing solutions sold to Customers A (Supplier I). In 2023, 2024 and 2025, our sales to Customer A (Supplier I), amounted to RMB1,355.6 million, RMB1,557.5 million and RMB542.6 million, accounting for 59.0%, 58.7% and 26.3% of our revenue during the same periods, respectively. In 2023, 2024 and 2025, our purchases from Customer A (Supplier I), amounted to RMB15.2 million, nil and RMB12,000, accounting for 0.6%, nil and less than 0.1% of our total purchases during the same periods, respectively.

Customer B, one of our five largest customers in 2023, 2024 and 2025, was also our supplier in 2025. During the Track Record Period, Customer B purchased vehicle computing solutions from us. In 2025, at the request of Customer B, we leased warehouse premises located near its factory, which were designated by Customer B, for inventory storage to facilitate its management of auto parts and components from its suppliers. We paid the relevant warehouse leasing fees to Customer B. In 2023, 2024 and 2025, our sales to Customer B amounted to RMB118.8 million, RMB538.4 million and RMB631.3 million, accounting for 5.2%, 20.3% and 30.6% of our total revenue, respectively. In 2025, our purchase from Customer B were minimal, constituting less than 0.1% of our total purchase.

Customer C, one of our five largest customers in 2023, 2024 and 2025, was also our supplier in 2025. During the Track Record Period, Customer C purchased vehicle computing solutions from us. In 2025, at the request of Customer C, we leased warehouse premises located near its factory, which were designated by Customer C, for inventory storage to facilitate its management of auto parts and components from its suppliers. We paid the relevant warehouse leasing fees to Customer C. In addition, we also purchased certain automotive peripheral components from Customer C for testing purposes. In 2023, 2024 and 2025, our sales to Customer C amounted to RMB4.7 million, RMB72.9 million and RMB447.6 million, accounting for 0.2%, 2.7% and 21.7% of our total revenue, respectively. In 2025, our purchase from Customer C were minimal, constituting less than 0.1% of our total purchase.

Our Directors confirm that all our sales to and purchases from the overlapping customers and suppliers were conducted at arm's length in the ordinary course of business, and under normal commercial terms. All these companies are Independent Third Parties. Our Directors also confirm that prices of the transactions with overlapping customers and suppliers are comparable to similar transactions conducted with other comparable customers and suppliers.

INTELLECTUAL PROPERTY

Intellectual property rights serve as a cornerstone of our business strategy and are instrumental in safeguarding our future commercial success. It is vital for us to secure and uphold our intellectual properties to safeguard our innovative technologies, inventions and expertise. As of Latest Practicable Date, we maintained a patent portfolio with a total of 236 issued patents, including 76

inventions, 67 design patents and 93 utility model patents, 52 trademarks, 277 copyrights and 2 domain names registered in the PRC. In terms of overseas intellectual properties, we had six trademarks as of the Latest Practicable Date, and two patent under application as of the same date.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material legal, arbitral, or administrative proceedings or claims of infringement of any intellectual property rights, in which we may be a claimant or a respondent. Our Directors confirm that they are not aware of any material legal, arbitral or administrative proceedings of infringement of any third parties' intellectual property rights by us as of the Latest Practicable Date. See "Appendix VI—Statutory and General Information."

EMPLOYEES

As of December 31, 2025, we had 872 employees, mainly based in Shanghai and Wuxi. As of December 31, 2025, we had 5 employees in overseas regions. The following table sets forth a breakdown of our employees categorized by work function as of December 31, 2025.

Function	As of December 31, 2025
R&D	520
Manufacturing	96
Sales and business development	50
Quality assurance	64
Procurement	27
Management and administration	115
Total	**872**

We are committed to creating an inclusive and collaborative culture, guided by principles of integrity, innovation and dedication. We offer competitive salaries and benefits package. We offer benchmark salaries to the market and offer employees statutory benefits with additional commercial health insurance and wellness support. To further keep our compensation competitive, we offer special incentives, such as equity or option plans for core R&D specialist and management team. We also promote collaborative corporate culture and career development experience, providing new and current employees with systematic induction and on-the-job training, management skills upgrading, professional growth support, as well as clear promotion channels. Through fostering these series of welfare initiatives, we create a safe and fair working environment for our employees with development prospects, thereby facilitating their professional advancement with us.

We enter into standard labor contracts with all employees and require confidentiality and non-compete agreements from our research and development staff, as well as our middle-to-senior-level managers. We believe that we have good working relationships with our employees. Our employees are not represented by a labor union. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant labor disputes with our existing or departing employees, demonstrating our commitment to maintaining positive relationships.

PRIVACY AND DATA SECURITY

We are steadfast in our commitment to protecting privacy and data security. We have designed stringent policies and procedures to ensure that the collection, use, storage, transmission, and dissemination of data are in compliance with all applicable laws and regulations in material aspects, optimize data governance, and protect the benefits of our customers, employees and other third parties. See "Regulatory Overview" for details on privacy and data security regulations. We adhere

to these data management, operational and maintenance policies, and procedures to safeguard the confidentiality, integrity, and availability of data collected and processed throughout our operations of business and recognize it as an essential pillar of our operational integrity.

Data Collection and Usage

Our standard business model in the data processing workflow operates as follows: we are primarily responsible for providing in-vehicle hardware and software equipment, while end-user data are transmitted directly from the vehicle to the automaker's cloud platform, where collection, processing, and storage are managed and controlled by the automaker. Throughout this process, we typically do not have direct access to end-user data.

In the course of our primary business operations, user data are collected and used only in the following exceptional scenarios:

Scenario I. To enable basic cockpit services and maintain stable hardware and software operation, we directly collect from the vehicle: the VIN, user interaction behaviors with the in-vehicle system (e.g., touch events), and the system's initial startup time.

Scenario II. When commissioned by OEMs and in accordance with their instructions—to deliver specific in-cabin functionalities such as weather services, unified login/logout, nearby POI recommendations, and application download tracking—we collect from vehicles the VIN, desensitized vehicle location data, and application download statistics.

With regard to the user data collected and used in the aforementioned business activities, relevant automakers have disclosed the collection of VIN codes in their respective privacy policies. Furthermore, upon acquisition of the VIN, we apply a 3-digit desensitization process and do not store or use the original VIN.

In *Scenario I* and *Scenario II*, any direct access is limited to the VIN, user touch events with the in-vehicle system, the system's initial startup time, desensitized vehicle location data, and application download statistics on the in-vehicle system. As the VIN is a unique vehicle identifier that can be linked, to some extent, to the vehicle owner, it constitutes personal information. The other data fields, when associated with the VIN, likewise constitute personal information. We apply a three-digit desensitization process to the VIN. As advised by our PRC Legal Advisor, based on the foregoing fact, we do not have direct access to other user data.

During the Track Record Period and up to the Latest Practicable Date, to the best of our knowledge, we had not encountered any material data or personal information leakage, and the data we possessed and stored had not been used in a way in violation with individuals' rights.

Data Storage and Protection

During the Track Record Period and up to the Latest Practicable Date, all user personal information and important data collected or generated through our operations in the PRC had been stored exclusively within the territory of PRC. There had been no instances of providing such user personal information or important data outside of PRC. Should any future circumstances arise requiring us to transfer personal information or important data outside of China, and where such transfer, by its nature and scale, is subject to obligations under applicable laws such as filing the Standard Contract for the Outbound Transfer of Personal Information or undergoing a security assessment for data export, we will complete all required procedures before providing such data overseas. The relevant plans have been incorporated into the Data Compliance Management Policy, which we will implement in compliance. Under applicable laws and regulations, the aforementioned "important data" includes, among others, personal information relating to over 100,000 individuals

and vehicle location data. As we hold more than 100,000 VINs together with the desensitized vehicle location data described above, it is deemed to possess important data. We have therefore implemented enhanced administrative and technical safeguards to ensure the security of such data.

We have established a series of data security and compliance management policies. These define the objectives, principles, key matters and focus areas for data security and compliance management, and set forth detailed management and compliance requirements in areas including data classification and grading, full lifecycle data processing management, network and information system management, information security incident contingency plans, as well as data security and compliance-related risk assessments and audits.

Regarding the organizational structure, roles and personnel management for data security and compliance, we have formulated the Data Compliance Management Policy, which stipulates the following measures: (i) establishing a dedicated data security and compliance department; (ii) appointing designated network security and data security officers; and (iii) providing data security and compliance training for relevant employees and executing confidentiality agreements or similar agreements with personnel in roles involving data processing and data security work.

Regarding data classification and grading, we set out the fundamental principles, methodologies, and processes for data classification and grading, establish the basic requirement that data should be managed by category and by level, and outline management measures for data classification and grading. Furthermore, to implement the aforementioned stipulations, we have drafted documents including a Data Classification Table to operationalize data classification management.

With respect to security and compliance management for the full data processing lifecycle, we take the fundamental administrative and technical measures for various data processing stages, including data collection, storage, transmission, use and processing, provision and disclosure, and destruction. Additionally, for specific data types such as personal information and important data, we take additional administrative and technical measures in accordance with legal and regulatory requirements.

With respect to risk assessment and auditing for data compliance, we shall, upon determination of necessity, conduct security risk assessments for important data processing activities, personal information protection impact assessments and record-keeping, and personal information processing compliance audits in accordance with the law. We also outline the fundamental requirements for conducting the aforementioned activities.

With respect to emergency response for data security incidents, we have formulated the Information Security Emergency Preparedness Management Policy, as well as the Information Security Incident Management Procedure and the Incident Emergency Response Management Measures. These policies stipulate the relevant organizational structures and responsibilities, and, for data security incidents, set forth the basic requirements and the emergency response workflow for emergency response concerning incident handling planning and preparation, incident reporting and emergency response, post-incident analysis, investigation and accountability, and prevention and safeguards.

In terms of technical protection measures, we have implemented various safeguards to protect the security of stored data: (i) implementing strict, project- or business-specific access controls, granting access to data in specific areas only to personnel directly involved in the respective project or business; (ii) installing antivirus software on employee computers and establishing relevant virus scanning policies; (iii) deploying firewalls and other protections within the backbone network zones of our server rooms; (iv) utilizing asymmetric encryption methods for data encryption; and (v) performing regular data backups using dedicated physical backup equipment.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any claims or penalties regarding unauthorized use and/or transfer of personal information, which had caused a material and adverse effect on our business, financial condition, or results of operations. Our PRC Legal Adviser is of the view that we are in compliance with all material aspects of applicable PRC laws and regulations with respect to privacy and personal data protection during the Track Record Period.

AWARDS AND ACHIEVEMENTS

The following table sets out a summary of the major awards and recognition we have received as of the Latest Practicable Date.

Year	Awards or Recognition	Issuing Authority
2026	National Green Factory	Ministry of Industry and Information Technology
2025	Specialized and Innovative Little Giant Enterprise	Ministry of Industry and Information Technology of the PRC
2024	Advanced Intelligent Factory of Jiangsu Province	Jiangsu Provincial Department of Industry and Information Technology
2024	Five-Star Cloud Enterprise of Jiangsu Province	Jiangsu Provincial Department of Industry and Information Technology
2024	Potential Unicorn Enterprise of Jiangsu Province	Jiangsu Productivity Promotion Center
2024	Potential Unicorn Enterprise of Jiangsu Province	Jiangsu Productivity Promotion Center
2023	Engineering Technology Research Center of Jiangsu Province	Jiangsu Provincial Department of Science and Technology
2023	Technical Center of Jiangsu Province	Jiangsu Provincial Department of Industry and Information Technology
2023	Demonstration Unit for Copyright Protection in Jiangsu Province	Jiangsu Provincial Copyright Administration
2023	Intelligent Manufacturing Demonstration Workshop of Jiangsu Province	Jiangsu Provincial Department of Industry and Information Technology
2023	Jiangsu Province Specialized and Sophisticated Small and Medium-sized Enterprise	Jiangsu Provincial Department of Industry and Information Technology
2021	High and New Technology Enterprise	Office of the National High-tech Enterprise Certification Management Leading Group

COMPETITION

Intelligent domain controller are an essential component in the automotive industry's intelligent transformation, providing users with the most tangible and perceivable benefits from automotive intelligence technologies. We primarily operate in the in intelligent domain controller and zone controller market. The markets in which we operate are in their early stage of development and are intensely competitive. The markets are characterized by rapid changes in technology, shifting customer demands and frequent introduction of new services and products. We expect

competition to continue, both from current competitors, who may be well-established and enjoy greater resources or other strategic advantages, as well as from new entrants into the market, some of which may become significant players in the future.

According to Frost & Sullivan, the market size of China's intelligent cockpit domain controller industry grew from RMB11.1 billion in 2021 to RMB42.3 billion in 2025, with a CAGR of 39.7%, and is expected to reach RMB107.3 billion in 2030, with a CAGR of 19.4% from 2025 to 2030. In addition, the installations volume in passenger vehicles of China's integrated ADAS and cockpit domain controllers industry is expected to grow from 500,000 units in 2025 to 10.2 million units in 2030, with a CAGR of 82.8%, according to Frost & Sullivan. Driven by end-user demands, technology evolution and policy support, the China's sales volume of the intelligent vehicles with Level 1 to Level 5 autonomous driving functions increased from 9.9 million units in 2021 to 26.0 million in 2025, which accounted for 44.8% of the global market in 2025, representing a CAGR of 27.3%. The China's sales volume of the intelligent vehicles with Level 1 to Level 5 autonomous driving functions is expected to reach 49.5 million by 2030, with a CAGR of 12.2%. For details, see "Industry Overview."

SEASONALITY

Our financial performance is subject to seasonal fluctuations that align with automotive production and sales cycles. According to Frost & Sullivan, in line with industry practice, our shipment volume is generally back-end loaded over the course of a year, with a softer first half and a stronger second half. Based on our internal records, our shipment volume typically trends lowest in the first quarter and increases gradually thereafter, with the fourth quarter accounting for approximately 40.0% of our total annual shipment volume during the Track Record Period. In particular, in 2024, our shipment volume in the fourth quarter accounted for approximately 39.0% of our total shipment volume for the year, reflecting the stronger demand in the second half of the year.

Revenue typically trends lowest in the first quarter of the year, primarily due to OEMs' production schedules and temporary slowdowns around the Chinese New Year holiday period. According to Frost & Sullivan, this seasonality is mainly driven by, (i) the underlying seasonality of passenger vehicle consumption in China, which normally peaks towards the year end as consumers bring forward purchases and OEMs intensify promotions, (ii) OEMs' year-end efforts to meet annual sales and production targets, which drive higher call-off orders from suppliers like us in the fourth quarter and result in the first quarter mainly consuming the inventory built up in the fourth quarter, (iii) advance stocking by OEMs and Tier 1 suppliers before the New Year and Chinese New Year holidays to hedge against production interruptions during the holiday period, and (iv) the launch of new vehicle models, many of which commence SOP in the fourth quarter, leading to higher pre-SOP stocking and initial ramp-up orders in the fourth quarter compared with the first quarter. Revenue generally increases through the second and third quarters as OEMs ramp up vehicle production to meet annual targets and prepare for model year launches, culminating in a peak during the fourth quarter. The above seasonal pattern is also reflected in our historical revenue and sales volume profile. For example, based on our management account, our revenue for the fourth quarter of the year of 2023, 2024 and 2025 accounted for approximately 42.0%, 36.0% and 31.0% of our respective full-year revenue, which is broadly consistent with the fourth-quarter share of our sales volume in the same periods. This seasonality also affects working capital dynamics, as higher production levels in the second half of the year often lead to increased inventory, which may temporarily impact our cash flow and liquidity. Such fluctuations are seasonal in nature and thus our quarterly or half-year results may not be indicative of our results of operations for the full year. We expect this seasonality pattern, which is consistent with the broader automotive industry in China, to continue to affect our business operations, working capital and financial performance going forward. See "Risk Factors—Risks Relating to our Business and Industry—Our business is subject to seasonality."

To mitigate the impact of seasonality on our operations and financial performance, we adopt a number of measures in line with industry practice, including (i) conducting rolling forecasts and production planning with our major OEM customers to align our production schedules with their latest demand and model launch timetables, (ii) managing our inventory and production capacity in a disciplined manner, such as setting appropriate safety stock levels for key products and flexibly arranging shifts and utilization of production lines to handle order fluctuations between the first and second half of the year, (iii) actively managing our working capital and liquidity, including negotiating payment terms with customers and suppliers and making prudent use of bank facilities during peak production periods, and (iv) continuing to broaden our customer and product portfolio so that our overall business is supported by projects with different SOP timetables and sales cycles.

IMPACT OF THE COVID-19 PANDEMIC

Since the end of December 2019, the outbreak of a novel strain of coronavirus, or COVID-19, has materially and adversely affected the China's and global economy. The COVID-19 pandemic had adverse impact on automotive OEMs' operations as their manufacturing and sales generally slowed down and their production schedule experienced delays due to the global supply shortage of certain raw materials and components. These factors affected the demand for our products from OEMs impacted by the COVID-19. The COVID-19 also had adverse impact on supplies of certain raw materials.

The COVID-19 outbreaks in China and the measures taken to contain the spread caused delays and/or cancellations of certain on-site office activities, manufacturing processes, and research and development activities. We managed to mitigate the impact on our operations and performance by taking various measures, including implementing remote work arrangements for research and development activities, stocking raw materials, maintaining continuous operation of our factories, and working with logistics and transportation partners to guarantee timely delivery of our products. There were not disruptions on our production activities due to COVID-19 outbreak. We believe that our operational and financial performance was not materially adversely affected by the COVID-19 pandemic during the Track Record Period. After the COVID-19 pandemic subsided in early 2023, our business and the operation resumed to normal.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to integrating sustainable development principles into our daily operations and decision-making processes. We place great emphasis to environmental, social and governance ("ESG") matters, including environmental sustainability, social responsibility and governance as a pioneer and leading enterprise in the industry.

Our Board assumes the responsibility of establishing, adopting and reviewing our ESG policies and strategies, monitoring progress towards ESG objectives and managing critical ESG-related issues. They evaluate and address our ESG-related risks while also considering the adoption of additional policies related to environmental protection, social responsibility and internal governance. With supervision of the Board, our management team is responsible for implementing our ESG policies, assessing and mitigating our ESG risks on a regular basis and organizing employee ESG training sessions.

ESG Materiality Assessment and Risk Management

We have identified environmental, social and climate-related material issues through regular assessments and internal reporting processes. We also actively interact with external stakeholders, including our customers and suppliers, government agencies and business partners, through various effective communication channels. Their valuable feedback is consolidated and incorporated into our materiality assessment and corporate strategy where applicable, ensuring their perspectives are considered in our management decision-making process.

We have also adopted an ESG risk assessment and management model that integrates ESG compliance into day-to-day operations, including the creation of an ESG risk repository, with designated personnel in each department responsible for identifying and managing ESG risks. We conduct annual risk assessments based on the completeness of institutional processes and management practices, allowing us to continually optimize and improve ESG-related operations.

ESG Governance

Environmental Management Targets

Taking into account our current business development and environmental management standards, we have set the following environmental management targets to drive our green and low-carbon development:

- Emission reduction target: using 2024 as the baseline year, reduce greenhouse gas emissions intensity by 15% by 2030.
- Waste reduction target: using 2024 as the baseline year, reduce non-hazardous waste emissions intensity by 5% by 2030.
- Energy efficiency target: using 2024 as the baseline year, reduce electricity consumption intensity by 20% by 2030.
- Water efficiency target: using 2024 as the baseline year, reduce water consumption intensity by 10% by 2030.

We will continue to advance our efforts in emission reduction, waste reduction, energy conservation and water conservation through a series of initiatives, including green office practices, green packaging and green logistics. See "—Consumption—Green Office Practices" and "—Consumption—Green Packaging and Logistics" for details.

Climate Change

The following table sets forth our GHG emission data during the Track Record Period. During the Track Record Period, our Scope 1 direct GHG emissions resulted from the gasoline consumed by test vehicles and company vehicles; Scope 2 GHG emissions resulted from the electricity consumed in our production facility and office premises. We have initiated the recording of Scope 3 GHG emissions, covering business travel and downstream transportation and distribution, better promote the control of GHG emissions and related information disclosure.

	For the year ended December 31,		
	2023	**2024**	**2025**
Scope 1 GHG emissions *(tCO_2e)*	31.35	43.65	40.66
Scope 1 GHG emissions intensity *(tCO_2e/RMB million revenue)*	0.01	0.02	0.02
Scope 2 GHG emissions *(tCO_2e)*	1,339.97	3,113.18	2,831.52
Scope 2 GHG emission intensity *(tCO_2e/RMB million revenue)*	0.58	1.17	1.37
Scope 3 GHG emissions (Category 6: Business travel) *(tCO_2e)*	410.36	419.26	542.09
Scope 3 GHG emissions (Category 9: Downstream transportation and distribution) *(tCO_2e)*	162.82	203.44	219.80

Note: The calculation of GHG emissions is based on the Greenhouse Gas Protocol (GHG Protocol) and the Sixth Assessment Report issued by the Intergovernmental Panel on Climate Change (IPCC). The emission factors are derived from the Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022 issued by the Ministry of Ecology and Environment, the U.S. Environmentally-Extended Input-Output Model Database and the China Products Carbon Footprint Factors Database.

Emissions

We strictly comply with the relevant PRC laws and regulations on environmental protection, including those governing air emissions, wastewater discharge, solid waste disposal and noise control. We have established dedicated management rules for wastewater, waste, exhaust gas and noise, enabling systematic control of emissions throughout our production and operation processes. We continue to enhance the operation and management of our environmental protection facilities to effectively mitigate our environmental impact.

- *Exhaust gas treatment.* Our workshops primarily conduct welding and assembly operations, with particulate matter and non-methane hydrocarbons being the main air pollutants. No emissions of tin or its compounds were detected during the Track Record Period. We collect exhaust gas through sealed pipelines and adopt a "dry filtration + dual-stage activated carbon adsorption" treatment process. We engage qualified third-party agencies to conduct annual concentration testing at discharge outlets to ensure 100% compliant discharge.

- *Wastewater management.* Our wastewater mainly consists of domestic sewage. We enhance employees' water-saving awareness through training and promote efficient use of water resources to reduce wastewater generation and discharge at the source.

- *Waste management.* Hazardous waste generated during our production process primarily includes scrap materials and spent activated carbon, while non-hazardous waste primarily includes cardboard, wooden pallets, pearl cotton and domestic waste. We have formulated the Waste Management Regulations, under which we implement classified management of hazardous and non-hazardous waste and set up separate temporary storage areas within our plants for differentiated storage. By establishing management ledgers, strictly reviewing the qualifications of third-party treatment providers, entering into standardised agreements and carrying out internal monitoring and audits, we ensure that the entire process from generation and storage to disposal is lawfully, compliantly and effectively controlled, with the ultimate goal of achieving 100% lawful disposal of solid waste.

- *Noise control.* We set a management target of achieving 100% compliant noise discharge and engage qualified third-party agencies on a quarterly basis to conduct boundary noise testing to ensure that noise emissions consistently meet national standards.

The table below sets forth key environmental metrics of our emissions during the Track Record Period.

	For the year ended December 31,		
	2023	**2024**	**2025**
Particulate matter emissions *(kg)*	147.3[(1)]	66	104.2
Non-methane hydrocarbon emissions *(kg)*	24.4	61.3	57.6
Total hazardous waste disposed *(ton)*	1.31	0.29	6.27
Hazardous waste density *(ton/RMB million revenue)*	0.0006	0.0001	0.0030
Total non-hazardous waste *(ton)*	11.1	5.5	39.9
Non-hazardous waste density *(ton/RMB million revenue)*	0.0048	0.0021	0.0193

Note: The fluctuation in emissions was primarily due to our rapid production ramp-up, during which our production capacity increased significantly year-on-year. This factor is temporary in nature. As our production and operations stabilize, we will continue to drive emission reduction through technical improvements and optimization of our management practices.

Consumption

We comply with applicable PRC laws and regulations relating to energy conservation and resource efficiency, and have established internal management rules such as our energy management manual, the procedures for energy monitoring, measurement and analysis, and the measures for logistics packaging management. We promote energy-saving and water-saving awareness through training and education, advocate green office practices, green packaging and green logistics, and continuously improve resource utilization efficiency. We have obtained the ISO 50001 energy management system certification.

- *Green Office Practices.* We implement green operation principles across our day-to-day activities. In terms of electricity usage, we adopt LED lighting, operate energy-efficient data centers with low PUE values, and utilize an integrated photovoltaic-storage-charging microgrid system together with an energy management platform to enable refined energy control. We also regulate lighting and air conditioning in office areas and meeting rooms through remote control and automated preset modes to minimize energy waste. With respect to water usage, we primarily rely on municipal water supplies, use water-efficient fixtures and encourage employees to conserve water, and we did not encounter water shortages during the Track Record Period. In addition, we promote paperless operations and encourage double-sided printing to reduce paper consumption.

- *Green Packaging and Logistics.* To advance circular-economy principles, we have implemented a green packaging strategy aimed at reducing resource consumption and environmental impact across packaging activities. As of the Latest Practicable Date, approximately 80% of our business volume has transitioned to reusable returnable containers, thereby achieving source-level reduction and circular use of packaging materials. We plan to further expand the adoption of reusable packaging and gradually phase out single-use materials such as cardboard and wooden boxes. At the same time, we continue to optimize packing solutions and logistics scheduling to enhance transportation efficiency by improving load factors per shipment and reasonably reducing shipment frequency.

The table below sets forth key environmental metrics of our consumption during the Track Record Period.

	For the year ended December 31,		
	2023	**2024**	**2025**
Total energy consumption *(MWh)*	2,619.96	5,972.66	5,436.05
Energy consumption density *(MWh/RMB million revenue)*	1.14	2.25	2.63
Gasoline consumption *(litter)*	14,052	19,563	18,223
Gasoline consumption density *(litter/RMB million revenue)*	6.12	7.37	8.82
Electricity consumption *(KWh)*	2,497,152	5,801,686	5,276,788
Electricity consumption density *(KWh per/RMB million revenue)*	1,086.82	2,184.72	2,555.02
Water consumption *(M^3)*	7,506	22,622	23,978
Water consumption density *(M^3/RMB million revenue)*	3.27	8.52	11.61
Total packaging materials used in finished products *(ton)*	2.9	4.4	4

Employee Benefits and Welfare

We strictly comply with employment laws and regulations in our places of operation, including the Labor Law of the People's Republic of China (中華人民共和國勞動法) and the Labor Contract Law of the People's Republic of China (中華人民共和國勞動合同法), and have established a comprehensive employment policy and management system based on the principles of compliance, equality, diversity and inclusion.

In recruitment, we regulate procedures through our Recruitment Management Measures to prevent the use of child labour and forced labour, and expressly prohibit any form of discrimination on the basis of gender, race, ethnicity, religious belief, age, disability, marital status or other protected characteristics. We actively promote diversity and inclusion by adopting multi-channel recruitment to attract a diverse pool of talent, and by equipping our workplaces with mother-and-baby rooms and accessible washrooms for persons with disabilities, so as to provide an equally convenient working environment for women, persons with disabilities and other groups.

With respect to working hours and overtime management, employees are required to submit overtime applications in advance for approval. We pay overtime compensation or arrange time off in lieu in accordance with the law, and reimburse late-night transportation expenses incurred for overtime work.

In addition, we are committed to safeguarding dignity in the workplace. We expressly prohibit any form of harassment or improper conduct, and seek to prevent and address such incidents through internal communication and complaint mechanisms.

We offer competitive salaries alongside a comprehensive benefits package. We provide insurance schemes supplemented by additional commercial insurance coverage and various allowances, including meal allowances. We also provide annual medical checkups and other welfare benefits, demonstrating our holistic approach to employee well-being.

In alignment with our dedication to professional growth, we actively support employees' development through both internal and external training programs and the provision of relevant training resources tailored to specific job roles. By fostering a culture of continuous learning and development, we aim to enhance the skills and knowledge of our employees, thereby facilitating their professional advancement within the organization.

Furthermore, we place a strong emphasis on embracing diversity and fostering equal and respectful treatment of all employees throughout their employment journey, encompassing hiring, training, wellness initiatives, and both personal and professional development. While maximizing equal career opportunity for everyone, we will also continue to promote work-life balance and create a pleasant workplace for all our employees.

Workplace Safety

We place great importance on fostering a workplace environment that prioritizes the health and safety of our employees. We strictly comply with the Work Safety Law of the People's Republic of China (中華人民共和國安全生產法), the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (中華人民共和國職業病防治法) and other applicable laws and regulations. We have formulated and implemented a series of internal policies, including the Environment, Occupational Health and Safety Management Manual (環境、職業健康安全管理手冊), the Occupational Disease Prevention Management Provisions (職業病預防管理規定), the Occupational Disease Hazard Warning and Notification Management Provisions (職業病危害警示與告知管理規定), the Safety Training and Education Management Provisions (安全培訓教育管理規定), the Environment and Occupational Health and Safety Operational Control Procedures (環境和職業健康安全運行控制程序) and the Emergency Preparedness and Response Control Procedures (應急準備和響應控制程序). Together, these policies form an occupational health and safety management system that covers occupational health management, work safety control and emergency response and rescue. We understand the complexities and potential hazards involved in

industrial environments, and as such, we are committed to delivering comprehensive safety solutions that prioritize the well-being of personnel and the smooth functioning of operations. Our safety-first approach begins at the design stage and is embedded in every aspect of our production systems. We deploy advanced safety mechanisms that safeguard workshop workers from potential risks, ensuring a secure environment while maintaining high levels of productivity.

Our safety solutions are designed to minimize risks by addressing key safety areas, such as electrical, mechanical and functional safety. Our solutions significantly reduce operational risks, contributing to a safer and more efficient work environment.

Our commitment to safety is further validated by our adherence to international standards and certifications. We follow a rigorous product development process, and all our systems comply with ISO 45001 quality standards. During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with the PRC laws and regulations relating to workplace safety and have not identified any incidents that have had a material adverse effect on our operations.

Corporate Governance

We maintain a zero-tolerance policy towards the acceptance of any form of bribes by employees. To further standardize the integrity in our business operation and promote self-discipline among all our employees, we have implemented a set of anti-corruption policies and procedures which are approved and overseen by the management. We have implemented thorough strategies to safeguard our intellectual property. We enter into employment contracts with our employees, which contain provisions with respect to confidentiality, non-competition and ownership of intellectual property. These contracts stipulate that any intellectual property created by individuals during their tenure with us, including internally developed content, is recognized as our exclusive property.

PROPERTIES

Owned Properties

As of the Latest Practicable Date, we owned land use rights to one parcel of land and the building erected thereon in Wuxi, Jiangsu Province, with a total GFA of approximately 6,410 square meters, which is used for leasing purposes.

As advised by our PRC Legal Advisers, during the Track Record Period and up to the Latest Practicable Date, we had obtained the real estate title certificate for such land parcel and building.

As of the Latest Practicable Date, no single property interest forming part of our Group's property activities had a carrying amount of 1% or more of our total assets and no single property interest forming part of our Group's non-property activities had a carrying amount of 15% or more of our total assets. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Leased Properties

As of the Latest Practicable Date, we leased four properties in the PRC with an aggregate gross floor area of approximately 29,136 square meters, primarily used as office and production facilities. As of the same date, we also leased 86 units of talent apartments located in Wuxi, Jiangsu Province to serve as employee dormitories. As of the Latest Practicable Date, we also leased one property in Japan with an aggregate gross floor area of approximately 11 square meters for office space.

LEGAL PROCEEDINGS AND COMPLIANCE

We may be involved in legal proceedings in the ordinary course of business from time to time. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any litigation, arbitration or administrative proceedings which could have a material adverse impact on our business, financial condition or results of operations. As of the Latest Practicable Date, we were not aware of any pending or threatened litigation, arbitration or administrative proceedings against us which may have a material and adverse impact on our business, financial condition or results of operations.

During the Track Record Period and as of the Latest Practicable Date, we had not had any non-compliance incidents which our Directors believe would, individually or in the aggregate, have a material operational or financial impact on our company as a whole.

BUSINESS ACTIVITIES IN RELATION TO INTERNATIONAL SANCTIONS

Business Activities in relation to Products subject to U.S. Export Controls

During the Track Record Period, we procured certain items subject to the EAR that are either controlled solely for anti-terrorism reasons or classified as EAR99 ("**Procured Items**"). These Procured Items, other than those classified as EAR99, are controlled solely for anti-terrorism reasons, and are only subject to a license requirement for export, re-exports or transfers (in-country) to entities designated on the BIS' Entity List, Denied Persons List or Unverified List and Crimea region, Cuba, Iran, Luhansk People's Republic and Donetsk People's Republic regions, North Korea and Syria, as well as Russia and Belarus (collectively, the "**AT Sanctioned Countries**"). Those classified as EAR99 are generally low-technology consumer goods that do not require a license in most situations.

As advised by our legal advisors as to International Sanctions, given that during the Track Record Period, (i) we did not purchase any items subject to the EAR which require a license for us to procure; and (ii) we did not supply any of the Procured Items to any of the AT Sanctioned Countries, our procurements of such Procured Items during the Track Record Period did not represent a violation of the applicable U.S. export controls. Our Directors are therefore of the view that our Group's business operations and financial performance are not materially adversely affected by the applicable U.S. export control restrictions.

Business Activities in relation to Entities subject to International Sanctions

During the Track Record Period, we had transactions with two suppliers that were designated on the Entity List ("**Relevant Entities**"), one of which was listed with a footnote 4 designation. Provision of items subject to the EAR, without a licence from BIS, to the Relevant Entities is prohibited. Licence application is subject to a presumption of denial. As advised by our legal advisors as to International Sanctions, given that our transactions with the Relevant Entities were limited to the procurement of items and did not involve the transfer of any items from our Group to the Relevant Entities, our Group's activities did not represent a violation of any of the applicable International Sanctions. As such, our Directors are of the view that our Group's business operations and financial performance are not materially adversely affected by the applicable International Sanctions.

Business Activities in relation to Region subject to International Sanctions

During the Track Record Period, we had transactions in the Relevant Region. As advised by our legal advisors as to International Sanctions, given that our Group's transactions with the Relevant Region were limited to the procurement of items from a supplier in the Relevant Region, and did not involve the transfer of any items from the Group to the Relevant Region, our Group's activities did not represent a violation of any of the applicable International Sanctions. Our Directors are thus of the view that our Group's business operations and financial performance are not materially adversely affected by the applicable International Sanctions.

BUSINESS ACTIVITIES IN RELATION TO THE U.S. OUTBOUND INVESTMENT SECURITY PROGRAM

On October 28, 2024, the Department of the Treasury issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the "**Final Rule**"), which became effective on January 2, 2025. The Final Rule implements a regulatory framework for certain U.S. investments into China (including Hong Kong and Macau) in entities engaged in activities involving sensitive technologies critical to national securities in three sectors, namely, (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems with applications that pose national security risks, collectively defined as "Covered Foreign Persons". The program would prohibit U.S. persons from undertaking certain transactions and require notification by U.S. persons on certain investments in Covered Foreign Persons.

Although we are engaged in the development of our artificial intelligence systems, our artificial intelligence system is not designed for any end use, such as military end use, government intelligence or mass surveillance end use, or for the use of cybersecurity applications, digital forensic tools, penetration test tools, or the controls of robotic systems, which are listed and restricted under § 850.217 (d)(1)-(2) or § 850.224 (j)(1)-(2) for activities subjection to restrictions related to the artificial intelligence system sector of the Final Rule, nor trained with a restricted quantity of computing power under the Final Rule (i.e., trained using a quantity of computing power greater than 10^23 computational operations or more). Therefore, as advised by our legal advisors as to the Final Rule, based on our currently launched product, in particular, the end use and the computing power we used to train our artificial intelligence system discussed above, we are unlikely to be deemed a Covered Foreign Person as defined under the Final Rule. As such, an investment by a U.S. person in our Group is unlikely to be deemed a covered transaction as defined under the Final Rule. However, we cannot guarantee that the rule will not negatively affect overall investor sentiment and potentially discourage investment in our Group.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk management is critical to the success of our business operations. Key operational risks that we face include human resource risk, information technology risk, financial reporting risk and compliance and intellectual property rights risks. See "Risk Factors" for a discussion of various risks and uncertainties that we face. We also face various market risks. In particular, we are exposed to credit, liquidity, interest rate and currency risks that arise in the normal course of our business.

In order to meet these challenges, we have established an audit committee, chaired by Ms. Xin Zhu, to oversee and manage the overall risks associated with our business operations from time to time. Our audit committee (i) proposes the appointment or removal of external auditors; (ii) supervises our internal audit system and its implementation; (iii) communicate and coordinate with internal and external audit; (iv) reviews our financial information and its disclosure; and (v) reviews our internal control system.

Financial Reporting Risk Management

We maintain a set of accounting policies in connection with our financial reporting risk management, such as financial reporting management policies, budget management policies, wealth management products investment policies, financial statements preparation policies and finance department and staff management policies. We have various procedures and IT systems to implement our accounting policies, and our finance department reviews our management accounts accordingly.

Human Resource Risk Management

We have set a number of standard operation procedures for human resource management in China and overseas, including the recruiting management policy, personnel records management policy, probation and employment policy, labor contract management policy, social insurance and housing provident fund management policy, training management policy, termination and resignation management policy and attendance and vacation policy. These procedures aim to mitigate our risks in insufficient recruitment, staff attrition, non-compliance with labor regulations, employee information management and others.

Internal Controls

We have engaged an internal control consultant to issue a long form report in connection with the internal control over financial reporting of our Company and our major operating subsidiaries and to report factual findings on our Company's entity-level controls and internal controls of various processes, including control environment, risk assessment, control activities, information and communication, monitoring activities, sales and receivables management, purchases and payment management, inventory management, production management, R&D management, human resources and remuneration management, treasury management, fix assets and intangible asset management, reporting and disclosure, tax, insurance, contract management and information system management. The Internal Control Consultant performed procedures between September 15, 2025 and November 17, 2025 on our internal control system.

We have adopted a series of internal control policies, measures and procedures to facilitate and ensure effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations, among other things. During the Track Record Period, we have regularly reviewed and enhanced our internal control system. The following is a summary of the internal control policies, measures and procedures we have implemented or plan to implement.

- We have set up an internal control department and an internal audit department, which are responsible for the overall internal control development and assessment of our Company.

- Our internal control department is responsible for issuing and amending internal control policies, measures and procedures to ensure that we maintain comprehensive and effective internal control.

- Our internal audit department organizes periodic inspections relating to the implementation of and adherence to the internal controls of each business department. We conduct internal control inspections through on-site visits, random samplings and other means. Upon completion of on-site visits, our internal audit department delivers to the head of the relevant business department information and statistics related to the risks discovered during the visits and any suggested remedial action. The head of the relevant business department is then required to carry out the relevant remedies.

- The head of each business department is responsible for implementing relevant internal control policies, measures and procedures and conducting regular reviews regarding the implementation of such policies, measures and procedures.

- We have implemented relevant internal control policies, measures and procedures for all of our business departments, educating the relevant employees about such policies, measures and procedures, addressing their questions, submitting suggested revisions to such policies, measures and procedures to the internal control department and regularly monitoring the implementation of such policies, measures and procedures.

- We have adopted various measures and procedures for all of our business operations, including project management, quality assurance, intellectual property protection, environmental protection and occupational health and safety. We provide our employees with regular training on these measures and procedures as part of our employee training program. We also regularly monitor the implementation of these measures and procedures through our internal audit department at each stage of the projects.

- Our internal control department has established a whistleblowing mechanism regarding complaints against our Directors, senior management, employees, customers and other business partners, and independent and fair investigation is conducted for any reported complaints. The internal control department has also established a hotline and specific email for our employees to report their complaints and inquiries. In addition, the internal control department has established whistleblowing policies that regulate the reporting channels, case officers, investigation procedures and the related results reports, and that explicitly state that retaliation against whistleblowers is prohibited.

- We have engaged a compliance adviser to provide advice to our Directors and management team for at least the period commencing from the Listing Date and ending on the date that our Company publishes its first full financial year results regarding matters relating to the Listing Rules.

LICENSES, APPROVALS AND PERMITS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant regulatory authorities that are material to our operations in China. The following table sets out the material licenses, approvals and permits that we had obtained as of the Latest Practicable Date.

License/Permit	Issuing Authority	Grant Date	Expiration Date
Type-Approval Certificate of Radio Transmitting Equipment (無線電發射設備型號核准證)	Ministry of Industry and Information Technology of the People's Republic of China	N/A[(1)]	N/A[(1)]
License for Network Connection of Telecommunications Equipment (電信設備進網許可證)	Ministry of Industry and Information Technology of the People's Republic of China	N/A[(2)]	N/A[(2)]
Customs Record Receipt of Consignees and Consignors of Imported and Exported Goods (海關進出口貨物收發貨人備案)	General Administration of Customs of the People's Republic of China	September 1, 2021	Long-term
High and New Technology Enterprises Certificate (高新技術企業)	Jiangsu Provincial Science and Technology Commission, Jiangsu Provincial Department of Finance, Jiangsu Provincial Tax Service of the State Taxation Administration	December 16, 2024	December 16, 2027

Notes:

(1) As of the Latest Practicable Date, we held 12 wireless radio transmission equipment model approval certificates (無線電發射設備型號核准證), which primarily apply to our products with wireless communication functionalities. The grant dates and expiration dates of such certificates vary by product model, ranging from July 21, 2023 to April 7, 2026 and from July 21, 2028 to April 7, 2031, respectively.

(2) As of the Latest Practicable Date, we held four telecommunications equipment network access licenses (電信設備進網許可證), which primarily apply to our products with wireless communication and network access functionalities. The grant dates and expiration dates of such licenses vary by product model, ranging from May 20, 2024 to April 30, 2026 and from May 20, 2027 to April 30, 2029, respectively.

Our PRC Legal Advisor is of the view that all material business licenses had remained in full effect and there is no material legal impediment in renewing the material licences.