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Application Proof of

Wuxi Autolink Intelligence Tech Co., Ltd.
無錫車聯天下智能科技股份有限公司

(the "**Company**")

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

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Wuxi Autolink Intelligence Tech Co., Ltd.
無錫車聯天下智能科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under the [REDACTED]	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
[REDACTED]	**HK$[REDACTED] per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**RMB[REDACTED] per H Share**
[REDACTED]	**[●]**

***Joint Sponsors,* [REDACTED]**

CICC 中金公司　　國泰海通 GUOTAI HAITONG | 海通國際 HAITONG

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ATTENTION

[REDACTED]

IMPORTANT

[**REDACTED**]

IMPORTANT

[**REDACTED**]

EXPECTED TIMETABLE[(1)]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[(1)]

[**REDACTED**]

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IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

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SUMMARY

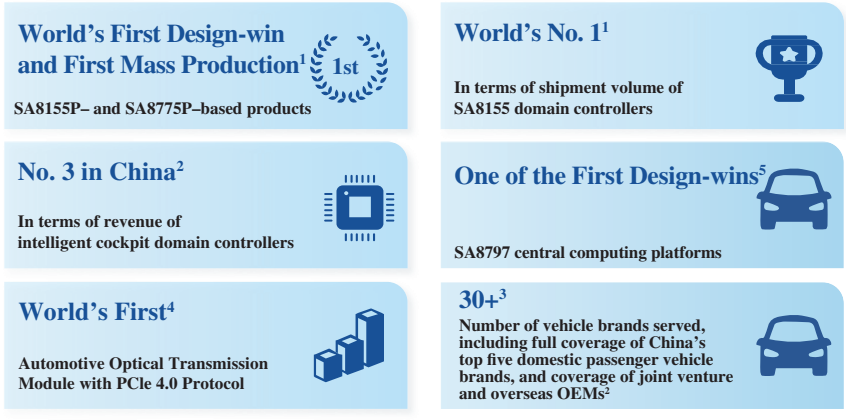
This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to invest in the [**REDACTED**]. *There are risks associated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

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 integrated 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 Qualcomm Snapdragon SA8155P–based intelligent cockpit domain controllers ("SA8155 domain controllers") in 2021 and Qualcomm Snapdragon Ride Flex SA8775P–based integrated ADAS and cockpit controllers ("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 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.

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 for intelligent cockpit domain controllers increased significantly, rising by 45 in 2024 and by 41 in 2025 as compared to their respective preceding year. 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 STRENGTHS

We believe that the following competitive strengths have contributed to our success and differentiate us from our competitors.

- Promoter of global automotive intelligence, pioneer in domain controller ecosystem and key player in intelligent cockpit domain controllers;
- Comprehensive product portfolio and reliable manufacturing capabilities;
- Full-stack in-house R&D and platform-based capabilities to achieve cost reduction and efficiency enhancement;
- Open and flexible collaborative ecosystem;
- Deepened customer partnerships, unlocking possibilities along automotive value chain; and
- Efficient team productivity and experienced management team.

See "Business—Our Competitive Strengths."

OUR STRATEGIES

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

- Driving industry transformation through continuing technological innovation;
- Expanding our core products and solutions;
- Strengthening and expanding customer engagement within an open industry ecosystem; and
- Accelerating global expansion.

See "Business—Our Growth Strategies."

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, 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.

Vehicle Computing Solutions

Our vehicle computing solutions integrate software and hardware capabilities across intelligent cockpit, ADAS and other key vehicle functions. This product line encompasses our 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.

- *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. As of December 31, 2025, our intelligent cockpit domain controller portfolio primarily comprised (i) AL-C1, intelligent cockpit domain controller based on Snapdragon SA8155P, (ii) AL-C2, intelligent cockpit domain controller based on Snapdragon SA8255P, (iii) AL-N1, intelligent cockpit domain controller based on SemiDrive X9HP, (iv) AL-M1, intelligent cockpit domain controller based on MT8675 and (v) AL-M2, intelligent cockpit domain controller based on MT8676. See "Business — Our Product Portfolio — Vehicle Computing Solutions — Intelligent Cockpit Domain Controller" for details.

- *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.

Zone Controller Solutions

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 controllers enable OEMs to simplify wiring harnesses, enhance reliability and reduce overall vehicle costs.

All product lines share a platform-based architecture and standardized interfaces, enabling seamless integration into a unified intelligent vehicle system. By leveraging shared software and hardware frameworks, we enhance R&D efficiency, product scalability and cross-project reusability.

We participate in OEM vehicle programs from early design stages to jointly define system requirements, perform hardware and software adaptation, and validate performance under production conditions. Through this co-development approach, we align our technology roadmap with OEM product strategies and accelerate commercialization.

We generate revenue from a combination of hardware sales, software licensing and R&D services. By integrating hardware, software and components into synergistic, upgradable systems, we help OEMs reduce development costs, accelerate time to market and enable ongoing value creation through OTA software updates and feature enhancements. Our business model positions us as a long-term strategic partner to OEMs in their transition toward SDVs.

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.

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 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. For details, see "Industry Overview."

OUR CUSTOMERS AND SUPPLIERS

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 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. In view of our reliance on major customers, we have adopted measures to reduce reliance. We are continuing to diversify and broaden our customer base by engaging with a wider range of OEMs and establishing overseas operation centers. At the same time, we are deepening our relationships with existing customers and working to strengthen customer loyalty by leveraging our technical capabilities and solutions-oriented expertise.

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.

PRE-[REDACTED] INVESTMENTS

Since our establishment, we have attracted certain Pre-[**REDACTED**] Investors and completed several rounds of financing to raise funds for the development of our business. For further information of the principal terms of the Pre-[**REDACTED**] Investments and the identity and background of our major Pre-[**REDACTED**] Investors, see "History, Development and Corporate Structure—Pre-[**REDACTED**] Investments."

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We are applying for the Listing under Rule 8.05(3) of the Listing Rules and satisfy the market capitalization/revenue test, among other things, with reference to (i) our revenue for the year ended December 31, 2024, being RMB2,655.6 million, which exceeds HK$500 million as required by Rule 8.05(3) of the Listing Rules; and (ii) our expected market capitalization at the time of the Listing, which, based on the low end of the [**REDACTED**] range, would exceed HK$4 billion as required by Rule 8.05(3) of the Listing Rules.

RISK FACTORS

There are certain risks and uncertainties involved in investing in our H Shares, some of which are beyond our control. These risks are set out in "Risk Factors" in this document. Some of the major risks we face include: (i) if our products and solutions do not keep pace with the changing market requirements of the automotive industry, or if there is a decline in the adoption of our products and solutions, our business, financial condition and results of operations could be adversely affected; (ii) if we fail to retain existing customers, attract new customers or increase the spending by our customers, our business and results of operations may be materially and adversely affected; (iii) the market for vehicle computing solutions is rapidly evolving. Changes in sales, production and market demand can materially and adversely affect our business, financial condition and results of operations; (iv) we rely on Bosch, our largest supplier, for the procurement of PCBAs and related services, and any disruption in such supply or deterioration in our relationship with Bosch could materially and adversely affect our operations; (v) we currently have a limited number of key customers for a significant portion of our revenue. If any of these customers reduce their purchases or terminate their business with us, our revenue could be adversely affected, subsequently our results of operations; (vi) our historical performance may not be indicative of our future growth or financial results. If we fail to effectively manage the growth of our business or retain key customers, our business, financial condition and results of operations could deteriorate; (vii) we incurred net loss and net operating cash outflows during the Track Record Period, and we cannot guarantee our future financial position; (viii) our net liabilities may expose us to liquidity risks; and (ix) if our customers choose to develop their own vehicle computing solutions instead of continuing to source from us, our business, financial condition and results of operations could be materially and adversely affected.

SUMMARY OF KEY FINANCIAL INFORMATION

The following tables set forth a summary of our consolidated financial statements for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary of consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements contained elsewhere in this document, including the related notes.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss, with line items in absolute amounts and as percentages of our revenue for the years indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*
	(RMB in thousands, except for percentages)					
Revenue	**2,297,665**	**100.0**	**2,655,571**	**100.0**	**2,065,266**	**100.0**
Cost of revenue	(1,894,526)	(82.5)	(2,225,957)	(83.8)	(1,746,172)	(84.5)
Gross profit	**403,139**	**17.5**	**429,614**	**16.2**	**319,094**	**15.5**
Other income	48,199	2.1	37,578	1.4	48,151	2.3
Other gains and losses	(93)	–	5,511	0.2	3,218	0.2
(Provision for)/reversal of impairment losses under expected credit loss model	(13,050)	(0.6)	(18,189)	(0.7)	12,404	0.6
Selling and marketing expenses	(31,798)	(1.4)	(51,709)	(1.9)	(55,552)	(2.7)
Administrative expenses	(77,464)	(3.4)	(94,979)	(3.6)	(93,446)	(4.5)
Research and development expenses	(406,584)	(17.7)	(367,664)	(13.8)	(336,857)	(16.3)
Change in fair value of paid-in capital with preferred rights	(92,379)	(4.0)	(157,817)	(5.9)	(428,952)	(20.8)
Share of results of associates	–	–	(2,530)	(0.1)	(3,061)	(0.1)
Finance costs	(31,167)	(1.4)	(32,954)	(1.2)	(23,835)	(1.2)
[**REDACTED**] expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Loss before tax	**(201,197)**	**(8.8)**	**(253,139)**	**(9.5)**	**(575,709)**	**(27.9)**
Income tax expense	–	–	–	–	–	–
Exchange differences arising on translation of foreign operations	–	–	–	–	(30)	–
Loss for the year and total comprehensive expense for the year attributable to owners of the Company	**(201,197)**	**(8.8)**	**(253,139)**	**(9.5)**	**(575,739)**	**(27.9)**
Loss per share	**–**	**–**	**–**	**–**	**–**	**–**
Basic and diluted (RMB)	(1.99)	–	(2.48)	–	(3.72)	–

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) as an additional financial measure. We believe that such non-IFRS measures facilitate comparisons of operating performance from year to year by eliminating potential impacts of certain items. We believe that such measure provides useful information for investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss (non-IFRS measure) as loss for the year excluding the effects of (i) change in fair value of paid-in capital with preferred rights, which does not arise from our ordinary course of business and is a non-cash fair value change related to our preferred rights capital instruments, which was converted on equity upon the termination of such preferred rights on September 30, 2025; and (ii) [**REDACTED**] expenses, which are one-off expenses related to the [**REDACTED**]. The adjustments have been consistently made during the Track Record Period. The following table sets forth the reconciliation of our loss for the year to adjusted net loss (non-IFRS measure) for the years indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss for the year	(201,197)	(253,139)	(575,709)
Add:			
Change in fair value of paid-in capital with preferred rights	92,379	157,817	428,952
[**REDACTED**] expense	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Adjusted net loss (non-IFRS measure)	**(108,818)**	**(95,322)**	**(129,884)**

Factors Contributing to Historical Net Losses

We were in a net loss position during the Track Record Period primarily because (i) we had a concentrated product portfolio during the Track Record Period and substantially all of our revenue was generated from SA8155 domain controllers; (ii) we incurred significant cost of revenue, primarily to procure raw materials, to support the manufacturing of our domain controllers; and (iii) we incurred significant research and development expenses for the development and iteration of our products. See "Business—Business Sustainability and Path to Profitability—Factors Contributing to Historical Net Losses" for details.

Fluctuations in Our Results of Operations

Our revenue increased by 15.6% from RMB2,297.7 million in 2023 to RMB2,655.6 million in 2024. This growth was primarily driven by the increase in the sales volume of SA8155 domain controllers from 623.8 thousand units in 2023 to 798.1 thousand units in 2024 reflecting our strategic decision to focus on the SA8155 platform and to secure design-wins with leading Chinese OEMs. Our revenue decreased by 22.2% from RMB2,655.6 million in 2024 to RMB2,065.3 million in 2025. This decline was primarily driven by a decrease in sales volume of SA8155 domain controllers from 798.1 thousand units to 563.1 thousand units, primarily due to the scale back of our cooperations with an OEM and a reduction in orders with another one. Notwithstanding the above, SA8155 domain controllers continued to demonstrate sustained market demand and commercial viability. Certain of our other OEM customers awarded us new design wins or increased their order volumes in 2025. Revenue attributable to our OEM customers other than the two customers mentioned above grew by approximately 31.0% from 2024 to 2025. In addition, we had been actively developing new product lines and expanding our customer base. In the second half of 2025, we began the commercialization of SA8255 domain controllers and SA8775 controllers.

Our gross profit increased from RMB403.1 million in 2023 to RMB429.6 million in 2024. Our gross profit margin decreased slightly from 17.5% in 2023 to 16.2% in 2024. The decrease in our gross profit margin was primarily due to a reduction in the average selling price of SA8155 domain controllers. Our gross profit decreased by 25.7% from RMB429.6 million in 2024 to RMB319.1 million in 2025. Our gross profit margin decreased from 16.2% in 2024 to 15.5% in 2025, because (i) the gross profit margin for SA8155 domain controllers decreased from 16.2% in 2024 to 16.0% in 2025, due to intense industry competition put pressure on the selling price of SA8155 domain

controllers. Despite such decrease, our gross profit margin for SA8155 domain controllers remained among the leading levels in the industry, according to Frost & Sullivan; and (ii) we recorded revenue from intelligent domain controllers based on other SoC platforms in 2025, which, in some cases such as MTK, had a relatively low gross profit margin.

Our net loss increased by 25.8% from RMB201.2 million in 2023 to RMB253.1 million in 2024. Excluding the impact of changes in paid-in capital with preferred rights, our adjusted net loss (non-IFRS measure) decreased by 12.4% from RMB108.8 million in 2023 to RMB95.3 million in 2024. This decrease in our adjusted net loss (non-IFRS measure) was primarily attributable to an increase in gross profit as discussed above, which was partially offset by (i) an increase in selling and marketing expenses by 62.6% from RMB31.8 million in 2023 to RMB51.7 million in 2024; and (ii) an increase in administrative expenses by 22.6% from RMB77.5 million in 2023 to RMB95.0 million in 2024. Our net loss increased by 127.5% from RMB253.1 million in 2024 to RMB575.7 million in 2025. Excluding the impact of changes in paid-in capital with preferred rights and [**REDACTED**] expenses, our adjusted net loss (non-IFRS measure) increased by 36.3% from RMB95.3 million in 2024 to RMB129.9 million in 2025. This increase in our adjusted net loss (non-IFRS measure) was primarily attributable to a decrease in gross profit as discussed above, which was partially offset by a decrease in research and development expenses by 8.4% from RMB367.7 million in 2024 to RMB336.9 million in 2025, primarily because our SA8155 domain controllers had entered a more mature stage of their lifecycle, and research and development expenses for these products decreased by approximately RMB95.7 million. At the same time, we reallocated research and development resources to our high-growth SA8255 domain controllers and SA8775 controllers, increasing combined investment in these two new products by approximately RMB62.8 million, in order to accelerate their commercialization and strengthen our core competitiveness in the future.

For details, see "Financial Information—Year-to-Year Comparison of Results of Operation."

Revenue

During the Track Record Period, we generated revenue from vehicle computing solutions and zone controller solutions. The following table sets forth a breakdown of our revenue by business segments for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Vehicle computing solutions	2,297,665	100.0	2,655,571	100.0	2,010,099	97.3
– *SA8155*	2,283,821	99.4	2,631,008	99.1	1,704,869	82.5
– *SA8255*	–	–	–	–	109,036	5.3
– *SA8775*	–	–	–	–	117,284	5.7
– *Others*(1)	13,844	0.6	24,563	0.9	78,910	3.8
Zone controller solutions	–	–	–	–	55,167	2.7
Total	**2,297,665**	**100.0**	**2,655,571**	**100.0**	**2,065,266**	**100.0**

Note:

(1) Primarily representing MTK domain controllers (including MT8675 and MT8676) and SemiDrive X9.

For an analysis of the reasons for fluctuations in our revenue during the Track Record Period, see "—Fluctuations in our Results of Operations" above.

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin by product lines during the Track Record Period:

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit/loss	Gross Margin	Gross Profit/loss	Gross Margin	Gross Profit/loss	Gross Margin
		%		%		%
	(RMB in thousands, except for percentages)					
Vehicle computing solutions	**403,139**	**17.5**	**429,614**	**16.2**	**318,286**	**15.8**
– *SA8155*	401,036	17.6	426,712	16.2	272,341	16.0
– *Others*(1)	2,103	15.2	2,902	11.8	45,945	15.1
Zone controller solutions	**–**	**–**	**–**	**–**	**808**	**1.5**
Total	**403,139**	**17.5**	**429,614**	**16.2**	**319,094**	**15.5**

Note:

(1) Including SA8255, X9, MTK series domain controllers, SA8775 series controllers and others.

For an analysis of the reasons for fluctuations in our gross profit and gross profit margin during the Track Record Period, see "—Fluctuations in our Results of Operations" above.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	172,673	262,771	552,085
Total current assets	2,087,241	2,390,090	1,896,615
Total assets	**2,259,914**	**2,652,861**	**2,448,700**
Total current liabilities	2,760,112	2,891,914	2,057,854
Total non-current liabilities	1,172,503	1,686,787	208,778
Total liabilities	**3,932,615**	**4,578,701**	**2,266,632**
Net current liabilities	**(672,871)**	**(501,824)**	**(161,239)**
Net (liabilities)/assets	**(1,672,701)**	**(1,925,840)**	**182,068**

Net current liabilities

Our net current liabilities decreased from RMB672.9 million as of December 31, 2023 to RMB501.8 million as of December 31, 2024, primarily due to (i) a decrease of RMB223.7 million in amounts due to related parties, primarily because we accelerated the settlement of our payables in line with industry practice; (ii) an increase of RMB361.1 million in notes receivables, which was primarily due to the increase in sales to certain OEM customers during the relevant years, where the notes were the main settlement method; and (iii) an increase of RMB109.8 million in cash and cash equivalents, which was primarily attributable to the proceeds from our Series D financing and increases in bank borrowings.

Our net current liabilities decreased from RMB501.8 million as of December 31, 2024 to RMB161.2 million as of December 31, 2025, primarily due to (i) a decrease of RMB626.1 million of our amounts due to Bosch from RMB1,201.3 million as of December 31, 2024 to RMB575.2 million as of December 31, 2025, reflecting that we accelerated the settlement of our payables to Bosch; (ii) a decrease in the current portion of our borrowings of RMB348.4 million as we optimized our capital structure; and (iii) an increase of RMB135.0 million in cash and cash equivalents as we obtained proceeds from Pre-[**REDACTED**] financing of RMB570.0 million.

See "Financial Information—Liquidity and Capital Resources."

Net liabilities

Our net liabilities increased from RMB1,672.7 million as of December 31, 2023 to RMB1,925.8 million as of December 31, 2024, primarily due to an increase of RMB585.7 million in paid-in capital with preferred rights. Excluding the impact of paid-in capital with preferred rights, our net liabilities would have decreased from RMB573.7 million as of December 31, 2023 to RMB241.1 million as of December 31, 2024, which was primarily attributable to: (i) a decrease of RMB223.7 million in amounts due to related parties, primarily because we accelerated the settlement of our payables in line with industry practice; (ii) an increase of RMB361.1 million in notes receivables, which was primarily due to the increase in sales to certain OEM customers during the relevant years, where the notes were the main settlement method; and (iii) an increase of RMB109.8 million in cash and cash equivalents, which was primarily attributable to the proceeds from our Series D financing and increases in bank borrowings.

Our net position improved significantly, turning from net liabilities of RMB1,925.8 million as of December 31, 2024 to net assets of RMB182.1 million as of December 31, 2025, primarily due to: (i) a decrease of RMB1,684.7 million in paid-in capital with preferred rights resulting from the termination of such preferred rights on September 30, 2025. Paid-in capital with preferred rights were subsequently converted from liabilities to equity; (ii) an increase of RMB135.0 million in cash and cash equivalents as we obtained proceeds from Pre-[**REDACTED**] financing of RMB570.0 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated cash flow statements for the years indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Operating cash flows before changes in working capital	(37,545)	(12,301)	(99,012)
Changes in working capital	(660,172)	(999,982)	(774,507)
Interest received	747	1,224	1,366
Net cash used in operating activities	(696,970)	(1,011,059)	(872,153)
Net cash (used in)/generated from investing activities	(108,517)	(200,175)	(251,493)
Net cash generated from financing activities	836,474	1,321,034	1,258,627
Net increase/(decrease) in cash and cash equivalents	**30,987**	**109,800**	**134,981**
Cash and cash equivalents at the beginning of the year	44,667	75,654	185,454
Exchange (losses)/gains on cash and cash equivalents	–	–	–
Cash and cash equivalents at the end of year	**75,654**	**185,454**	**320,435**

For the year ended December 31, 2023, 2024 and 2025, we incurred net cash used in operating activities of RMB697.0 million, RMB1,011.1 million and RMB872.2 million, respectively. Such an operating cash outflow was mainly due to our net losses throughout the Track Record Period. See "Business—Business Sustainability and Path to Profitability—Factors Contributing to Historical Net Losses" for details.

In addition, our operating cash outflow position was also attributable to the significant amount of notes receivable we received. As of December 31, 2023, 2024 and 2025, we recorded notes receivables of RMB424.2 million, RMB785.4 million and RMB285.5 million, respectively. To proactively manage our capital resources and cash flows, we transferred certain of our notes receivables to banks for cash (*i.e.* discounting) or to our suppliers as payment (*i.e.* endorsing) on a full recourse basis. See note 22 to the Accountants' Report set out in Appendix I in this document for details. These discounting arrangements were undertaken solely as part of our financing activities to enhance our working capital and were not related to our operating activities. Excluding the impact of settlements of notes receivables, our net operating cash outflow increased from RMB161.1 million in 2023 to RMB346.1 million in 2024 and subsequently increased to RMB598.0 million in 2025. See "Financial Informaiton—Liquidity and Capital Resources—Cash Flows" for details.

Net operating cash outflows may pose certain risks for our operations, including risks related to our working capital sufficiency. See "Risk Factors—Risks Relating to Our Business and Industry—We incurred net loss and net operating cash outflows during the Track Record Period." We plan to adopt various measures to increase profitability. See "Business—Business Sustainability and Path to Profitability."

Key Financial Ratios

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

	For the Year Ended/As of December 31,		
	2023	**2024**	**2025**
Gross profit margin (%)[(1)]	17.5	16.2	15.5
Current ratio[(2)]	0.76	0.83	0.92
Quick ratio[(3)]	0.64	0.79	0.80

Notes:

(1) Gross profit margin equals gross profit divided by revenues for the year and multiplied by 100%.

(2) Current ratio is calculated as total current assets divided by total current liabilities at the end of the year.

(3) Quick ratio is calculated as current assets less inventories divided by current liabilities at the end of the year.

[REDACTED] STATISTICS

	Based on the [REDACTED] of HK$[REDACTED] per H Share	**Based on the [REDACTED] of HK$[REDACTED] per H Share**
Market capitalization of our Shares[(1)]	HK$[**REDACTED**]	HK$ [**REDACTED**]
Unaudited [**REDACTED**] adjusted consolidated tangible assets attributable to owners of the Company per Share[(2)]	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on the assumptions that (i) the Share Subdivision is completed; (ii) the [**REDACTED**] is completed and [**REDACTED**] H Shares are newly issued in the [**REDACTED**], (iii) [**REDACTED**] Unlisted Shares will be converted into H shares upon the completion of the [**REDACTED**]; (iv) the [**REDACTED**] is not exercised and the options granted under the Pre-[**REDACTED**] Share Option Scheme are not exercised; and (v) [**REDACTED**] Shares are issued and outstanding following the completion of the [**REDACTED**].

(2) The unaudited [**REDACTED**] adjusted consolidated tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share is calculated based on [**REDACTED**] Shares, being the number of Shares expected to be in issue immediately following the completion of the [**REDACTED**]. The calculation of such Shares expected to be in issue has taken into account of share division of 1 to 10 shares to be completed before the [**REDACTED**], as referred to the section headed "History, Development and Corporate Structure".

DIVIDEND

We did not declare or pay dividends on our H Shares during and after the Track Record Period. We do not have any formal dividend policy or pre-determined dividend payout ratio. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that it is required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As advised by our PRC Legal Adviser, our Company may not declare and pay dividends before making up for the accumulated losses and setting aside the required reserve fund in accordance with the PRC laws and regulations. There is no assurance that dividends of such amount or any amount will be declared or distributed each year or in any year.

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the midpoint of the range of the [**REDACTED**] stated in this document), we estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**] commissions and other estimated expenses in connection with the [**REDACTED**] (assuming the [**REDACTED**] is not exercised). We intend to use our [**REDACTED**] for the purposes and in the amounts set forth below.

- Approximately [50.0]% (or HK$[**REDACTED**]) will be used for the research and development of intelligent vehicle solutions, of which,
  - approximately [31.0]% (or HK$[**REDACTED**]) will be allocated to the development of vehicle computing solutions;
  - approximately [11.0]% (or HK$[**REDACTED**]) will be allocated to AI capability enhancement, focusing on AI engineering and product capabilities, data processing platforms and AI Agent products integrating cloud-edge collaboration for personalized and real-time user experiences;
  - approximately [8.0]% (or HK$[**REDACTED**]) will be used for the development of next-generation zone controller to enhance distributed data processing, signal control and power distribution capabilities across vehicle regions, supporting safe, efficient and coordinated intelligent-vehicle operation;

- Approximately [23.0]% (or HK$[**REDACTED**]) will be used to strengthen our internationalization capabilities;
- Approximately [17.0]% (or HK$[**REDACTED**]) will be used to enhance our production capabilities; and
- Approximately [10.0]% (or HK$[**REDACTED**]) will be used for working capital and other general corporate purposes

[**REDACTED**] EXPENSES

Based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], the total estimated [**REDACTED**] expenses in relation to the [**REDACTED**] is approximately RMB[**REDACTED**] (assuming the [**REDACTED**] is not exercised), representing [**REDACTED**]% of the total gross [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] (equivalent to RMB[**REDACTED**]). We incurred [**REDACTED**] expenses of [**REDACTED**] as of December 31, 2025. We expect to incur [**REDACTED**] expenses of approximately RMB[**REDACTED**], of which RMB[**REDACTED**] is expected to be charged to our consolidated statement of comprehensive income and RMB[**REDACTED**] will be deducted from equity. The amount of the [**REDACTED**]-related expenses of approximately RMB[**REDACTED**], which mainly includes [**REDACTED**], is expected to be accounted for as a deduction from equity upon the completion of the [**REDACTED**]. The amount of the non-[**REDACTED**]-related expenses of approximately RMB[**REDACTED**] primarily include fees and expenses of legal advisers and accountants of RMB[**REDACTED**] and other fees and expenses of RMB[**REDACTED**].

RECENT DEVELOPMENTS

Subsequent to the Track Record Period, we have made continued progress in expanding our mass-production pipeline with three of our intelligent cockpit domain controller solution projects entering mass production. In addition, we secured six design wins, including vehicle computing solutions based on our AL-C1 series, AL-C2 series and the Qualcomm 8797-based central computing platform ("SA8797 central computing platform"), as well as one zone controller solution. These include a design win of Qualcomm 8797-based central computing platform from a German OEM. This further strengthens our mass-production portfolio across multiple product lines and SoC platforms, as well as our overseas capabilities.

In addition, our Autosee OS obtained a new design win with a leading NEV OEM subsequent to the Track Record Period. 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, and establishes a solid commercial foundation for expanding into the overseas intelligent voice markets.

We expect our net loss (non-IFRS measure) in 2026 to increase as compared with 2025, primarily because we are incurring significant investments in product iteration for our next-generation products. As a result, we have seen higher research and development expenses as we continue to iterate on and broaden our product portfolio.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, save as disclosed above, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 (being the end date of the year reported on in the Accountants' Report in Appendix I to this document) and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.

CSRC FILING

We submitted a filing to the CSRC for application of listing of the H Shares on the Stock Exchange and the [**REDACTED**] on December 3, 2025. The CSRC [confirmed] our completion of filing on [●].

In this document, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in "Glossary of Technical Terms" of this document.

DEFINITIONS

"Accountants' Report"	the accountants' report for the Track Record Period prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the text of which is set out in Appendix I to this document;
"Acting in Concert Agreement"	an agreement dated May 16, 2023, pursuant to which Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou and one then Shareholder who has ceased to be Shareholder as of the Latest Practicable Date confirmed and agreed that, since they became shareholders of the Company, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until one year after the Listing;
"Articles of Association" or "Articles"	the articles of association of our Company adopted on November 28, 2025 which shall become effective as of the date on which the H Shares are listed on the Stock Exchange, as amended from time to time, a summary of which is set out in "Appendix V—Summary of Articles of Association" to this document;
"associates"	has the meaning ascribed to it under the Listing Rules;
"Audit Committee"	the audit committee of the Board;
"BIS"	U.S. Department of Commerce, Bureau of Industry and Security
"Board" or "Board of Directors"	the board of Directors;
"business day"	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong;

[**REDACTED**]

"Chelian Yijia"	Wuxi Chelian Yijia Investment Management Partnership (L.P.) (無錫車聯壹家投資管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 6, 2015, one of our Employee Shareholding Platforms and a member of our Single Largest Group of Shareholders;
"Chelian Zhijia"	Wuxi Chelian Zhijia Investment Management Partnership Enterprise (L.P.) (無錫車聯之家投資管理合夥企業(有限合夥)), a limited partnership established in the PRC on July 17, 2020, one of our Employee Shareholding Platforms and a member of our Single Largest Group of Shareholders;
"China" or "PRC"	The People's Republic of China, but for the purpose of this document and for geographical reference only and except where the context requires otherwise, references in this document to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan;
"Beijing Cherongtong"	Beijing Cherongtong Investment Management Co., Ltd. (北京車融通投資管理有限公司), a limited company established in the PRC on December 10, 2013, and a member of our Single Largest Group of Shareholders;
"close associates(s)"	has the meaning ascribed to it under the Listing Rules;
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Companies (Winding up and Miscellaneous Provisions) Ordinance"	the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Company"	Wuxi Autolink Intelligence Tech Co., Ltd. (無錫車聯天下智能科技股份有限公司), a limited liability company established in the PRC on August 4, 2014 and further converted into a joint stock limited company on November 18, 2025;
"Company Law" or "PRC Company Law"	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time;
"Comprehensively Sanctioned Countries"	any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdiction, currently Cuba, Iran, North Korea, Syria, the Crimea Region of Russia/Ukraine, the self-proclaimed Luhansk People's Republic (LPR) and Donetsk People's Republic (DPR) regions and Zaporizhzhia and Kherson regions

"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules;
"Corporate Governance Code"	the Corporate Governance Code (Appendix C1 to the Listing Rules), as amended, supplemented or otherwise modified from time to time;
"Designated Bank"	HKSCC Participant's EIPO Designated Bank;
"Director(s)"	the director(s) of our Company;
"EAR"	United States Export Administration Regulations, 15 C.F.R. Parts 730-774
"EIT Law"	the PRC Enterprise Income Tax Law (中華人民共和國企業所得税法), as enacted by the NPC on March 16, 2007 and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time;
"Employee Shareholding Platforms"	collectively, Chelian Yijia and Chelian Zhijia, and an Employee Shareholding Platform shall mean each or any of them;
"Extreme Conditions"	extreme conditions as announced by the government of Hong Kong;
"Fast Interface for New Issuance" or "FINI"	an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all New Listings;
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent professional market research and consulting company;
"Frost & Sullivan Report"	the report with respect to this [**REDACTED**] issued by Frost & Sullivan;
"General Rules of HKSCC"	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
	[**REDACTED**]
"Group"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be);

"Guangdong Dezaihou"	Guangdong Dezaihou Jialian Management Consulting Partnership (L.P.) (廣東德載厚嘉聯管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on February 2, 2023, and a member of our Single Largest Group of Shareholders;
"Guide"	The Guide for New Listing Applicants, as published by the Stock Exchange on November 29, 2023 and effective on January 1, 2024, as amended or supplemented or otherwise modified from time to time;
"H Share(s)"	[**REDACTED**]
"H Share Registrar"	[**REDACTED**]

[**REDACTED**]

"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC;
"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant;
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong dollar(s)" or "HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong;

[**REDACTED**]

[**REDACTED**]

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited;

[**REDACTED**]

"Independent Third Party(ies)"	individuals or company(ies), who or which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules;

[**REDACTED**]

[**REDACTED**]

"Joint Sponsors"	the joint sponsors as named in "Directors and Parties Involved in the [**REDACTED**]";
"Latest Practicable Date"	[May 22, 2026], being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication;
"Laws"	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, directives, requests, orders, judgments, decrees, or rulings of any Governmental Authority (including the Stock Exchange and the SFC) of all relevant jurisdictions;
"Listing"	the listing of our H Shares on the Main Board;
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange;

[**REDACTED**]

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented or otherwise modified from time to time;
"Lited Group"	Lited Group Co., Ltd. (利泰集團有限公司), a limited liability company established under the laws of the PRC on March 12, 1998, and a member of our Single Largest Group of Shareholders;
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange;
"Mr. Yang"	Mr. Yang Hongze (楊泓澤), an executive Director, the chief executive officer, the chairman of the Board and a member of our Single Largest Group of Shareholders;
"NEEQ"	the National Equities Exchange and Quotations (全國中小企業股份轉讓系統), a PRC over-the-counter system for trading shares of public companies;

"Nomination Committee"	the nomination committee of the Board;
"OFAC"	the U.S. Department of Treasury's Office of Foreign Assets Control

[**REDACTED**]

"PRC government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organizations of such government or, as the context requires, any of them;
"PRC Legal Advisers"	Commerce & Finance Law Offices, our [**REDACTED**] as to PRC laws in connection with the [**REDACTED**];
"Pre-[**REDACTED**] Investment(s)"	the pre-[**REDACTED**] investments in our Company, details of which are set out in "History, Development and Corporate Structure—Pre-[**REDACTED**] Investments" in this document;
"Pre-[**REDACTED**] Investor(s)"	the investor(s) of the Pre-[**REDACTED**] Investments;
"Pre-[**REDACTED**] Share Option Scheme"	the pre-[**REDACTED**] share option scheme of our Company adopted on November 28, 2025;

[**REDACTED**]

[**REDACTED**]

"document" or "document"	this document being issued in connection with the [**REDACTED**];
"QIB"	a qualified institutional buyer within the meaning of Rule 144A;
"Region subject to International Sanctions"	any country or territory subject either to a general and comprehensive embargo or a more limited set of export, import, financial or investment restrictions under sanctions related laws or regulation of the Relevant Jurisdiction
"Regulation S"	Regulation S under the U.S. Securities Act;
"Relevant Jurisdiction"	any jurisdiction that is relevant to the Company and has sanctions related law or regulation restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assess or certain countries, governments, person or entities targeted by such law or regulation. For the purpose of this document, Relevant Jurisdictions include the U.S., EU, UK, UN and Australia
"Relevant Region"	Hong Kong
"Remuneration Committee"	the remuneration committee of the Board;
"Renminbi" or "RMB"	the lawful currency of the PRC;
"Rule 144A"	Rule 144A under the U.S. Securities Act;
"Sanctioned Person"	certain person(s) and identity(ies) listed on OFAC's Specially Designated Nationals and Blocked Persons List or other restricted parties lists maintained by the U.S., EU, UK, UN or Australia
"SDN"	individuals and entities that are listed on the SDN List
"SDN List"	the list of Specially Designated Nationals, and Blocked Persons maintained by OFAC, which sets forth individuals and entities that are subject to its sanctions and restricted from dealings with U.S. persons
"Securities and Futures Commission" or "SFC"	the Securities and Futures Commission of Hong Kong;

"Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB[0.10] each upon the completion of the Share Subdivision, and with a nominal value of RMB1.00 each before the completion of the Share Subdivision, comprising our H Shares;
"Share Subdivision"	the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB[0.10] each;
"Shareholder(s)"	holder(s) of our Share(s);
"Shenzhen Dezaihou"	Shenzhen Dezaihou Jialu Venture Capital Partnership (L.P.) (深圳德載厚嘉陸創業投資合夥企業(有限合夥)), a limited partnership established in the PRC on February 8, 2023, and a member of our Single Largest Group of Shareholders;
"Single Largest Group of Shareholders"	the group of Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Zhicheng Automotive, Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌) and Guangdong Dezaihou, each as a member of our Single Largest Group of Shareholders;
	[**REDACTED**]
"State Council"	the State Council of the PRC (中華人民共和國國務院);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited;
	[**REDACTED**]
"State Council"	State Council of the PRC (中華人民共和國國務院);
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules;
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"Track Record Period"	the years ended December 31, 2023, 2024 and 2025;
	[**REDACTED**]

"Unlisted Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB[0.10] each upon completion of the Share Subdivision, which were subscribed for or credited as paid in Renminbi and held by domestic Shareholders;
"US$" or "US dollars"	United States dollar(s), the lawful currency of the United States;
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
"U.S. persons"	U.S. persons as defined in Regulation S;
"U.S. Securities Act"	United States Securities Act of 1933, as amended, supplemented or otherwise modified from time to time;
"we," "us" or "our"	the Company or the Group, as the context requires;
"Wenzhou Xunsheng"	Wenzhou Xunsheng Venture Capital Partnership (L.P.) (溫州巽昇創業投資合夥企業(有限合夥)), a limited partnership established in the PRC on October 10, 2022, and a member of our Single Largest Group of Shareholders;

[**REDACTED**]

"2016 Pre-[**REDACTED**] Employee Shareholding Scheme"	the 2016 pre-[**REDACTED**] employee shareholding of our Company adopted on December 15, 2016, and amended and took effect on November 28, 2025;
"2025 Pre-[**REDACTED**] Employee Shareholding Scheme"	the 2025 pre-[**REDACTED**] employee shareholding of our Company adopted on November 28, 2025;
"Zhicheng Automotive"	Beijing Zhicheng Automotive Technology Co., Ltd. (北京致程汽車科技有限公司) is a limited liability company established under the laws of the PRC on February 27, 2018, and a member of our Single Largest Group of Shareholders;

ACRONYMS

"AFRC"	the Accounting and Financial Reporting Council of Hong Kong;
"CAGR"	compounded annual growth rate, which is calculated by dividing the amount at the end of the period by the amount of the beginning of that period, raising the result to an exponent of one divided by the number of years in the period, and subtracting one from the subsequent result;

"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC;
"CNIPA"	National Intellectual Property Administration of the PRC (國家知識產權局);
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會);
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited;
"IASB"	International Accounting Standards Board;
"IFRS"	International Financial Reporting Standards;
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會);
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC;
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局);
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time;
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家税務總局); and
"VAT"	value-added tax.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in the document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

Certain amounts and percentage figures included in this document were subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them.

For the purpose of this document, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

GLOSSARY OF TECHNICAL TERMS

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

"AI"	artificial intelligence;
"ADAS"	advanced driver assistance system, a suite of technologies that assist drivers in driving and parking functions, such as lane-keeping, adaptive cruise control, and emergency braking;
"AGI"	artificial general intelligence, an envisaged stage in the development of machine learning in which an artificial intelligence system can match or exceed the cognitive abilities of human beings across any task;
"ASIL-B/D"	automotive safety integrity level B/D, classification under ISO 26262 that defines a moderate level of risk reduction required to ensure functional safety in automotive systems;
"AR"	augmented reality, the real-time integration of digital information into a user's environment;
"AR-HUD"	augmented reality heads-up display, technology that projects digital information directly onto a transparent display, such as the windshield, within the driver's field of view;
"automotive-grade"	a quality level indicating that components meet strict durability, reliability and safety standards required for use in vehicles;
"API"	application programming interface, a set of commands, functions, protocols and objects that programmers can use to create software or interact with an external system;
"VPA"	virtual personal assistant, AI-powered voice assistant, a software application designed to respond to voice commands and perform tasks;
"AVM"	around view monitor, also known as a 360-degree camera system, a technology used in vehicles to provide the driver with a bird's-eye view of the vehicle and its surroundings;
"AOI"	automated optical inspection, a fully automated system that utilizes advanced image capturing and processing technologies to inspect products for defects during quality control, primarily in the manufacturing of printed circuit boards and other electronic components;

GLOSSARY OF TECHNICAL TERMS

"ASPICE"	automotive software process improvement and capability determination, a process assessment framework for the automotive industry that evaluates software development capabilities;
"BSW"	basic software, a collection of modules made up of software files and descriptions that provide certain fundamental software functions used on an electronic control unit (ECU). Standard software may be composed of several software modules that are developed independently;
"BSP"	board support package, a collection of software that acts as the vital interface between an operating system and specific hardware;
"BOM"	bill of materials, a comprehensive blueprint for constructing, manufacturing or repairing a product, which details the raw materials, components and step-by-step instructions needed to ensure efficient production;
"CPU"	central processing unit, a complex set of electronic circuitry that runs the machine's operating system and applications;
"communication interfaces"	a system or method used to facilitate the exchange of information between different components, enabling integration and interaction in various design scenarios;
"domain controller"	the centralized management of electronic functions within a specific area of the vehicle, such as infotainment or powertrain;
"design-win"	an industry term referring to successful selection of a suppliers' product or solution for integration into an OEM's vehicle model;
"DMS"	driver monitoring system, an advanced safety technology designed to track and analyze a driver's behavior and physiological state while operating a vehicle;
"DMIPS"	Dhrystone million instruction per second, a standard metric to evaluate the integer processing capabilities;
"E/E architecture"	electrical and electronic architecture, the integrated system that manages all electronic components within the vehicle, including but not limited to control units, domain control chips and software infrastructure;
"ECUs"	electronic control units, embedded systems in automotive electronics that control one or more of the electrical systems or subsystems in a motor vehicle;
"EOL"	end-of-line, the final stage in a manufacturing or production process where finished products are prepared for shipment. This can include activities such as packaging, labeling and quality control checks before the products are shipped to customers or distribution centers;

GLOSSARY OF TECHNICAL TERMS

"Ethernet"	a standard, wired networking technology used to connect computers, servers and networking devices within a local area network;
"ERP"	enterprise resource planning, a system that integrates and manages all major resources and functions of a business, which aims to streamline processes, enable information sharing across departments, and support business decision-making;
"FCT"	functional circuit test, a manufacturing process for printed circuit boards (PCBs) that checks the functionality of the circuits to ensure they are free of defects before progressing to the next production stage;
"GPU"	graphic processing unit, a processor designed to handle graphics operations, such as 2D and 3D calculations and rendering;
"HAL"	hardware abstraction layer, a software component that acts as an interface between the hardware and the operating system;
"holographic displays"	a type of display that creates 3D digital content through the diffraction of light, utilizing holograms to produce projected images that can be viewed from multiple angles and perspectives;
"HMI"	human-machine interaction, a framework that enables differentiated cockpit designs for OEM customers and delivers a game-grade 3D experience based on an independent graphics engine;
"IoT"	internet of things, a network of interconnected devices that communicate and exchange data over the internet;
"ICV"	intelligent connected vehicle, a vehicle equipped with internet connectivity and onboard intelligence that allow for data exchange with other vehicles, infrastructure and cloud services;
"IATF 16949"	a standard that establishes the requirements for a quality management system, specifically for the automotive sector;
"ISO 26262"	an international standard for the functional safety of electrical and electronic systems in production automobiles;
"ISO/SAE 21434"	a standard under ISO for the electrical and electronic (E/E) systems of mass-produced road vehicles, including software and related components and interfaces;
"ICT"	in-circuit test, a testing mechanism designed to evaluate and verify individual components on a printed circuit board assembly;

"IQC"	in-coming quality control, the quality control procedures and inspections carried out on incoming raw materials, components or parts before they are accepted into the production process;
"LLM"	large language model, a deep learning model trained on vast amounts of textual data, enabling it to generate natural language text or understand the meaning of language text;
"MOM"	manufacturing operations management, a holistic approach to managing and enhancing manufacturing processes from beginning to end;
"mass-production"	the large-scale manufacturing of vehicles or components to achieve economies of scale;
"MES"	manufacturing execution system, a system used in manufacturing to track and document the transformation of raw materials to finished products in a production plant;
"NPU"	neural processing unit, a specialized processor designed for executing machine learning algorithms;
"NPI"	new product introduction, a process in which an idea is taken from the first working prototype to a refined and reproducible product;
"NRE"	non-recurring engineering, the one-time costs required to research, design, develop and test a new product or system before regular production begins;
"OTA"	over-the-air, the wireless delivery of software updates and patches to vehicles without the need for physical access;
"OEM"	original equipment manufacturer, an automaker that integrates components and systems, often supplied by third parties, into finished vehicles for sale to consumers in the automotive industry;
"OMS"	occupant monitoring system, a technology that tracks and assesses the presence, position and condition of vehicle occupants;
"PLM"	product lifecycle management, the handling of a good as it moves through the typical stages of its product life, such as development and introduction, growth, maturity/stability and decline;
"POI"	point of interest;
"PCB"	printed circuit board, a flat board that supports and electrically connects electronic components, which uses conductive pathways etched onto its surface to facilitate their operation;

"PCBA"	printed circuit board assembly, the assemblies of electronic components on a PCB;
"SOA"	service-oriented architecture, a design paradigm where software applications are structured as discrete, interoperable services, which communicate over a network to provide functionality and enable integration across different systems;
"SoC"	system-on-a-chip, semiconductor solutions designed for managing specific electronic domains in vehicles, integrating processing power, memory, and connectivity functions to support advanced domain control features;
"SMT"	surface-mount technology, a method in which the electrical components are mounted directly onto the surface of a printed circuit board;
"SOR"	specification of requirement, a document that defines and specifies the needs, expectations, and objectives of a project, and outlines the requirements that must be met to achieve those objectives;
"SDV"	software-defined vehicle, a vehicle whose core functions and features are increasingly controlled, managed and enhanced by software rather than traditional physical hardware;
"SOP"	start of production, the scheduled date on which a new vehicle model of an OEM enters mass production at the OEM's manufacturing facility; it typically marks the beginning of commercial delivery for the embedded software or hardware systems that have been designed and validated for integration into that model;
"SDK"	software development kit, a collection of software used for developing applications for a specific device or operating system;
"SPI"	solder paste inspection, a process of verifying that solder paste has been applied correctly to a PCB;
"T-Box"	telematics box, a telematics control unit that enables wireless data communication between a vehicle and external systems, supporting functions such as remote diagnostics, vehicle tracking and connectivity services;
"TOPS"	trillions of operations per second, a measure of a chip's processing power;
"Urban NOA"	urban navigate on autopilot, an ADAS enabling vehicles to autonomously navigate complex city environments;

"V2X"	Vehicle-to-Everything, a communication technology that allows vehicles to share real-time data with their surroundings;
"VIN"	vehicle identification number, a 17 characters (digits and capital letters) that act as a unique identifier for the vehicle;
"VLM"	vision-language models, artificial intelligence models that blend computer vision and natural language processing capabilities; and
"VLA"	vision language action, multimodal artificial intelligence systems that unify visual perception, language comprehension and physical action generation into a single framework.

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains certain forward-looking statements and information relating to our Company and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "could," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to our Group or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- estimates of our costs, expenses, future revenues, capital expenditures and our needs for additional financing;
- our ability to attract and retain senior management and key employees;
- our operations and business prospects;
- future developments, trends, conditions and competitive landscape in the industry and markets in which we operate;
- changes to regulatory and operating conditions in the industry and markets in which we operate;
- our strategies, plans, objectives and goals and our ability to successfully implement them;
- our financial condition and operating results and performance;
- industry trends and competition; and
- general political and economic conditions;

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to the cautionary statements in this section.

In this document, statements of or references to our intentions or those of our Directors are made as of the date of this document. Any such information may change in light of future developments.

An investment in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. In any such case, the market price of our H Shares could decline and you may lose all or part of your investment.

These factors are contingencies that may or may not occur and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof and is subject to the cautionary statements in the section titled "Forward-looking Statement" of this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

If we fail to keep pace with the changing market requirements, maintain market acceptance of our products and solutions or retain and attract customers, our business, financial condition and results of operations could be adversely affected.

We sell our products and solutions to OEMs for incorporation into their vehicle models, which are then sold to consumers. Accordingly, our success depends on both our ability to develop and upgrade technologies and solutions that align with OEMs' product roadmaps and the rapid technological evolution of the automotive industry, and continued adoption of our products and solutions by existing and new customers.

Our business and growth prospects are also closely tied to our ability to satisfy new technological standards and meet consumer expectations. However, we may not be able to develop or introduce new technologies quickly enough or improve existing ones to address emerging industry requirements. If our technologies and solutions do not evolve in line with OEMs' roadmaps or fail to deliver the functionality, reliability, security and cost-effectiveness that OEMs and consumers demand, we risk diminished market acceptance and reduced business performance. Even technically robust products can struggle if OEMs and consumers do not recognise their value or if competitors outperform us in terms of price, brand strength, technology or channel relationships.

In China, our current primary market, the broader adoption of smart vehicle technologies depends on factors such as extent of functionalities, total costs, driver and passenger preferences and overall awareness of in-vehicle intelligence solutions. There is no guarantee that our products and solutions will gain or maintain wide recognition among OEMs or consumers.

Our ability to retain existing customers, attract new customers or increase customer spending also depends on a range of factors, some of which are beyond our control. These factors include changes in OEM procurement strategies or vehicle development priorities, increased competition from domestic or international technology providers, shifts in technology standards or regulatory requirements and our ability to deliver consistent product performance, maintain cost competitiveness and achieve timely innovation.

As we expand our customer base and work with an increasingly diverse set of OEM partners, we might struggle to tailor our products and solutions to each customer's unique requirements or to sustain the high level of support they expect. Our ability to retain current customers and attract new ones may also be adversely affected due to our failure to meet customer service expectations, inability to hold or apply for certain licenses, permits or qualification or customer's decision to develop their vehicle computing solutions.

If we are unable to keep pace with evolving market requirements, maintain broad OEM and consumer acceptance of our products and solutions, retain our existing OEM customers, attract new ones or increase customer spending on our offerings, our business, results of operations and financial condition could be adversely affected.

We derived a significant portion of our revenue from SA8155 domain controllers during the Track Record Period and any decline in demand for, pricing of, or market acceptance of such products would materially and adversely affect our business, financial condition and results of operations.

We derived a significant portion of our revenue from SA8155 domain controllers during the Track Record Period, and any decline in demand for, pricing of, or market acceptance of the SA8155 domain controllers would materially and adversely affect our business, financial condition and results of operations. In 2023, 2024 and 2025, our revenue derived from SA8155 domain controllers amounted to RMB2,283.8 million, RMB2,631.0 million and RMB1,704.9 million, representing 99.4%, 99.1% and 82.5% of our total revenue, respectively.

This concentration of revenue in a single product line exposes us to significant risks. As newer and more advanced SoCs are introduced to the market and as industry competition intensifies, the price of SA8155 domain controllers has declined. Our average selling price for SA8155 domain controllers declined from RMB3,661 in 2023 to RMB3,296 in 2024 and further to RMB3,028 in 2025 due to intensified competition. This pricing pressure may continue as the automotive intelligent cockpit market evolves and as OEM customers seek to reduce costs through their supply chains.

Our ability to offset such declines depends on the successful commercialization and market acceptance of next-generation products, such as SA8255, SA8775, MT8675 and MT8676, as well as our ability to attract new customers or secure increased order volumes from our existing customers for SA8155 domain controllers. There can be no assurance that we will be able to develop, commercialize or scale our next-generation products in a timely manner or at all. If we are unable to maintain our existing customers or secure new customers for SA8155 domain controllers, or grow revenue from our next-generation products, our business, financial condition and results of operations could be materially and adversely affected.

The market for vehicle computing solutions is rapidly evolving. Changes in sales, production and market demand can materially and adversely affect our business, financial condition and results of operations.

Demand for smart vehicle technologies and solutions depends to a large extent on general, economic, political and social conditions in each market, as well as consumers' sentiment upon smart vehicle technologies. The market opportunities we are pursuing are at an early stage of development and it is difficult to predict market demand or adoption rates for our products and solutions or the future growth of the markets in which we operate. Despite our continued substantial investments in research and development, our technologies require sustained significant investment and may never be commercially successful on a large scale or at all.

Further, even if we succeed in operating on a commercial scale, key industry participants may decline to adopt our products and solutions or develop competing technologies. Any of these developments could materially harm our business, results of operations and financial conditions. Furthermore, our business faces potential setbacks from regulatory, safety and reliability concerns, many of which are beyond our control. Public perception plays a significant role and any loss of confidence in smart vehicle technologies may affect our potential customers and partners. Incidents involving vehicles with vehicle computing solutions, even those unrelated to our products and solutions and technologies, may lead to severe negative publicity. Such incidents can provoke calls

for suspension or stricter regulation of our products and solutions as well as more rigorous industry standards. If the broader issues of safety and reliability in vehicle computing solutions are not satisfactorily resolved, our business, prospects, operating results and financial condition could be materially harmed.

We rely on Bosch, our largest supplier, for the procurement of PCBAs and related services, and any disruption in such supply or deterioration in our relationship with Bosch could materially and adversely affect our operations.

Bosch was our largest supplier during the Track Record Period. In the years ended December 31, 2023, 2024 and 2025, we procured PCBAs and related R&D services from Bosch in connection with its R&D activities on the PCBAs, 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 purchase, respectively. See "Business—Our Suppliers—Our Relationship with Bosch."

Although we seek to maintain stable relationships with Bosch, we remain subject to risks associated with supplier concentration. Any interruption in the supply of these components, whether due to shortages, capacity constraints, geopolitical tensions, regulatory restrictions, price increases, changes in business priorities or contractual terms or the supplier's own operational issues, could result in delays or increased costs in the production and delivery of our products and solutions.

In addition, if Bosch were to discontinue supply, materially alter its commercial terms or cease operations or if we enter into disputes with Bosch, we may not be able to secure alternative sources on a timely basis or on terms commercially acceptable to us. Re-qualifying alternative suppliers, especially for components requiring stringent automotive-grade certification, could be time-consuming and may involve additional development and testing costs. See "Business—Our Supplier—Our Relationship with Bosch—Our Supplier Concentration on Bosch—We have proactively sought other suppliers to procure comparable PCBAs as we expand our portfolio of vehicle computing solutions" for our efforts to seek alternative suppliers. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and reputation.

We currently have a limited number of key customers for a significant portion of our revenue. If any of these customers reduce their purchases or terminate their business with us, our revenue could be adversely affected, subsequently our results of operations.

A limited number of customers have in the past contributed, and are expected to contribute in the future, a vast majority of our total revenue. In the years ended December 31, 2023, 2024 and 2025, the single largest customer accounted for 59.0%, 58.7% and 30.6%, of our total revenue, respectively, and the five largest customers in aggregate contributed 99.5%, 98.7% and 90.4% of our total revenue, respectively, for the same periods. This dependence on a limited number of customers could make it difficult for us to negotiate attractive prices for our products and solutions and could expose us to the risk of substantial losses if we experienced declines in the business from any of our major customers, whether due to lower overall demand for our products and solutions, cancelation of existing contracts or design wins or the failure to secure new business, among other reasons. These customers may choose to reduce their purchases or cease to use our products and solutions altogether for various reasons, including changes in technology preferences, shifts in market outlook or broader economic conditions, many of which are beyond our control. Any significant loss of, or reduction in, business from any of our major customers could have a material adverse effect on our business, financial condition and results of operations.

Our historical performance may not be indicative of our future growth or financial results. If we fail to effectively manage the growth of our business or retain key customers, our business, financial condition and results of operations could deteriorate.

We have experienced revenue growth in recent years. Our revenue increased by 15.6% from RMB2,297.7 million in 2023 to RMB2,655.6 million in 2024. However, rapid scaling places significant demands on our supply chain, R&D capacity and workforce, and may lead to unforeseen delays, cost overruns or quality issues. In addition, our future growth depends on factors beyond our control, including:

- intensifying competition from OEM in-house programs, established Tier 1 suppliers and new entrants with alternative technologies;
- softening demand for vehicle computing solutions in China and other key markets;
- extended sales cycles or delays in R&D, testing, certification and commercialization of new solutions and software features;
- evolving regulatory requirements for functional safety, cybersecurity, data privacy and over-the-air updates;
- supply-chain constraints, export controls or tariffs limiting our access to advanced chips or other critical components;
- challenges in scaling manufacturing capacity while maintaining quality;
- our ability to attract, develop and retain technical talent;
- intellectual property disputes or infringement claims;
- and macroeconomic or geopolitical events that reduce vehicle production, vehicle electrification or end-customer spending.

Our historical performance may not be indicative of our future growth or financial results. If we fail to effectively manage the growth of our business or retain key customers, our business, financial condition and results of operations could be materially and adversely affected. In particular, our financial condition and results of operations may deteriorate. Because we operate in a nascent, fast-moving industry, our forecasts require significant judgment and are subject to substantial uncertainty, and if the assumptions underlying our growth strategy prove incorrect, our revenue, gross margins, cash flow and overall financial condition could deviate materially from our expectations, and the price of our securities could decline.

We incurred net loss and net operating cash outflows during the Track Record Period, and we cannot make any guarantee in relation to our future financial condition.

We incurred net losses of RMB201.2 million, RMB253.1 million and RMB575.7 million in the years ended December 31, 2023, 2024 and 2025, respectively. We may continue to generate net losses in the near term and we are uncertain about our future profitability, as we are still in the process of scaling our business and expanding our operations. We expect to maintain a high level of investment in our operations, including continuous enhancements to our existing products and solutions, the development of new offerings, recruitment of qualified personnel and pursuit of technological breakthroughs. However, there is no assurance that our revenue will grow at a pace sufficient to offset these rising expenses. If we fail to effectively grow our customer base, expand our product and service portfolio, implement competitive pricing strategies, control raw material costs, optimize sales and marketing efficiency or improve our operational productivity, our financial performance could be adversely affected. In addition, unforeseen changes in customer demand,

investments, acquisitions or capital expenditures, substantial shifts in the competitive or regulatory landscape or significant costs could further reduce our revenue. As a result, we cannot assure you that we will achieve or sustain profitability in the future.

We recorded net cash operating outflow of RMB697.0 million, RMB1,011.1 million and RMB872.2 million in the years ended December 31, 2023, 2024 and 2025, respectively. The net cash operating outflow during such periods were primarily due to our sustained significant investments in product development, technological innovation and customer acquisition activities. We cannot assure you that we will be able to generate positive cash flows from operating activities in the future. If we continue to experience net operating cash outflows in the future, our working capital may be constrained, which may adversely affect our financial condition.

We had net current liabilities, net liabilities historically which may continue into the foreseeable future and expose us to liquidity risks.

Our net current liabilities and net liabilities may expose us to certain liquidity risks. As of December 31, 2023, 2024 and 2025, our net current liabilities amounted to RMB672.9 million, RMB501.8 million and RMB161.2 million, respectively. As of December 31, 2023 and 2024, we recorded net liabilities of RMB1,672.7 million and RMB1,925.8 million, respectively. As of December 31, 2025, we recorded net assets of RMB182.1 million. Our net current liabilities and net liabilities positions primarily arose from paid-in capital with preferred rights, amounts due to related parties and borrowings. A net current liabilities position may constrain our operational flexibility and adversely affect our ability to expand our business. Our future liquidity will primarily depend on our ability to generate adequate cash inflows from operating activities and obtain sufficient external financing. This, in turn, will be affected by our future operating and financial performance, industry trends and prevailing economic and capital market conditions, many of which are beyond our control.

If we are unable to maintain sufficient working capital to meet our financial needs internally, we may need to pursue external funding. A failure to secure additional financing on acceptable terms, or at all, may force us to delay or abandon development and expansion plans. As a result, our business, financial position and operating results may be materially and adversely affected.

If our customers choose to develop their own vehicle computing solutions instead of continuing to source from us, our business, financial condition and results of operations could be materially and adversely affected.

In response to the accelerating shift toward automotive intelligence, a growing number of OEMs have launched internal initiatives to develop proprietary smart vehicles solutions. Some OEMs have already succeeded in developing in-house alternatives, reducing their reliance on external suppliers. We cannot assure you that our existing customers will not follow this path or that they will continue to procure our products and solutions for future vehicle models. It is possible that more OEM customers will choose to develop their own smart cockpit and related solutions, which may reduce their demand for our products and solutions. We cannot assure you that our existing OEM customers will continue to purchase our products and solutions and not develop their proprietary solutions. If some of our OEM customers choose to develop such solutions on their own, it could lead to substantial and adverse effects on our business, financial condition and results of operations.

We face intense competition from both well-established companies and new market entrants. If we fail to compete effectively in areas such as technology, pricing or customer service, our business, financial condition and results of operations may be materially and adversely affected.

Our success depends on our ability to maintain and strengthen our competitive position in the global and China's intelligent cockpit domain controller industries, which are characterized by rapid technological advances, aggressive pricing and ever-evolving customer requirements. Our competitors include large, well-capitalized Tier 1 suppliers, global automotive electronics

conglomerates and OEM in-house programs that often have deeper R&D budgets, established brand reputations and long-standing relationships with OEMs. We also compete with new competitors that may be preparing to enter or are entering the global and China's intelligent cockpit domain controller industries. Our competitors may start, or have already started, pursuing the large-scale deployment of autonomous vehicle technology on their own. We cannot predict how close any of our existing or potential competitors are to bringing their smart vehicle technologies to market, nor can we know what features or products they plan to introduce next. This lack of visibility makes it difficult for us to anticipate shifts in customer demand or to align our own development roadmap with emerging industry trends. If competitors launch advanced solutions sooner or with more attractive functionality, we may face reduced market share, downward pricing pressure or the need to accelerate our R&D investments, all of which could materially and adversely affect our business, financial condition and operating results.

Our competitors may also offer similar or comparable functionality as ours at lower development cost or shorter time-to-market. Leading OEMs and their system integrators are also expanding vertically, investing heavily to develop their proprietary cockpit and vehicle-domain technologies. We cannot predict if or when these competitors will launch new products, reduce prices or bundle cockpit solutions with broader smart vehicle offerings, all of which could erode our addressable opportunity, limit our pricing flexibility and force us to increase spending on sales, marketing, product enhancements or customer support.

Moreover, the competitive pressure we face may intensify the pace of product obsolescence and place downward pressure on margins. If we fail to anticipate shifts in regulatory standards, such as functional-safety certification, cybersecurity mandates or over-the-air update, or OTA, requirements or to invest sufficiently in innovative features such as natural-language interfaces, advanced driver-assistance integrations or multi-domain orchestration, our offerings could lose relevance. Even minor delays in our development cycles or misalignment with evolving industry benchmarks could impair our ability to win or retain key OEM contracts. In addition, resource constraints may limit our capacity to hire and retain the specialized engineers and experts necessary to match competitor innovation. Absent effective differentiation, through superior system performance, proven reliability, flexible integration and responsive support, our market share, revenue growth and profitability could decline materially and our overall financial condition and prospects could be materially and adversely affected.

We may be subject to inventory obsolescence risk.

Our business expansion requires us to manage inventory effectively. During the Track Record Period, our inventories consisted of raw materials, work-in-progress and finished goods. Our inventories decreased from RMB315.9 million as of December 31, 2023 to RMB110.8 million as of December 31, 2024 and then increased to RMB254.0 million as of December 31, 2025. Our turnover days of inventories decreased from 43 days in 2023 to 35 days in 2024 and increased to 38 days in 2025. 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. However, we cannot guarantee that our inventories can be fully utilized within their shelf life. As our business expands, our inventory obsolescence risk may also increase commensurately with the increase in our inventories and our inventory turnover days.

There can be no assurance that our efforts seeking design wins for our products and solutions will succeed. If we fail to win new OEM customers, lose existing sales opportunities, encounter difficulties in contract negotiations or are unable to convert initial engagements into meaningful commercial relationships, our business, financial condition and results of operations could be significantly and adversely affected.

We consider securing a design win from an OEM as a key milestone as it not only validates our technology but also paves the way for deeper collaboration on subsequent vehicle models. Therefore, we have invested substantially in presenting our products and solutions to OEMs to earn design wins.

However, despite significant efforts, we may nevertheless fail to achieve a design win for our products and solutions on one or more vehicle models, which could disrupt the development and commercialization of our products and solutions, further resulting in a negative impact on our revenue. Furthermore, if we fail to achieve a design win for a specific vehicle model, our credibility with that OEM may suffer, making it more difficult to compete for additional vehicle models in the future. Should we fail to secure a sufficient number of design wins across OEMs and their vehicle models, it could have an adverse impact on our business, results of operations and financial condition.

We have been and intend to continue investing substantial resources in R&D. However, there is no assurance that these efforts will prove successful and we will generate the results we expect to achieve.

Our long-term success in the rapidly evolving automotive intelligence sector depends on our ability to continuously innovate and bring new products and solutions to market. To that end, we have made R&D a strategic priority. We incurred R&D expenses of RMB406.6 million, RMB367.7 million and RMB336.9 million in the years ended December 31, 2023, 2024 and 2025, respectively.

Although we invest substantial resources in research and development to maintain our competitive edge, we cannot assure you that our R&D expenditures will deliver the anticipated outcomes. Misjudgments about technology trends, delays in prototype development or unforeseen technical setbacks could impair our ability to introduce new features or products on schedule. Furthermore, even if our R&D efforts are successful technically, there is no guarantee that OEMs will adopt our innovations or that end users will embrace them, nor that we will realize a return on our development investments. This uncertainty could limit our ability to recover R&D costs, cause potential declines in revenue and profitability and affect our market position. Consequently, our business, results of operations, financial condition and prospects could be materially and adversely affected.

If the vehicle models that incorporate our products and solutions underperform in the market or fail to gain meaningful market acceptance, our business, financial condition and results of operations could be materially and adversely affected.

Our business is significantly influenced by the performance and market acceptance of the vehicle models that incorporate our products and solutions. If those vehicle models underperform in sales or fail to achieve meaningful market acceptance—due to factors such as weak consumer demand, negative reviews, competitive alternatives or macroeconomic downturns—OEMs may reduce production volumes, delay new program launches or cancel future integrations of our products and solutions. These setbacks could diminish order forecasts, delay revenue recognition and impair our ability to achieve economies of scale.

Furthermore, poor vehicle performance in the market may tarnish our reputation with other potential OEM customers and the end users, making it more difficult to secure new design wins or expand into additional vehicle platforms. Any of these outcomes could materially and adversely affect our business, financial condition, results of operations and growth prospects.

Pricing pressure from our customers may materially and adversely affect our business, financial condition and results of operations.

We have in the past been subject to, and may continue to face, requests from our customers to reduce the prices of our products and solutions. Increasing pricing pressure from our customers, whether due to their own cost-cutting initiatives, competitive bidding processes or shifts in purchasing strategies, may force us to lower our prices, offer more discounts or improve our commercial terms, all of which could negatively impact our profit margins. To maintain profitability in such an environment, we must continuously reduce operating costs and improve efficiency.

Our business model is capital intensive and involves a significant fixed cost base, including investment in R&D, manufacturing infrastructure and personnel. Accordingly, our profitability partially depends on our ability to achieve economies of scale and spread fixed costs across a sufficiently large sales volume. However, our ability to do so may be limited. In line with industry practice, OEMs often negotiate for lower unit prices as their order volumes increase, and pricing agreements typically anticipate a gradual price reduction over the term of the contract, particularly after mass production begins.

If we are unable to mitigate these downward pricing pressures through enhanced operational efficiency, introduction of higher-margin new or upgraded solutions, diversified sourcing strategies and other cost-control initiatives, our gross margins may decline. As a result, our business, financial condition and results of operations could be materially and adversely affected.

Disruptions in the supply of, or significant increases in the prices of, raw materials or components used in our products and solutions may materially and adversely affect our business and profitability.

Our products and solutions rely on chips and other components sourced from a pool of suppliers. Global shortages, manufacturing capacity limitations or allocation priorities by such suppliers, as well as significant increases or volatility in their prices, can lead to extended lead times, delivery delays and higher procurement costs. During the Track Record Period and up to the Latest Practicable Date, we experienced material fluctuations of raw material prices, such as storage units and memory chips. Should we be unable to secure sufficient quantities of critical components on acceptable terms or at all, we may face production bottlenecks, delayed product launches and higher unit costs.

Such supply constraints could disrupt customer deployments, erode our relationships with OEM partners and damage our reputation for reliability. In addition, if we are forced to source alternative components at higher prices or with inferior performance, our profit margins may suffer and our competitive position could weaken. Persistent or severe shortages may also limit our ability to fulfill OEM forecasts, generate expected revenue or support after-sales upgrades, any of which could materially and adversely affect our business, financial condition, results of operations and long-term growth prospects.

Our ability to maintain technological strengths depends on attracting and retaining top-tier R&D talent, and failure to do so could significantly undermine our competitive position and future growth.

As a technology-driven company operating in the rapidly evolving smart vehicle industry, our ability to innovate and execute depends on the strength of our R&D team. In particular, we depend on highly specialized engineers with expertise in operating systems, AI algorithms and automotive-grade software architecture. These individuals are in short supply and are aggressively sought after by both leading OEMs and global technology companies.

We face intense competition for such talent, not only from other smart vehicle solution companies but also from adjacent sectors such as robotics and consumer electronics. In some cases, we compete against companies with substantially greater financial resources, brand recognition or global presence. Even if we are able to identify suitable candidates, there can be no assurance that they will choose to join us. Moreover, the loss of key personnel, particularly those involved in core system architecture or proprietary software development, could disrupt our product roadmap, delay customer deliveries or weaken our ability to respond to evolving industry standards and customer demands. Recruiting qualified replacements may require substantial time and cost, and there is no guarantee that new hires will achieve the same level of technical contribution.

If we are unable to build and retain a leading R&D team, we may fall behind in critical technology, miss key commercialization opportunities or fail to deliver on customer commitments, any of which could materially and adversely affect our business prospects, financial condition and results of operations.

We are subject to risks associated with payment terms and credit exposure to our customers, and any deterioration in such terms, delays in customer payments or defaults could materially and adversely affect our financial condition and cash flows.

Our business model requires us to make significant investments upfront, including in R&D, inventory procurement and project execution, before revenue can be recognized and cash is collected. We typically offer credit terms to our customers in line with industry practice, yet in some cases, we may need to offer extended payment periods to secure or retain strategic projects. However, we may not always be able to negotiate favorable payment terms, particularly with large OEMs or Tier 1 suppliers that have stronger bargaining power. In addition, customer payment behavior may vary significantly depending on their internal approval processes, design win execution status or financial position. As we scale our business, any adverse changes in customer payment terms, including but not limited to longer settlement periods, could negatively impact our working capital.

We extend credit to our OEM customers in the ordinary course of business, which subjects us to the risk that we may not be able to collect all amounts due. As of December 31, 2023, 2024 and 2025, our trade receivables were RMB1,158.6 million, RMB1,153.5 million and RMB782.8 million, respectively. Our trade receivables turnover days were 108 days, 159 days and 171 days for the years ended December 31, 2023, 2024 and 2025. We may not be able to collect all of our trade receivables due to factors beyond our control, such as adverse operating conditions or financial conditions of our customers and customers' inability to pay due to delays in payment from their own end users. Furthermore, our revenue recognition may be subject to timing uncertainty due to design win-specific contractual terms, which can also result in a lag between the incurrence of cost and the recognition of revenue and corresponding cash inflows. If one or more of our major customers were to delay payments, dispute invoiced amounts, seek to renegotiate payment schedules or default on their obligations, our operating cash flows, financial position and ability to invest in future growth initiatives could be materially and adversely affected. Any deterioration in our ability to collect payments from customers on a timely basis may lead to higher trade receivables, increased bad debt provisions or constraints on our operating flexibility.

Our limited operating history makes it difficult to evaluate our prospects and the risks and challenges we may encounter in the future.

Our relatively limited operating history in developing and commercializing our vehicle computing solutions makes it challenging to assess our prospects or plan for our anticipated future growth. This limited track record constrains our ability to accurately forecast revenue, manage costs and plan capital expenditures and subjects our results of operations to significant uncertainties including but not limited to:

- achieve sufficiently safe performance and earn trust from regulatory agencies, our customers, partners and the public;
- continue to evolve and expand the commercialization of our technologies;
- continue to successfully complete system testing, validation and safety approvals;
- continue to produce and deliver solutions of acceptable performance, reliability and security;
- forecast our revenue and budget and manage our costs and expenses;

- plan for and manage capital expenditures for our current and future needs;
- retain and expand existing commercial relationships;
- attract new customers and partners;
- compete effectively with our competitors;
- properly price our products and solutions;
- hire, integrate and retain talented people at all levels of our organization;
- obtain, maintain, expand, enforce and protect our intellectual property and other proprietary rights; and

If we cannot navigate these technical, operational and regulatory challenges successfully, our business, financial condition, prospects and results of operations could be materially and adversely affected.

Our products and solutions and the associated hardware and software, due to the intricate nature, may contain unexpected defects, potentially diminishing our customers' satisfaction, even causing safety issues, all of which can expose us to product liability and reputation damage, subsequently, adversely affecting our business.

Most of our products and solutions are sold to OEMs for integration into their specific vehicle models. The solutions we develop are technical and complex, requiring rigorous manufacturing standards. They may contain errors, defects, security vulnerabilities or software issues difficult to detect and correct, especially upon initial release or when introducing new versions or enhancements. We may encounter difficulties in effectively addressing issues to meet the expectations of our OEM customers, which could potentially cause a negative impact on our reputation and may limit our opportunities for collaboration with other OEMs.

Any real or perceived error, defect, security vulnerability, service interruption or software issue in our products and solutions could erode consumer confidence and undermine OEMs' trust in our offerings, potentially resulting in lost sales or warranty claims. Although we strive to identify and remedy such issues promptly, our remediation efforts may not satisfy OEM expectations or may disrupt our production schedules. In these circumstances, we may be compelled to commit significant additional resources to diagnose, correct and validate fixes, which could increase our operating costs and delay revenue recognition.

Furthermore, defects or cybersecurity incidents could give rise to litigation brought by OEMs, consumers or other third parties, exposing us to potential substantial liabilities, damages and legal expenses. There may also be subsequent negative publicity associated with litigation or negative user experience, regardless of whether the allegations are valid or whether we are ultimately found liable. Any of these outcomes could diminish our reputation and brand, weaken our market position and materially and adversely affect, our business, results of operations and financial condition.

Failure to provide high-quality maintenance and support services to our customers could damage our relationships with them and further harm our business.

Our ability to retain existing OEM customers and attract new ones depends on our capacity to consistently deliver high-quality customer support. As we scale our operations and support a growing customer base, it is critical that we maintain efficient and responsive customer support at scale. However, we may face challenges in hiring or retaining sufficient qualified personnel with deep knowledge of our products and solutions. We may also struggle to adapt quickly to short-term surges in demand or evolving customer expectations. In addition, we may be unable to adjust the

scope, format or quality of our support services to remain competitive with offerings from other market players. These factors could impair our ability to deliver timely technical support and maintenance, potentially leading to customer dissatisfaction, reduced customer retention and lost business opportunities. Any actual or perceived shortfall in the quality of our support services could materially and adversely impact our reputation and overall business performance.

The development cycles of our products and solutions could be lengthy and we are subject to risks associated with the planning, coordination and execution of complex design wins.

The development of our products and solutions often entails complex, multi-phase design wins involving hardware prototyping, software integration, system validation and certification. These cycles can be protracted, sometimes spanning several quarters or longer, particularly when addressing novel features or meeting stringent automotive-grade reliability standards. During such extended timelines, we may encounter technical challenges or shifting OEM requirements. Resolving these obstacles can drive up R&D and operational expenses, strain our quality-control processes and, in some cases, lead to design win cancellations if solutions fail to meet performance benchmarks.

Further, automotive OEMs generally do not commit to minimum purchase quantities—even after nominating a supplier for a specific design win—leaving us unable to forecast production volumes or secure favorable unit economics until OEMs finalize their production schedules. As a result, prolonged development cycles paired with non-binding purchase forecasts may prevent us from commercializing our technologies on a predictable timetable or at attractive margins. Any failure to bring a solution to market swiftly and cost-efficiently or to convert development efforts into meaningful production orders may have a material adverse effect on our business, financial condition and results of operations.

Our business is subject to seasonality.

Our financial performance is subject to seasonal fluctuations that align with automotive production and sales cycles. 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. 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. 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.

Any failure by us or our business partners to comply with applicable anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations, could subject us to administrative, civil and criminal penalties and damages to our reputation, which may adversely affect our business, financial condition and results of operations.

We or our business partners (*e.g.*, suppliers) may be subject to anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations in various jurisdictions in which we or our business partners conduct business activities. Any failure to comply with applicable anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations could lead to significant penalties and damage to our reputation. To comply effectively with such laws and regulations, we must establish sound internal control policies and procedures with respect to anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations, which can require significant resources and expenditures.

The policies and procedures we and our business partners have adopted may not be effectively implemented in protecting our products and solutions from being exploited for money laundering, terrorist financing, bribery and corruption, terrorism and other illegal purposes. If there is any

violation of anti-corruption, anti-bribery, anti-money laundering and similar laws and regulations associated with our products and solutions, we could be subject to fines, enforcement actions, regulatory sanctions, additional compliance requirements, increased regulatory scrutiny of our business or other penalties levied by government authorities and damages to our reputation, all of which may adversely affect our business, results of operations and financial condition. Similarly, if any of our subsidiaries, affiliated entities, directors, senior management, employees, business partners or agents engage in fraudulent, corrupt or other unfair business practices or otherwise violate applicable laws, regulations or internal control policies, we could become subject to one or more enforcement actions or otherwise be found to be in violation of such laws, which may result in penalties, fines or sanctions and in turn adversely affect our reputation, business, results of operations and financial condition.

We are subject to risks associated with strategic collaborations, alliances or acquisitions.

We may in the future enter into strategic alliances, including joint ventures or minority equity investments, with various third parties to further our business purpose from time to time. These alliances could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by third parties and increases in expenses in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to monitor or control the actions of these third parties and, to the extent any of these third parties suffers negative publicity or harm to their reputation from events relating to their businesses, we may also suffer negative publicity or harm to our reputation by virtue of our association with any such third party.

We may not continue to enjoy the level of government grants that we received in the past.

We have historically benefited from government grants and preferential tax treatments awarded in recognition of our research and development activities. We have recognized government grants of RMB21.1 million, RMB9.5 million and RMB10.9 million in the years ended December 31, 2023, 2024 and 2025, respectively.

However, these grants are typically one-off awards rather than recurring commitments and there can be no assurance that similar incentives will be available in the future. Moreover, relevant governments may alter, reduce or eliminate these subsidy programs at their discretion, which could materially diminish our cash flows, increase our effective tax rate and adversely affect our financial position. Should we be unable to secure equivalent government support or preferential tax treatment going forward, our ability to fund ongoing R&D investments and sustain our competitive position in the market may be significantly impaired.

Our business success depends on our ability to build and maintain strong brand recognition and a positive reputation. Negative publicity or legal proceedings involving our Company, directors, senior management, employees, business partners or our industry could adversely affect our reputation, business operations and financial performance.

We believe that building our brands and reputation is crucial to our success. Our brand reputation and images may be damaged by solution defects, incident reports, negative media coverage or other forms of negative publicity regarding our industry, brands, solutions, our Company, directors, senior management, employees or business partners. For example, adverse news or social media commentary about the automotive intelligence industry, even if unrelated to us, may shape consumer attitudes and erode confidence in smart vehicle technologies as a whole. Negative media coverage including negative comments, reviews or false information about our brand or products on social media platforms or any negative publicity, regardless of veracity, relating to our Company, directors or senior management or employees, customers and suppliers or other strategic partners, whether related to us or not, may adversely impact consumer perception and confidence in our brands and products. In particular, as we sell solutions to OEMs to integrate them to specific vehicle models, any negative publicity relating to those vehicle models could lead

to a decrease in market demand for OEMs, further damaging our sales to OEMs. In addition, we may face negative publicity or legal proceedings involving our Company, directors, senior management, employees or business partners we collaborate with from time to time, which may adversely affect our brand, reputation and business and diminish the appeal of our brand to consumers. Certain negative publicity may come from malicious harassment or unfair acts by third parties or our competitors and some of legal proceedings may be without grounds, both of which are beyond our control but likely to affect our reputation and business materially and adversely.

Security breaches and other disruptions of our systems, infrastructure, integrated software and related data, or those of third parties we partner with, could endanger the trust of our customers and adversely impact our business.

We have designed, implemented and tested security measures intended to prevent unauthorized access to our systems. For details, see "Business—Privacy and Data Security." However, our systems, infrastructure, integrated software and related data may be vulnerable to security breaches. Unauthorized third parties may circumvent our security measures, misappropriate proprietary information and cause interruptions in our information technology systems.

In addition, credential stuffing attacks are becoming increasingly common and sophisticated actors can mask their attacks, making them increasingly difficult to identify and prevent. A successful breach could allow attackers to modify firmware or application code, alter user-interface behavior, disable safety functions or exfiltrate confidential data. Even an attempted attack or a perceived vulnerability can undermine OEM and consumer confidence in our products and solutions, interrupt our development or production activities and force us to divert significant resources to incident response, remediation and legal defense. In addition to potential litigation and regulatory penalties, such events could expose us to financial losses from fraud, damage our reputation in the market and materially and adversely affect our business, financial condition, results of operations and growth prospects.

The smart vehicle industry in China is still emerging and rapidly evolving and the regulatory landscape remains uncertain. As a result, we may face increased scrutiny or stricter regulatory requirements in the future, which could adversely affect our business and growth prospects.

China's smart vehicle industry remains nascent and is developing at a rapid pace. Regulators are actively shaping the automotive intelligence market and as they introduce new rules and regulations mandating licensing regimes, safety protocols, data-privacy mandates and cybersecurity requirements for in-vehicle intelligence systems, we may face increased scrutiny, higher compliance costs and potential delays in product roll-outs while securing necessary approvals. However, given that many of these laws and regulations are still being drafted or refined, there remains uncertainty as to how they should be interpreted and implemented in practice. The evolving regulatory landscape may require us to incur substantial additional compliance costs, modify certain aspect of our products and solutions, delay product launches, and complicate our market planning. If regulators impose onerous obligations, our ability to innovate, compete and expand could be materially and adversely affected, with negative consequences for our business, financial condition and growth prospects.

Our business is subject to a variety of laws, regulations, rules, policies and other obligations regarding privacy, data protection and cybersecurity. Any losses, unauthorized access or releases of confidential information or personal information could subject us to significant reputational, financial, legal and operational consequences.

We process various categories of data in the course of our operations, including automobile-related data and other information necessary to support our business activities. We are subject to an evolving and increasingly complex regulatory framework governing the collection, storage, use, transfer, disclosure and other processing of data. See "Regulatory Overview" for laws, rules and regulations in this respect. Interpretation, application and enforcement of these laws, rules and

regulations evolve from time to time and their scope may continually change through new legislation, amendments to existing legislation and changes in enforcement. We have incurred, and will continue to incur, significant expenses to comply with privacy, data protection and cybersecurity standards and protocols imposed by laws, regulations, national and industry standards or contractual obligations. Changes in existing laws or regulations or adoption of new laws and regulations relating to privacy, data protection and cybersecurity, particularly any new or modified laws or regulations that require enhanced protection of certain types of data or new obligations regarding data retention, transfer, disclosure or other processing, could increase significantly the cost to us of providing our product or service offerings or require significant changes to our operations.

Despite our efforts to comply with applicable laws, regulations and other obligations relating to privacy, data protection and cybersecurity, it is possible that our practices, product and service offerings could fail to meet all of the requirements imposed on us by such laws, regulations or obligations. Any failure on our part to comply with applicable laws or regulations or any other obligations relating to privacy, data protection or cybersecurity or any compromise of security that results in unauthorized access, use or release of data or the perception or allegation that any of the foregoing types of failure or compromise has occurred or any perceptions of privacy concerns, whether or not valid, could damage our reputation, discourage new and existing customers from using our products or solutions or result in investigations, fines, suspension or termination of operations or other penalties by government authorities and private claims or litigation, any of which could materially and adversely affect our business, financial condition and results of operations.

We may not be able to obtain or maintain adequate protection for our intellectual property rights, or the scope of such intellectual property rights protection may not be sufficiently broad, which could harm our business and competitive position.

Intellectual property rights serve as a cornerstone of our business strategy and are instrumental in safeguarding our future commercial success. We have invested significant resources to develop our own intellectual property. As of December 31, 2023, 2024 and 2025, our research and development expenses amounted to RMB406.6 million, RMB367.7 million and RMB336.9 million, respectively. However, events and factors beyond our control may pose risks to our intellectual property rights as well as our products and solutions.

There is no guarantee that our application of intellectual property rights will always be granted. We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position. Although we enter into employment agreements with confidentiality, non-compete covenants and intellectual property ownership clauses with our employees, we cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual property will not otherwise become known to third parties. In addition, others may independently discover trade secrets and proprietary information, limiting our ability to assert any proprietary rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive position. We also rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Monitoring unauthorized use of our intellectual property is difficult and costly, and we cannot assure you that the steps we have taken or will take will prevent misappropriation of our intellectual property.

We may be involved in litigation brought by third parties claiming infringement by us of their intellectual property rights, which could be time-consuming and would cause us to incur substantial costs.

As our business expands and the competitive landscape evolves, the risk that our technologies may infringe patents, copyrights, trademarks or other proprietary rights owned by third parties increases. We may not always be aware of existing intellectual property rights that cover aspects of our products and solutions. Our competitors or other third parties may in the future claim that our services and underlying technology infringe on their intellectual property rights and we may be found to be infringing on such rights.

Any claims or litigation could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages or ongoing royalty payments, prevent us from offering our services, require us to develop alternative non-infringing technologies or require that we comply with other unfavorable terms, any of which could have a material adverse effect on our business, financial condition and results of operations. We may also be obligated to indemnify our customers or business partners in connection with any such litigation and to obtain licenses or modify our services, which could further exhaust our resources. Even if we were to prevail in the event of claims or litigation against us, any claim or litigation regarding intellectual property could be costly and time-consuming and divert the attention of our management and other employees from our business.

Failure to obtain and maintain required licenses, approvals and permits in a timely manner, could adversely affect our operations and expose us to penalties or enforcement actions.

We cannot assure you that the licenses we have obtained are sufficient to conduct all of our present or future business. If we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings in any of the jurisdiction where we operate our business, we may be subject to various penalties, such as the imposition of fines and the discontinuation or restriction of our operations. Any such penalties may affect our business operations and materially and adversely affect our business, results of operations and financial condition.

Failure to promptly and effectively address any fraudulent, illegal or otherwise improper conduct by our employees could harm our business operations, damage our reputation and expose us to legal or regulatory liabilities.

Illegal, fraudulent or otherwise inappropriate activities by our employees may adversely affect our brand, business, results of operations and financial condition. These activities may include assault, abuse, theft and other misconduct and fraud. Despite our efforts to identify and prevent such conduct, there can be no assurance that our policies and internal controls regarding the review and approval of payment accounts, sales and marketing activities, interactions with business partners and government officials and other relevant matter will prevent fraud or illegal activities or misconduct by our employees or that similar incidents will not occur in the future. Furthermore, any negative publicity related to the foregoing may adversely affect our reputation and brand, which could potentially lead to increased regulatory or litigation exposure. Any illegal, fraudulent, corrupt or collusive activity, misconduct or perceptions of conflicts of interest and rumors could severely damage our brand and reputation, even if they are baseless or satisfactorily addressed, which could drive our customer away from us, and materially and adversely affect our business, results of operations and financial condition.

Non-compliance with applicable laws or regulations by any third parties we work with—including suppliers, service providers or other business partners—could disrupt our operations and expose us to reputational, legal or financial risks, which may adversely affect our business, financial condition and results of operations.

Our business operations and reputation are significantly influenced by the conduct of third parties we work with. Despite our efforts to implement stringent oversight mechanisms and ethical guidelines, we cannot assure you that our suppliers, service providers and other business partners will not incur liabilities or suffer losses due to any misconduct or non-compliance. If we fail to identify misconduct or non-compliance in the business practices of the third parties we work with, or if such misconduct or non-compliance will not be corrected in a prompt and proper manner, our business activities and reputations could be harmed, which may in turn affect our business, financial condition and results of operations.

Furthermore, it may not always be possible to prevent or detect misconduct of these parties. Any misconduct by these parties, including fraudulent activities, non-compliance with laws and regulations, unethical business practices or any other actions that are inconsistent with our corporate policies and values, could result in legal proceedings, regulatory fines and other penalties, further damaging our reputation, eroding consumer trust and leading to loss of business, decreased market share and potential difficulties in attracting and retaining business partners.

We face certain risks relating to our lease properties, including any legal defects and unforeseen lease terminations of such properties.

As of the Latest Practicable Date, we entered into six lease agreements for four properties in the PRC used as office and production facilities, and 86 talent apartments as employee dormitories. As of the same date, five lease agreements had been registered with the relevant local authorities. There is no assurance that the lessors will cooperate and complete the registration in a timely manner. Failure to complete the lease registration will not affect the legal effectiveness of the lease agreements according to PRC law, but the real estate administrative authorities may require the parties to the lease agreements to complete lease registration within a prescribed period of time, and the failure to do so may subject the parties to fines from RMB1,000 to RMB10,000 for each of such lease agreements. If we are fined for unregistered leases, we may be unable to recover those penalties from our lessors. As of the Latest Practicable Date, we had not received any notice from any regulatory authority with respect to rectification or potential administrative penalties as a result of our failure to file the lease agreements described above.

In addition, as of the Latest Practicable Date, in respect of one of our leased office properties and all of our leased talent apartments, the landlords of such leased properties failed to provide us with the relevant title ownership certificates for the leased properties or proof of authorizations from the property owners to sublease the properties to us. There is a risk that such landlords may not have the relevant property ownership certificates or the right to lease or sublease such properties to us, in which case the relevant lease agreements might be deemed unenforceable in accordance with the relevant laws and regulations and we may be forced to vacate these properties and relocate. Given that such properties are used as employee dormitories or offices, and there are abundant alternative properties available in adjacent areas, we believe the relocation cost would not be material if we are requested to relocate from such properties.

Furthermore, we cannot assure you that we are able to renew our lease on commercially acceptable terms upon expiry, or at all. If the title of any of our leased properties is controversial or the validity of the relevant lease is challenged by any third party, or if we fail to renew our lease upon expiry, we may be compelled to relocate from the affected premises. Such relocation may result in additional expenses or business interruption, which could, in turn, have an adverse effect on our business, financial condition and results of operations.

We may not have sufficient insurance coverage to cover our business risks.

Our current insurance coverage may not be sufficient to prevent us from any loss and there is no certainty that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. Any uninsured occurrence of business disruption, litigation or natural disaster or significant damages to our uninsured equipment or facilities could have a material adverse effect on our results of operations. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected. If such risk materializes, we may also suffer substantial losses as we do not have insurance coverage.

We, our Directors and senior management may be exposed to risks related to legal and administrative proceedings that could materially and adversely affect our business, financial condition and results of operations.

We, our Directors and senior management may be subject to claims and various legal and administrative proceedings, and, as a result, penalties and new claims may arise in the future. In addition, agreements we entered into sometimes include indemnification provisions which may subject us to costs and damages in the event of a claim against an indemnified third party. Legal or administrative proceedings and claims may arise in the future and the current legal or administrative proceedings and claims we face are subject to inherent uncertainties. If one or more legal or administrative matters were resolved against us or an indemnified third party for amounts in excess of our management's expectations or certain injunctions are granted to prevent us from using certain technologies in our products and solutions, our business and financial conditions could be materially and adversely affected. See also "Business—Legal Proceedings and Compliance."

We depend on the continued efforts of our key management, as well as qualified and experienced personnel, and any failure to attract, motivate and retain such individuals would materially and adversely affect our business, financial condition and results of operations.

Our success depends on the continued efforts of our key management and certain qualified and experienced personnel. If we lose their services, we may not be able to locate or may incur great costs to recruit and train suitable or qualified replacements in a timely manner or at all, which could harm our business, results of operations and financial condition. We believe that there is, and will continue to be, intense competition for highly skilled management, technical, sales and other personnel with experience in the automotive intelligence industry. Even if we were to offer higher compensation and other benefits, there can be no assurance that these individuals will choose to join or continue to work for us. If we are unable to retain and motivate our existing employees and attract qualified personnel to fill important positions, we may be unable to manage our business effectively, which could adversely affect our business, results of operations and financial condition.

We face risks related to health epidemics, natural disaster, terrorist activities, political unrest, financial or economic crisis and other force majeure events, which could significantly disrupt our operations.

Natural disaster events (such as earthquakes, tsunamis, volcanic eruptions, floods, tropical weather conditions and landslides), health epidemics (such as swine flu, avian influenza, severe acute respiratory syndrome (SARS), Ebola, Zika and COVID-19), terrorist attacks, political unrest, financial or economic crisis and other force majeure events may adversely disrupt our operations in the countries we may expand into in the future, lead to economic weakness in such countries in which they occur and affect worldwide financial markets and could potentially lead to economic recession, which could materially and adversely affect our business operations, financial performance, financial condition, results of operations and prospects. These events could precipitate sudden significant changes in regional and global economic conditions and cycles. These events may also potentially pose significant risks to our people and to our business operations.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

Changes in international relations, geopolitical tensions and trade protection policies, including the imposition of trade restrictions, investment restrictions, sanctions, export controls or tariffs, may materially and adversely affect our business, financial condition and results of operations.

Changes in international trade policies and rising geopolitical tensions—particularly between the United States and China, but also as a result of the Russia-Ukraine military conflict—have created a complex and evolving global business landscape. These developments have heightened uncertainty and risk across international trade, cross-border investment and technology supply chains. Measures such as tariffs, export controls, sanctions, restrictions on technology transfer and increased regulatory scrutiny of Chinese companies by U.S. and other foreign authorities could negatively impact our supply chain, limit our access to essential components or technologies and constrain our ability to conduct business internationally. Moreover, the possibility of additional or expanded sanctions, trade restrictions or regulatory actions—whether arising from new legislation, executive orders or evolving geopolitical dynamics—could adversely affect our operations, financial condition and prospects.

Most recently, in 2025, the U.S. government adopted a two-tier tariff structure: a universal baseline tariff on all imports to the U.S. and individualized, reciprocal higher tariffs on imports from certain countries and regions, including China, the European Union and Japan. For electric vehicles (EVs), the U.S. government announced a quadrupling of tariffs on Chinese EVs from 25% to 100%, citing concerns over unfair subsidies and threats to domestic manufacturing competitiveness. Furthermore, the European Union has imposed countervailing duties on EVs imported from China for a period of five years starting October 2024. These duties are in addition to the EU's standard 10% car import duty. Laws and regulations such as these are subject to frequent change and their interpretation and enforcement involve substantial uncertainty, often heightened by national security considerations and other factors beyond our control. The increased tariffs imposed by both the EU and the United States will directly affect our Chinese OEM customers and could indirectly have a material adverse effect on our business, operations and financial performance. If our vehicle computing solutions are exported directly to the EU, the United States or other jurisdictions with similar tariffs, we may also be subject to increased duties on those products. These tariff measures could increase our import costs and, in turn, adversely impact our competitiveness, business, financial condition and operating results. Future trade policies may continue to evolve and new tariffs, import/export restrictions or technology controls may be implemented, potentially introducing further uncertainty and operational challenges for our business.

In addition, in 2023, former President Biden issued Executive Order 14105, "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern," ("E.O. 14105"). In accordance with E.O. 14105, Treasury issued implementing regulations (the "Outbound Investment Rules"), which became effective on in January 2025. Under the Outbound Investment Rules, U.S. Persons face prohibitions and notification requirements for a broad range of investments in entities associated with China, Hong Kong SAR and Macau SAR that are engaged in any "covered activity" in (i) semiconductors and microelectronics, (ii) quantum information technologies and (iii) artificial intelligence systems, such entities are collectively defined as "covered foreign persons." Covered transactions include certain equity investments, debt financing, joint ventures and limited partnership investments in non-U.S. pooled funds. The Outbound Investment Rules also carve out certain excepted transactions. One such exception is an investment by a U.S. person in any "publicly traded security, with 'security' as defined in section 3(a)(10) of the Securities Exchange Act of 1934, that (i) trades on a securities exchange or through the method of trading that is commonly referred to as 'over-the-counter' in any jurisdiction" and (ii) does not afford the U.S. person rights beyond standard minority shareholder protections. The Outbound Investment Rules may introduce new hurdles and uncertainties for cross-border

collaborations, investments and fundraising activities of China-based issuers such as us. Although we believe that we are not a covered foreign person under the Outbound Investment Rules, as we do not engage in any "covered activity" or otherwise fall within the definition, there is no assurance that Treasury will share this view. If we are deemed to be a covered foreign person and if U.S. persons engage in a covered transaction involving our H Shares, such U.S. persons may need to submit a notification to Treasury under the Outbound Investment Rules.

Although we believe the [**REDACTED**] is currently not restricted by the Outbound Investment Rules, evolving regulations and differing interpretations could further restrict our future ability to raise capital from U.S. investors, potentially harming our business, financial position and prospects. Under extreme circumstances, the value of our H Shares could decline significantly or even become worthless.

Additionally, heightened scrutiny of Chinese companies, increased regulatory oversight of cross-border investments and restrictions on investment or business relationships with Chinese entities could impair our access to international capital markets and limit our ability to secure financing or strategic partnerships. Given the dynamic and unpredictable nature of these geopolitical developments, our business could be materially and adversely affected by further changes in international trade policies or by ongoing geopolitical tensions.

Investors of our H Shares may become subject to PRC taxation on dividends received from us and gains from the disposition of our H Shares.

Non-Chinese resident individual holders of H Shares whose names appear on the register of members of H Shares ("Non-Chinese Resident Individual Holders"), are subject to Chinese individual income tax on dividends received from us. Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (關於國税發 [1993] 045號文件廢止後有關個人所得税徵管問題的通知(國税函 [2011] 348號)) dated June 28, 2011 and issued by the State Tax Administration (the "SAT"), the tax rate applicable to dividends paid to Non-Chinese Resident Individual Holders of H Shares varies from 5% to 20% (usually 10%), depending on whether there is any applicable tax treaty between China and the jurisdiction in which the Non-Chinese Resident Individual Holder of H Shares resides, as well as the tax arrangement between China and Hong Kong. Non-Chinese Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us. In addition, under the Individual Income Tax Law of the PRC (中華人民共和國個人所得税法) (the "Individual Income Tax Law") and its implementation regulations, Non-Chinese Resident Individual Holders of H Shares are subject to individual income tax at a rate of 20% on gains realized upon the sale or other disposition of H Shares. However, pursuant to the Circular Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from Transfer of Shares (關於個人轉讓股票所得繼續暫免徵收個人所得税的通知) issued by the Ministry of Finance and the SAT on March 30, 1998, gains of individuals derived from the transfer of listed shares of enterprises may be exempt from individual income tax. As of the Latest Practicable Date, no aforesaid provisions have expressly provided that whether individual income tax shall be levied from non-mainland China resident individual holders on the transfer of shares in mainland China resident enterprises listed on overseas stock exchanges and to our knowledge, in practice the mainland China tax authorities had not collected individual income tax on such gains. If such tax is collected in the future, the value of such individual holders' investments in H Shares may be materially and adversely affected.

Under the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法) (the "EIT Law") and its implementation regulations, a non-Chinese resident enterprise is generally subject to enterprise income tax at a rate of 10% with respect to its income sourced from China, including dividends received from a Chinese company and gains derived from the disposition of equity interests in a Chinese company. This rate may be reduced under any special arrangement or applicable treaty between China and the jurisdiction in which the non-Chinese resident enterprise

resides. There are uncertainties as to the interpretation and implementation of the EIT Law and its implementation rules by the Chinese tax authorities, including whether and how enterprise income tax on gains derived upon the sale or other disposition of H Shares will be collected from non-Chinese resident enterprise holders of H Shares. If such a tax is collected in the future, the value of such non-Chinese resident enterprise holders' investments in H Shares may be materially and adversely affected.

Payment of dividends is subject to laws and regulations in regions where we operate.

Under the PRC laws, dividends may be paid only out of distributable profits. Our distributable profits represent our distributable net profits less appropriations to statutory surplus reserve, general reserve and discretionary surplus reserve (as approved by our Shareholders' meeting), each such appropriation based on the unconsolidated net profit determined under PRC GAAP. Our distributable net profit referred to above represents the lowest of (i) our net profit attributable to our equity holders for a period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under PRC GAAP and (ii) our net profit attributable to our equity holders for the period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under IFRS Accounting Standards. As a result, we may not have sufficient distributable profits, if any, to make dividend distributions to our Shareholders in the future, including in respect of periods where we register an accounting profit. Any distributable profits that are not distributed in a given year are retained and available for distribution in subsequent years.

Fluctuations in exchange rates could result in foreign currency exchange losses and could materially and adversely affect our financial performance.

The value of Renminbi against other currencies may fluctuate, subject to changes resulting from relevant government's policies and depends to a large extent on domestic and international economic and political developments as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rates between the RMB and the Hong Kong dollar, the U.S. dollar or other currencies in the future.

The value of currencies against the Hong Kong dollar, the U.S. dollar and other currencies is based on rates set by the People's Bank of China, which is affected by, among other things, changes in global and geographical political and economic conditions, supply and demand in the monetary markets and economic and political developments domestically and internationally. It is difficult for us to predict how external factors in respect of markets or policies may impact the exchange rate between the Renminbi and the Hong Kong dollar, the U.S. dollar or other currencies in the future. The [**REDACTED**] from the [**REDACTED**] will be received in Hong Kong dollars. As a result, any appreciation of the RMB against the Hong Kong dollar and the U.S. dollar may result in the decrease in the value of our [**REDACTED**] from the [**REDACTED**]. Conversely, any depreciation of the RMB may adversely affect the value of and any dividends payable on, the H Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. All of these global and geographical political and economic factors may adversely affect our business, hence the value of our H Shares in Hong Kong dollars.

We engaged third-party agencies to make contributions to the social insurance and housing provident fund, which could subject us to penalties.

Pursuant to the relevant PRC laws and regulations, employers are obligated to directly and duly contribute to the social insurance and housing provident funds for their employees. During the Track Record Period, instead of making the contributions directly, we engaged third-party agencies to make such contributions to the social insurance and housing provident funds for six, six and two employees in 2023, 2024 and 2025, respectively, which was not in strict compliance with applicable PRC laws and regulations.

We cannot assure you that the relevant competent government authority will not take the view that this third-party agency arrangement does not satisfy the requirements under the relevant PRC laws and regulations. In respect of housing provident fund, we might be ordered to pay the outstanding balance to the relevant local authority within a prescribed period of time, and the government authority can apply to the people's court for compulsory enforcement if we do not comply, but no penalties are provided under the relevant PRC laws and regulations. In respect of social insurance, we might be ordered to pay the outstanding balance within a certain period of time and a late fee that equals 0.05% of the total outstanding balance per day from the date of the failure to make payment, failing which we may be subject to a fine ranging from one to three times the total outstanding balance.

On July 31, 2025, the Supreme People's Court of the PRC issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "Interpretation"), which takes effect from September 1, 2025. As advised by our PRC Legal Advisor, the implementation of the Interpretation does not have any material adverse impact on our current employment arrangements or historical labour practices.

During the Track Record Period, we did not have any shortfall with respect to our social insurance and housing provident fund contributions. As of the Latest Practicable Date, no administrative action or penalty had been imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any order or been informed to make any supplementary payments.

You may experience difficulties in effecting service of process or enforcing foreign judgments against us, our Directors or senior management.

Substantially all of our assets are located in China and all of our executive Directors and senior management reside in China. Therefore, it may be difficult for investors to directly effect service of process within Hong Kong or elsewhere outside of China upon us or our Directors or senior management.

On July 14, 2006, China and Hong Kong signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) ("Arrangement"), which came into effect on August 1, 2008. Under this Arrangement, where any designated people's court of the PRC or any designated Hong Kong court has made an enforceable final judgment requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing by the parties, any party concerned may apply to the relevant people's court of the PRC or Hong Kong court for recognition and enforcement of the judgment. On January 18, 2019, the PRC Supreme Court and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) or the New Arrangement, which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong and the PRC. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. The New Arrangement will only take effect after the promulgation of a judicial interpretation by the Supreme Court and the completion of the relevant legislative procedures in Hong Kong. The New Arrangement will, upon its effectiveness, supersede the Arrangement. Therefore, before the New Arrangement comes into effect it may be difficult to enforce a judgment rendered by a Hong Kong court in China if the parties in the dispute do not agree to enter into a choice of court agreement.

RISKS RELATING TO THE [REDACTED]

There has been no prior public market for our H Shares and an active trading market for our H Shares may not develop.

Prior to the completion of the [**REDACTED**], there has been no public market for our H Shares. There can be no guarantee that an active trading market for our H Shares will develop or be sustained after the completion of the [**REDACTED**]. The [**REDACTED**] is the result of negotiations between our Company, the [**REDACTED**] and the [**REDACTED**] (for themselves and on behalf of the [**REDACTED**]), which may not be indicative of the price at which our H Shares will be traded following completion of the [**REDACTED**]. The market price of our H Shares may drop below the [**REDACTED**] at any time after completion of the [**REDACTED**].

The price and trading volume of our H Shares may be volatile and investors may suffer substantial losses.

The trading price of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, China, the United States and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in mainland China that have listed their securities in Hong Kong may affect the volatility in the price of and trading volumes for our H Shares. A number of mainland China-based companies have listed their securities and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines after their [**REDACTED**]. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards mainland China-based companies listed in Hong Kong and consequently may impact the trading performance of our H Shares. Pursuant to the PRC Company Law, within one year following the date of listing, shares issued prior to the listing shall not be transferred. Due to such a lock-up requirement, the liquidity and trading volume of the H Shares in the short-term following the [**REDACTED**] may be significantly affected. These factors may significantly affect the market price and volatility of our H Shares, regardless of our actual operating performance.

Any possible conversion of Unlisted Shares into H Shares could increase the supply of H Shares in the market, which will negatively impact the market price of H Shares.

Our Unlisted Shares may be converted into H Shares and such converted H Shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted shares, the requisite internal approval processes and CSRS filing have been duly completed. In addition, such conversion, trading and listing must comply with the regulations prescribed by the State Council's securities regulatory authorities and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. We can apply for the listing of all or any portion of our Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of shares for entry on the H Share register. This could increase the supply of H Shares in the market, and future sales or perceived sales, of the converted H Shares may adversely affect the trading price of H Shares.

We have granted and may continue to grant restricted shares or other types of share-based compensation awards under our employee incentive scheme, which may result in increased share-based compensation expenses and may dilute shareholder value and cause the price of our H Shares to decline.

We adopted an employee incentive scheme for the purpose of granting share-based compensation awards to plan participants to incentivize their performance and align their interests with ours. We believe the granting of share-based compensation awards is important to attract and

retain key personnel and employees, and we will continue to grant share-based compensation awards to employees in the future. Under our accounting policies, no share-based payment expense shall be recognized unless and until the Listing is probable. As a result, during the Track Record Period, no share-based compensation expense was recognized. We expect to recognize the share-based payment expense after the Track Record Period, which may have an adverse effect on our results of operations. Furthermore, share-based compensation awards issued under our employee incentive scheme may dilute the ownership interests of our shareholders. The allocation of our H Shares under our equity incentive plans, or the grant of share-based compensation awards, may adversely affect the market price of our H Shares. In addition, if any awards that we may issue vest, and those shares are sold into the public market, the market price of our H Shares may decline.

You will experience immediate dilution if the [REDACTED] of the [REDACTED] is higher than the net tangible asset value per H Share and may experience further dilution if we issue additional Shares in the future.

The [**REDACTED**] of the [**REDACTED**] is higher than the net tangible asset value per H Share immediately prior to the [**REDACTED**]. Therefore, purchasers of the [**REDACTED**] in the [**REDACTED**] will experience an immediate dilution in [**REDACTED**] consolidated net tangible asset value. There can be no assurance that if we were to immediately liquidate after the [**REDACTED**], any assets will be distributed to Shareholders after the creditors' claims. To expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the [**REDACTED**] may experience dilution in the net tangible asset value per Share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time.

We may not be able to pay any dividends on our H Shares.

We have never paid any dividends since our inception. We cannot guarantee when and in what form dividends will be paid on our H Shares following the [**REDACTED**]. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, including without limitation, our business and financial performance, capital and regulatory requirements and general business conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future. See "Financial Information—Dividends" for details.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain [**REDACTED**] information and other matters.

The words "anticipate," "believe," "could," "potential," "continue," "expect," "intend," "may," "plan," "seek," "will," "would," "should" and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessary estimates reflecting the best judgment of our Directors and senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a result, these forward-looking statements should be considered in light of various important factors, including those set out in "Risk Factors" in this document. Accordingly, such statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

Certain facts and statistics in this document are derived from various government and third-party sources and may not be reliable.

Certain facts, forecasts and other statistics in this document relating to China and global economy and robotics industry in China and overseas markets are derived from various sources including official government publications, industry associations or the Industry Report, which we believe are reliable. The information derived from official government sources has not been independently verified by us, the Joint Sponsors, the [**REDACTED**], [**REDACTED**], [**REDACTED**] and [**REDACTED**], any of the [**REDACTED**], any of our and their respective directors, officers, representatives, employees or advisers or any other persons or parties involved in the [**REDACTED**] and no representation is given as to its completeness, accuracy or fairness. Accordingly, the information from official government sources contained herein may not be accurate and should not be unduly relied upon.

You should read the entire document carefully and should not rely on any information contained in press articles or other media regarding us, our H Shares or the [REDACTED].

Prior or subsequent to the publication of this document, there may have been or be press and media coverage regarding us and the [**REDACTED**]. We have not authorized the disclosure of any such information in the press or media. Financial information, financial projections, valuation and other information about us contained in such unauthorized press or media coverage may not truly reflect what is disclosed in the document or the actual circumstances. We do not accept any responsibility for such unauthorized press or media coverage or for the accuracy or completeness of any such information. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information. To the extent any such information appearing in the press and media is inconsistent with, or conflicts with, the information contained in this document, we disclaim responsibility for them. Accordingly, prospective investors are cautioned to make their decisions on the basis of the information contained in this document only and should not rely on any other information.

WAIVERS FROM STRICT COMPLIANCE WITH THE REQUIREMENTS UNDER THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong.

Given that (i) our Group's management headquarters, senior management, business operations and assets are primarily based outside of Hong Kong; (ii) our executive Directors and members of the senior management team principally reside in China; and (iii) the management and operations of the Company have been mainly under the supervision and guidance of our executive Directors and senior management team, who are principally responsible for the overall management, corporate strategy, planning, business development and control of the Group's businesses and it is important for them to remain in close proximity to the Group's operations located in the mainland China, the Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have, sufficient management presence in Hong Kong for the purpose of satisfying Rule 8.12 and Rule 19A.15 of the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange [has granted us], a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between the Stock Exchange and us by way of the following arrangements:

(a) pursuant to Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain Ms. He Yihan (何易韓) ("Ms. He"), our executive Director, and Ms. Wong Mei Fung Carrie ("Ms. Wong"), our joint company secretary as our authorized representatives (together, the "Authorized Representatives") who shall act at all times as the principal channel of communication with the Stock Exchange upon Listing. Each of our Authorized Representatives will be readily contactable by the Stock Exchange by telephone, mobile phone number and/or e-mail (where available) to deal promptly with enquiries from the Stock Exchange and will be able to meet with the Stock Exchange within a reasonable time frame on request. Each of our authorized representatives is authorized to communicate on our behalf with the Stock Exchange. Our Company will also inform the Stock Exchange promptly in respect of any change in our authorized representatives;

(b) each of our Authorized Representatives has means to contact all our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. Pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her contact information (including telephone number, mobile phone number and/or email address (where available)) to the Stock Exchange and to the Authorized Representatives. This will ensure that the Stock Exchange and the Authorized Representatives should have means for contacting all Directors promptly at all times as and when required;

(c) we will endeavor to ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;

(d) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Somerley Capital Limited as our Compliance Advisor, who will act as an additional channel of communication with the Stock Exchange from the Listing Date to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results

for the first full financial year immediately following the Listing Date. The Compliance Advisor will maintain constant contact with the Authorized Representatives, Directors and senior management of our Company through various means, including regular meetings and telephone discussions whenever necessary. Our Authorized Representatives, Directors and other members of the senior management of our Company will promptly provide such information and assistance as the Compliance Advisor may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Hong Kong Listing Rules; and

(e) meetings between the Stock Exchange and our Directors will be arranged through the Authorized Representatives or the Compliance Advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any change in our Authorized Representatives and/or our Compliance Advisor.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

(a) a member of The Hong Kong Chartered Governance Institute;

(b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and

(c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following factors in assessing the "relevant experience" of the individual:

(a) length of employment with the issuer and other issuers and the roles he/she played;

(b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(d) professional qualifications in other jurisdictions.

Pursuant to Chapter 3.10 under the Guide for New Listing Applicants published by the Stock Exchange, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(a) whether the issuer has principal business activities primarily outside Hong Kong;

(b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification nor Relevant Experience (both as defined under paragraph 11 of Chapter 3.10 under the Guide for New Listing Applicants) as a company secretary; and

(c) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 under the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "Waiver Period") and on the following conditions:

(a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(b) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company has appointed Ms. He as one of our joint company secretaries. Ms. He has extensive experience in handling Board secretarial affairs and corporate management matters but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfil the requirements of the Listing Rules. Therefore, we have appointed Ms. Wong, who is an associate of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom and meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance to Ms. He for an initial period of three years from the Listing Date to enable Ms. He to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. For details of their biographies, see "Directors and Senior Management—Joint Company Secretaries."

Given Ms. Wong's professional qualification and experience, she will be able to explain to both Ms. He and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Wong will also assist Ms. He in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. He is expected to work closely with Ms. Wong and will maintain regular contact with Ms. Wong. In addition, Ms. He will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance her knowledge of the Listing Rules during the three-year period from the Listing Date. She will also be assisted by the Compliance Advisor and our legal advisers as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Ms. He does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. He may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the Listing Date on the conditions that (a) Ms. He must be assisted by Ms. Wong who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules throughout the Waiver Period; and (b) the waiver will be revoked immediately if and when Ms. Wong ceases to provide assistance to Ms. He as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

Before the expiration of the initial three-year period, the qualifications of Ms. He will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock Exchange before the expiration of the three-year period to enable it to assess whether Ms. He, having benefited from the assistance of Ms. Wong for the preceding three years, will have acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Name	Address	Nationality
Executive Directors		
Mr. Yang Hongze (楊泓澤)	Room 1702, Unit 1 Building 8, Yard 76 South Second Baiziwan Road Chaoyang District Beijing, PRC	Chinese
Mr. Liang Guofeng (梁國鋒)	Room 1903, No. 4 Lane 353, Ningxia Road Putuo District Shanghai, PRC	Chinese
Ms. He Yihan (何易韓)	Room 1602, Talent Apartment 1A No. 19, Huayun Road, Huazhuang Subdistrict Wuxi Economic & Technological Development Zone, Wuxi City Jiangsu Province, PRC	Chinese
Non-executive Director		
Mr. Dang Jianming (黨建明)	Room 201, Unit 3, Building 12A Hepingli 7th Community Dongcheng District Beijing, PRC	Chinese
Mr. Wu Ke (吳珂)	Room 1602, No. 2, Lane 19 Binnan Road, Xuhui District Shanghai, PRC	Chinese
Mr. Zhang Weimin (張偉民)	Room 302, Building 12 Poly Champagne International Binhu District, Wuxi City Jiangsu Province, PRC	Chinese
Independent non-executive Directors		
Ms. Xin Zhu (辛珠)	Flat A, 15/F, Tower 2 The Harbourside 1 Austin Road West Kowloon, Hong Kong	Chinese (Hong Kong)
Mr. Guo Qian (郭謙)	Room 1, 17th Floor, Building 20 No. 105, North West Third Ring Road Haidian District Beijing, PRC	Chinese
Ms. Xu Hui (徐輝)	21416 Equestrian Trail, Michigan USA	USA

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Haitong International Capital Limited
Suites 3001-3006 and 3015-3016
One International Finance Centre
1 Harbour View Street
Central
Hong Kong

[**REDACTED**]

[**REDACTED**]

Legal Advisers to our Company

As to Hong Kong law and U.S. laws
Linklaters
11/F, Alexandra House
Chater Road
Central
Hong Kong

As to PRC law
Commerce & Finance Law Offices
12-15/F, Tower 2
China World Building
No.1 Jianguomenwai Road
Beijing
PRC

Legal Advisers to the Joint Sponsors and [REDACTED]	*As to Hong Kong law and U.S. laws* **LATHAM&WATKINS LLP** 18/F One Exchange Square 8 Connaught Place Central Hong Kong *As to PRC law* **Haiwen & Partners** 20/F, Fortune Financial Center 5 Dong San Huan Central Road Chaoyang District, Beijing 100020 PRC
Auditor and Reporting Accountant	**Deloitte Touche Tohmatsu** *Certified Public Accountants* *Registered Public Interest Entity Auditor* 35/F, One Pacific Place 88 Queensway Hong Kong
Industry Consultant	**Frost & Sullivan** Room 2504, Wheelock Square 1717 West Nanjing Road Jing'an District Shanghai PRC
Compliance Advisor	**Somerley Capital Limited** 20th Floor China Building 29 Queen's Road Central Hong Kong

[**REDACTED**]

CORPORATE INFORMATION

Registered office	No. 2 Gaokai Road Huazhuang Street Economic Development Zone Wuxi City Jiangsu Province, PRC
Headquarters and principal place of business in China	No. 2 Gaokai Road Huazhuang Street Economic Development Zone Wuxi City Jiangsu Province, PRC
Principal place of business in Hong Kong	46/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Company's Website	**www.auto-link.com.cn** *(The information contained in this website does not form part of this document)*
Joint company secretaries	**Ms. He Yihan (何易韓)** Room 1602, Talent Apartment 1A No. 19, Huayun Road, Huazhuang Subdistrict Wuxi Economic & Technological Development Zone, Wuxi City Jiangsu Province, PRC **Ms. Wong Mei Fung Carrie (黃美鳳)** *Associate member of The Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom* 46/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
Authorized representatives	**Ms. He Yihan (何易韓)** Room 1602, Talent Apartment 1A No. 19, Huayun Road, Huazhuang Subdistrict Wuxi Economic & Technological Development Zone, Wuxi City Jiangsu Province, PRC **Ms. Wong Mei Fung Carrie (黃美鳳)** 46/F, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

CORPORATE INFORMATION

Audit Committee	Ms. Xin Zhu (辛珠) *(Chairperson)* Mr. Guo Qian (郭謙) Mr. Zhang Weimin (張偉民)
Remuneration Committee	Mr. Guo Qian (郭謙) *(Chairperson)* Ms. Xu Hui (徐輝) Mr. Dang Jianming (黨建明)
Nomination Committee	Mr. Yang Hongze (楊泓澤) *(Chairperson)* Mr. Guo Qian (郭謙) Ms. Xu Hui (徐輝)
H Share Registrar	[**REDACTED**]
Principal Bank	**Bank of Ningbo Wuxi Branch** No. 6, Jinrong Third Street Binhu District, Wuxi City Jiangsu Province, PRC

Certain information and statistics set out in this section have been extracted from various official government publications, market data providers and a report commissioned by us and prepared by an independent third party, Frost & Sullivan. The information from official government sources has not been independently verified by us, the Joint Sponsors, the* [REDACTED]*, the* [REDACTED]*, the* [REDACTED]*, the* [REDACTED]*, the* [REDACTED]*, the* [REDACTED] *or any of their respective directors, officers, employees, advisers or agents or any other parties involved in the* [REDACTED]*, and no representation is given as to its accuracy, fairness and completeness.

Propelled by technological advancement, end-user demand for technologically sophisticated products continues to escalate, and the automotive market is undergoing a profound transformation. Consequent to the evolution of electronic and electrical (E/E) architectures, vehicles have transformed into intelligent vehicles. The E/E architecture itself has progressed from the initial distributed Electronic Control Unit (ECU) architecture to a domain controller architecture and is currently advancing towards a centralized computing architecture.

According to Frost & Sullivan, in 2025, global and China passenger car sales reached 76.9 million and 30.8 million units, respectively. By 2030, the market is projected to rise to 88.4 million and 50.7 million units, respectively. In the future, these vehicles will adopt advanced controllers to enable intelligent functions, indicating a vast market potential for intelligent vehicles.

OVERVIEW OF THE GLOBAL AND CHINA INTELLIGENT VEHICLE MARKET

Definition of Intelligent Vehicle

Intelligent vehicles generally refer to vehicles equipped with environmental perception, intelligent decision-making, and coordinated control capabilities. Their E/E architecture has evolved from distributed ECUs to domain control architectures. Under the domain control architecture, different domain controllers undertake distinct functions, including cockpit domain controllers, ADAS domain controllers, body domain controllers, chassis domain controllers, and powertrain domain controllers. With ongoing industry advancements, the E/E architecture is now witnessing the integration of cockpit and ADAS domains as well as the convergence of multiple domains, progressively moving toward a centralized computing architecture.

Development Stages of Intelligent Vehicle

In the era of "software-driven mobility," the E/E architecture has emerged as the cornerstone of automotive intelligence, constituting a primary strategic focus for intelligent vehicle manufacturers. Benefiting from advancements in hardware, software and communication architectures, the distributed ECU architecture prevalent in vehicles is gradually superseded by the domain controller architecture. Through meticulous E/E architecture design, critical vehicle components are transformed into practical physical layouts, signal networks, data networks and diagnostic frameworks. By evolving from distributed ECU architecture to domain controller architecture, the evolved E/E architecture enables shared computing power and resources within domain, which enhances efficiency and functional integration.

Confronted by the challenges and demands arising, the industry faces significant issues: escalating research and development and production costs, inadequate computational capacity coupled with poor coordination, redundant computational processes, and substantial resource inefficiencies. Consequently, the industry is undergoing a transition from domain controller architecture towards centralized computing architecture.

During the phase of centralized computing architecture, the computing platform consolidates all vehicle data within a central computer. Utilizing on-device AI models, the system comprehends complicated commands and orchestrates multiple functions. Vehicles consequently evolve from mere transportation devices into comprehensive task-processing units.

Centralized computing replaces numerous domain controllers, establishing a unified computational center for the vehicle. Internally, a high-speed Ethernet backbone integrates optical transmission at critical nodes to facilitate the real-time transmission of high-bandwidth data.

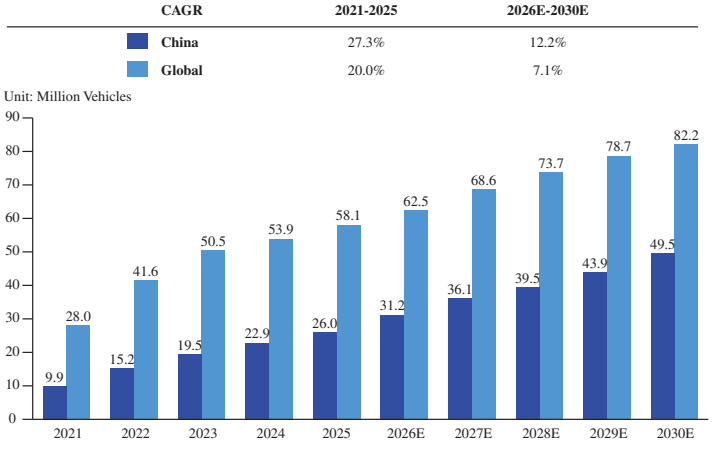
The Shift from Domain Controller to Centralized Computing Architecture

Domain controllers have enabled the unified allocation of computing power and resources, playing a pivotal role in the E/E architecture. As SoC chip performance improves dramatically, E/E architectures are evolving toward centralized computing, driving restructuring across hardware, software and applications. Enhanced chip performance is enabling deep integration across communication modules, software platforms, data processing and AI technologies, shifting the architecture from independent systems to a collaborative centralized computing framework. In this context, integrators' architectural design and cross-domain coordination capabilities are becoming vital, determining system efficiency and future development direction.

Market Size of Intelligent Vehicle

Driven by end-user demands, technology evolution and policy support, the global intelligent vehicle market has shown strong growth in recent years. According to Frost & Sullivan, the global sales volume of intelligent vehicles with L1-L5 grew from 28.0 million to 58.1 million units from 2021 to 2025. With continuous advances in autonomous driving and connected vehicle technologies, global sales are expected to reach 82.2 million units by 2030. According to Frost & Sullivan, China intelligent vehicle sales volume increased from 9.9 million units in 2021 to 26.0 million in 2025, and are projected to reach 49.5 million by 2030.

Global and China Intelligent Vehicle with L1-L5 Market Size, by Sales Volume, 2021-2030E



Source: Interviews with industry experts, CPCA, Frost & Sullivan report

Key Drivers of the Intelligent Vehicle Market

Upgraded Consumer Demands

As end-user expectations rise, drivers seek vehicles capable of delivering safety, personalized interactions, seamless human-vehicle collaboration and continuous evolution via OTA updates. Automakers are adopting centralized computing architectures and open ecosystems for faster feature deployment and updates. With deeper integration of AI and big data, in-car services are becoming more intelligent.

Technology Evolution

Driven by the limits of distributed ECUs in handling data complexity, the industry is shifting from distributed architectures through domain control to centralized computing, which consolidates power for dynamic resource allocation. This evolution, combined with AI, transforms vehicles into intelligent entities where large models predict needs, enable proactive interaction, enhance experiences, and shorten iteration cycles.

OVERVIEW OF THE GLOBAL AND CHINA DOMAIN CONTROLLER MARKET

Definition and Classification of Domain Controller

Domain controller is a key component in the transition of E/E architectures. It consolidates the functionalities of multiple ECUs into a unified, high-performance domain control and processing platform. Based on core functions, domain controllers are mainly divided into: autonomous driving domain controllers, intelligent cockpit domain controllers, powertrain domain controllers, body domain controllers, chassis domain controllers.

Development of Domain Controller

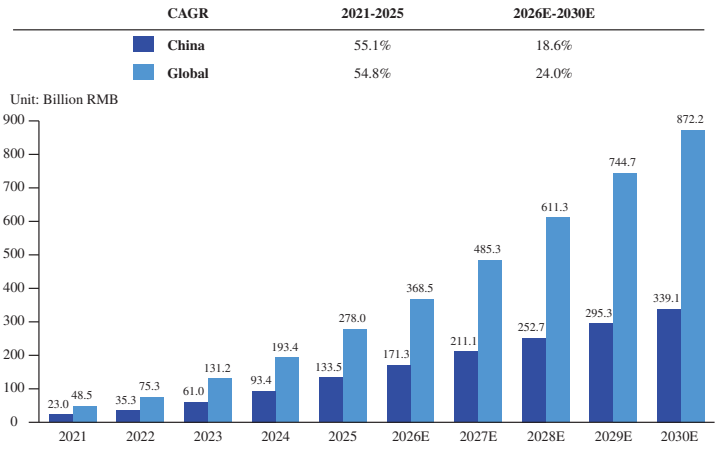
Domain controllers have facilitated the transition from distributed ECUs to domain-level functional integration, substantially reducing redundant ECUs, simplifying automotive wiring harnesses, and enhancing hardware-software synergy.

Presently, the industry is progressing towards a new phase of centralized computing. Cockpit-driving integration, which consolidates the computing power and functionalities of both the cockpit and ADAS domains, represents a prominent transitional strategy within this evolutionary trajectory. This integration transcends traditional domain barriers and lays the foundation for next-generation centralized architectures characterized by heightened efficiency, cost-effectiveness, and user-experience orientation.

Market Size of Domain Controller

According to Frost & Sullivan, driven by growing demand for faster system response and rising electrification and control complexity, the global domain controller market grew from RMB48.5 billion in 2021 to RMB278.0 billion in 2025, with a CAGR of 54.8%. It is projected to reach RMB872.2 billion by 2030, maintaining a strong 24.0% CAGR during 2026-2030. In the coming years, distributed ECUs, domain controllers, zone controllers and centralized computing platform will coexist and complement each other. According to Frost & Sullivan, by 2035, the global market is expected to reach USD350.0 billion. In China, the market is also expanding rapidly, from RMB23.0 billion in 2021 to RMB133.5 billion in 2025, representing a 55.1% CAGR, and is forecast to reach RMB339.1 billion by 2030, with an 18.6% CAGR during 2026-2030, according to Frost & Sullivan.

Global and China Domain Controller Market Size, by Revenue, 2021-2030E



Source: Interviews with industry experts, CAAM, Frost & Sullivan report

Drivers and Trends of Domain Controller Market

As intelligent vehicles grow more complex, user expectations for quicker system response and smoother interaction are driving optimization across the entire data chain, enabling faster decision-making and seamless human-machine interaction, evident in rapid ADAS reactions, smoother cockpit interfaces, and near-instant voice feedback. This demand is accelerating the adoption of centralized computing architectures, which, as technology upgrades and costs decline, are expanding from high-end to mainstream vehicle models, enhancing vehicle value and creating new growth opportunities across the industry.

OVERVIEW OF THE GLOBAL AND CHINA INTELLIGENT COCKPIT DOMAIN CONTROLLER MARKET

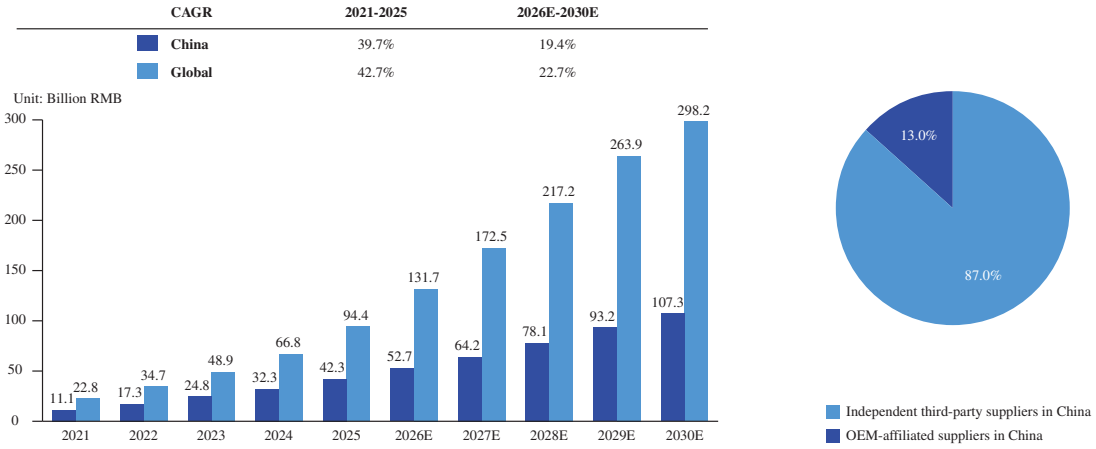
Definition of Intelligent Cockpit Domain Controller

The intelligent cockpit domain controller is the core pillar of the in-vehicle computing platform. It leverages a high-performance SoC to drive holistic display and operating concepts on various displays in the vehicle interior, enabling information sharing, collaborative interaction, and efficient resource management. This configuration reduces the number of hardware devices, simplifies the wiring and hardware layout within the cockpit, frees up additional space for the arrangement of other in-vehicle components, and contributes to reducing the overall vehicle weight.

Market Size of Intelligent Cockpit Domain Controller

According to Frost Sullivan, the global market size for intelligent cockpit domain controllers increased from RMB22.8 billion in 2021 to RMB94.4 billion in 2025, representing a 42.7% CAGR, and is projected to reach RMB298.2 billion by 2030, maintaining a 22.7% CAGR from 2026 to 2030. In China, the market size grew from RMB11.1 billion in 2021 to RMB42.3 billion in 2025, representing a 39.7% CAGR, and is expected to reach RMB107.3 billion by 2030, representing a 19.4% CAGR during 2026-2030. In terms of market participants, the China domain controller market comprises independent third-party suppliers and OEM-affiliated suppliers, accounting for 87% and 13%, respectively.

Global and China Intelligent Cockpit Domain Controller Market Size, by Revenue, 2021-2030E



Source: Interviews with industry experts, CAAM, Frost & Sullivan report

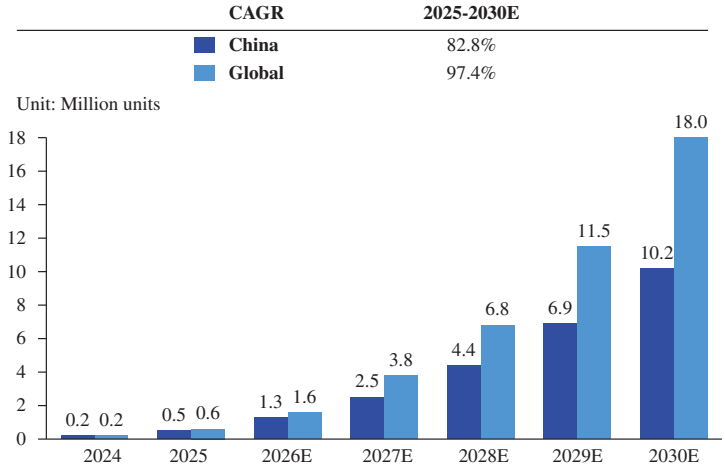
Market Size of the Integrated Cockpit-ADAS Controller

The cockpit domain is progressively integrating advanced driving functionalities, evolving toward comprehensive integrated cockpit-ADAS controllers. The integrated controller constitutes a scalable, modular architecture, consolidating system functions for both autonomous driving and infotainment within a single high-performance computational unit.

The cockpit domain is progressively integrating advanced driving functionalities, evolving toward comprehensive integrated cockpit-ADAS controllers. The integrated controller constitutes a scalable, modular architecture, consolidating system functions for both autonomous driving and infotainment within a single high-performance computational unit.

The cockpit domain is increasingly incorporating advanced driving features, moving toward full integration of cockpit and ADAS. According to Frost & Sullivan, from 2024 to 2030, global installations of integrated cockpit-ADAS controllers grew from 0.2 million units in 2024 to 0.5 million in 2025, reaching about 18.0 million units by 2030, representing a 97.4% CAGR from 2025 to 2029. According to Frost & Sullivan, in China, installations in passenger vehicles rose from 0.2 million units in 2024 to 0.5 million in 2025, and reach around 10.2 million units by 2030, achieving a CAGR of 82.8% over the same period.

Global and China Integrated Cockpit-ADAS Controller Shipments, 2024-2030E



Source: Interviews with industry experts, Frost & Sullivan report

Competitive Landscape of Intelligent Cockpit Domain

The intelligent cockpit domain controller market is dominated by two principal categories of participants: independent third-party suppliers and OEM-affiliated suppliers. Each category capitalizes on distinct technological capabilities and resource advantages, thereby establishing divergent competitive landscapes.

Independent Third-Party Suppliers

These entities constitute principal industry players, specializing in automotive electronics research and development independently of automakers. They distinguish themselves through their capacity to optimize supplier collaboration and deliver tailored hardware-software solutions. As demand escalates for comprehensive hardware-software integration, vendors limited to either hardware or software provision are encountering innovation bottlenecks. Organizations possessing full-stack capabilities and robust customization expertise can establish formidable technical barriers and demonstrate substantial growth potential, thereby securing an exceptionally competitive position within the intelligent automotive value chain.

OEM-affiliated Suppliers

These suppliers are incubated or controlled by automakers and are closely aligned with specific vehicle strategies. They provide highly customized cockpit domain controllers for particular models. However, their dependence on the parent automaker limits broader market reach, flexibility, and responsiveness, and their technology upgrades are constrained by vehicle development cycles.

Competitive Landscape of China Intelligent Cockpit Domain Controller Market

The global intelligent cockpit domain controller market remains relatively fragmented. China companies are steadily increasing their influence through advantages in technology integration, cost control, supply chain management, and customer service.

In 2025, installations of intelligent cockpit domain controllers in China's passenger vehicle market registered robust growth. Building on profound insights into the local market, agile strategic responses, and continuously strengthening technical capabilities, the company achieved revenue of RMB2.0 billion, capturing a 5.4% market share among independent third-party suppliers, ranking the third in the industry, and an 4.7% share across all intelligent cockpit domain controller suppliers in China.

China Intelligent Cockpit domain controller supplier, by Revenue[(1)], 2025

Ranking	Company	Market Share, 2025[(2)]
1	Company A[(3)]	18.2%
2	Company B[(4)]	8.2%
3	**The Company**	**5.4%**
4	Company C[(5)]	5.2%
5	Company D[(6)]	4.1%

Source: Interviews with industry experts, annual reports and websites of listed companies, S&P 500, Frost & Sullivan report

Notes:

(1) Revenue includes sales from passenger vehicle intelligent cockpit domain controller in China.

(2) Market share among independent third-party suppliers in China.

(3) Company A was founded in 1986 and headquartered in Huizhou City, Guangdong Province, listed on SZSE. The company's core business focuses on the full-stack integration of the three major areas of smart cabin, smart drive and smart service.

(4) Company B was founded in 2009 and headquartered in Shanghai, listed on HKEX Exchange. It's core business covers two major segments, intelligent cockpit solutions and intelligent connected solutions.

(5) Company C was founded in 1886 and headquartered in Gerlingen-Schillerhöhe, Germany, and is a privately held company. The company provides full-stack intelligent mobility solutions and products, including Intelligent cockpit domain controllers, cockpit-driving integration solutions, high-end and mid-end autonomous driving systems, vehicle motion control systems, sensors, computing platforms, and cloud services.

(6) Company D founded in 2018 and headquartered in Beijing and is a privately held company. Main products include intelligent cockpit systems, intelligent body domain controllers, intelligent connected controllers, intelligent voice interaction systems, vehicle networking, and automotive big data platforms, among others.

Entry Barriers of Intelligent Cockpit Domain Controller

Technical Barrier: Complex System Integration and Optimization

Intelligent cockpit domain controllers integrate hardware and software in a manner significantly more complex than distributed ECUs. Newcomers must possess expertise in high-performance hardware design, high-speed circuit layout, and thermal management. Crucially, they should achieve profound hardware-software integration to ensure the seamless and stable operation of multi-screen interactions, voice recognition, and visual functionalities within constrained resource environments.

Safety and Reliability Barrier: Strict Automotive Standards and Certification

Automotive-grade safety and reliability standards create a high barrier. Companies should comply with functional safety and cybersecurity standards and validate products under extreme conditions to ensure long-term stability. They also need to make sure their quality management systems meeting IATF16949 standards. Meeting these requirements and completing lengthy certification cycles demands significant time and capital investment, posing a major challenge for new entrants.

Trends in Intelligent Cockpit Domain Controller

Cockpit & ADAS Integration

The ongoing shift in E/E architecture is driving the development of high-performance cross-domain controllers that integrate previously separate functions like infotainment and ADAS. This consolidation can be achieved through approaches such as shared housing or the use of fusion SoCs, with the latter offering advantages in cost, scalability, and software integration, making them ideal for entry-level to mid-range vehicles supporting Level 2+ autonomy.

The cockpit is transforming from a standalone infotainment unit into an active service platform that leverages driving perception data to deliver proactive, context-aware services based on environment, navigation, and driver state. This evolution enhances interaction between occupants and external traffic participants, reduces cognitive load, and ensures safe task coordination in complex scenarios, ultimately boosting driving safety and overall vehicle intelligence. In the context of the cockpit & ADAS integration development trend, the growing demand for high computing power and high speed necessitates the integration of optical communication technologies, where early-movers will gain a significant competitive edge.

Multi-Domain Integration

As multi-domain integration progresses, the role of cockpit controller expands beyond cockpit functions to coordinate body, powertrain, and chassis systems. With powerful human-machine interfaces and growing computing capacity, the cockpit becomes the central hub for user-vehicle interaction. It executes complex scenario-based commands, coordinating air conditioning, seats, windows, and other subsystems, transforming scattered functions into a unified, seamless user experience.

Central Computing

As E/E architecture is shifting to a centralized computing setup, cockpit and ADAS hardware will integrate into a unified central hardware platform. With the growing standardization of vehicle hardware design, brand differentiation among automakers will increasingly rely on the integrated software and hardware solutions of the central computing platform, which systematically defines the user experience.

OVERVIEW OF THE GLOBAL AND CHINA ZONE CONTROLLER MARKET

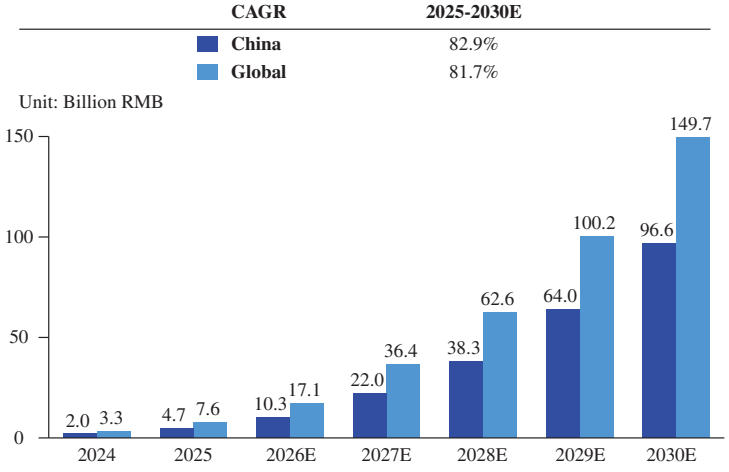
Definition of Zone Controller

Zone controllers are key components in the shift of E/E architecture toward a centralized computing architecture. They address data redundancy and bandwidth bottlenecks. Serving as a zone hub between the centralized computing unit and local sensors and actuators, they are deployed based on physical location and handle signal collection, power distribution, and command execution within their area. By replacing long wiring harnesses with local short connections, they optimize electrical layout, improving system response speed, communication efficiency, scalability, and reducing vehicle weight.

Market Size of Zone Controller

Zone controllers are gaining rapid traction in the mainstream end-user vehicle market. According to Frost & Sullivan, the global penetration rate of zone controller in passenger vehicle is expected to be around 3.7% in 2025, corresponding to a market size of RMB7.6 billion. As E/E architectures become more centralized and AI capabilities are increasingly integrated, both the number of controllers per vehicle and their unit value are rising. According to Frost & Sullivan, by 2030, global penetration is expected to reach 18.5%, with the market size growing to RMB149.7 billion, representing a 81.7% CAGR from 2025 to 2030. China is a key driver of the global zone controller market. According to Frost & Sullivan, in 2025, the market size of China was RMB4.7 billion, and by 2030, leading the global market, the market size is expected to reach RMB96.6 billion and a CAGR of 82.9%.

Global and China Zone Controller Market Size, by Revenue, 2024-2030E



Source: Interviews with industry experts, Frost & Sullivan report

Drivers and Trends of Zone Controller

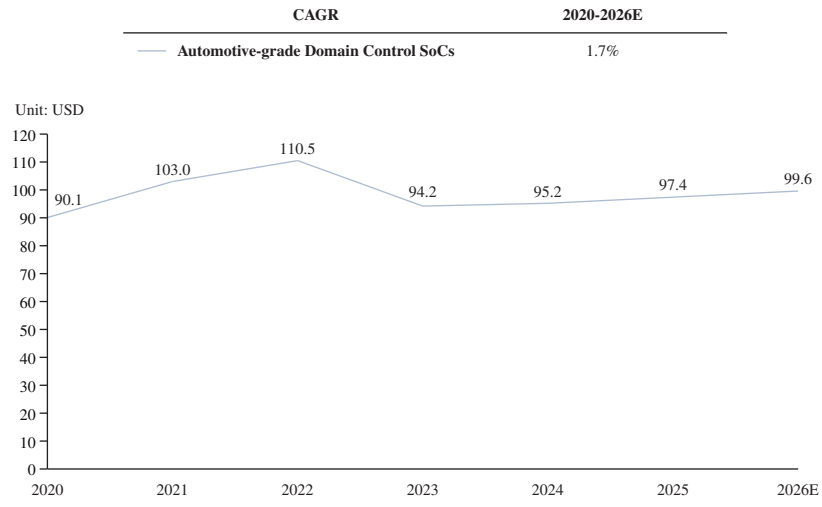
The shift to centralized E/E architectures integrates cockpit and ADAS hardware into a unified central platform. As vehicle hardware standardizes, brand differentiation hinges on this platform's integrated software-hardware solutions that define the user experience. To manage growing sensor data and AI models, zone controllers act as edge nodes preprocessing local data, while the centralized computing platform fuses multi-source information for global decision-making.

RAW MATERIAL PRICE ANALYSIS

The price trend for automotive-grade integrated domain control SoCs experienced a notable fluctuation over the past few years. The price index increased steadily from 90.1 in 2020 to a peak of 110.5 in 2022, before declining to 94.2 in 2023. The upward trend between 2020 and 2022 was primarily driven by surging demand for high-performance computing chips amid the rapid advancement of intelligent vehicles, combined with global semiconductor supply chain constraints and rising raw material costs. The decline in 2023 reflected the easing of chip shortages, inventory adjustments by downstream manufacturers, and a temporary slowdown in demand growth following a period of aggressive procurement.

The relatively stable yet modest recovery observed in 2024 to 2026E suggests a gradual rebalancing of supply and demand dynamics, with intensified competition among suppliers also contributing to price normalization. Overall, the market is moving toward a more sustainable equilibrium, though underlying demand for high-performance automotive chips remains structurally robust.

Price of Automotive-grade Integrated Domain Control SoCs in China, 2020-2026E



Source: Interviews with industry experts, annual reports and websites of listed companies, Frost & Sullivan report

SOURCE OF INFORMATION

In connection with the [**REDACTED**], we have engaged Frost & Sullivan to conduct a detailed analysis and prepare an industry report on the markets in which we operate (the "Frost & Sullivan Report"). Services provided by Frost & Sullivan include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries. We have agreed to a total of RMB450,000 in fees and expenses for the preparation and use of the Frost & Sullivan

Report. The payment of such an amount was not contingent upon our successful Listing or on the results of the Frost & Sullivan Report. Apart from the Frost & Sullivan Report, we have not commissioned any other industry report in connection with the [**REDACTED**].

We have extracted certain information from the Frost & Sullivan Report in this section, as well as in the sections headed "Summary," "Risk Factors," "Business," "Financial Information" and elsewhere in this document to provide our potential investors with a more comprehensive presentation of the industries in which we operate. Unless otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report, various official government publications and other publications. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

REGULATIONS ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

The Action Plan for Carbon Dioxide Peaking in Industrial Sectors (《工業領域碳達峰實施方案》) issued by the MIIT, NDRC and MEE mandates expanding green and low-carbon product supply in transportation, promoting energy-saving and new energy vehicles (NEVs), advancing vehicle integration technological innovation and raising NEV industry concentration. It requires increasing NEV penetration in urban public transport, postal services, sanitation, urban logistics and personal consumption. By 2030, around 40% of newly added vehicles shall be NEV and clean energy-powered, with the CO_2 emission intensity of new passenger and commercial vehicles dropping by over 25% and 20% respectively compared with 2020.

The Opinions of the Central Committee of the Communist Party of China and the State Council on Accelerating the Comprehensive Green Transition of Economic and Social Development (《中共中央國務院關於加快經濟社會發展全面綠色轉型的意見》) stipulates that China will boost the development of non-fossil energy to account for around 25% of total energy consumption by 2030. It calls for promoting low-carbon transport tools, popularizing new energy vehicles, advancing the electrification of urban public service vehicles, and expanding the application of clean power for ships, aircraft and non-road mobile machinery. The document also requires accelerating the phase-out of obsolete transportation means, advancing zero-emission freight transport, strengthening R&D and application of sustainable aviation fuels, and encouraging the R&D, production and application of net-zero emission marine fuels. By 2030, the carbon emission intensity per unit of converted turnover of operating transportation vehicles will drop by about 9.5% compared with 2020, and new energy vehicles will become the mainstream of newly sold vehicles by 2035.

The Ministry of Industry and Information Technology (MIIT) and other competent authorities issued the Implementation Plan for Digital Transformation of the Electronic Information Manufacturing Industry (《電子信息製造業數字化轉型實施方案》), which aims to accelerate the industry's high-end, intelligent, green and integrated development, and underpin the advancement of new-type industrialization and the development of a modern industrial system. By 2027, the new-type information infrastructure for the industry's digital and intelligent upgrading will be basically completed, with the digitalization rate of key processes of above-designated-size enterprises exceeding 85%. By 2030, a relatively complete data infrastructure system for the industry will be established, and its industrial database will be basically completed.

According to the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), hazardous waste generators must store, utilize and dispose of such waste in accordance with national provisions and environmental protection standards, and shall not arbitrarily dump or pile it up. Entities engaged in the collection, storage, utilization and treatment of hazardous waste shall apply for and obtain a relevant permit, with hazardous waste defined in the latest version of the National Catalogue of Hazardous Wastes (《國家危險廢物名錄》) issued by the Ministry of Ecology and Environment and other authorities. The Jiangsu Province Regulation on the Prevention and Control of Environmental Pollution by Solid Waste (《江蘇省固體廢物污染環境防治條例》) requires industrial solid waste generators to accurately record the type, quantity, flow direction, storage, utilization and disposal of such waste through the dedicated solid waste pollution prevention and control information platform.

REGULATIONS ON FOREIGN INVESTMENT

The establishment, operation and management of companies in the PRC are governed by the PRC Company Law (《中華人民共和國公司法》). According to the PRC Company Law, companies established in the PRC are either limited liability companies or joint stock limited companies. The PRC Company Law applies to both PRC domestic companies and foreign investment companies. The Ministry of Commerce of the PRC (the "MOFCOM") and the State Administration for Market Regulation of the PRC (the "SAMR") promulgated the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》). Where foreign investors carry out investment activities directly or indirectly within China, foreign investors or foreign-invested

enterprises shall report investment information to commerce departments. According to the Measures for the Reporting of Foreign Investment Information, a listed foreign-invested company is required to, when the change of foreign investors' shareholding ratio accumulatively exceeds 5% or the foreign party's controlling or relatively controlling status changes, report the information on the modification of investors and the shares held by them. MOFCOM and NDRC promulgated the Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》), or the Negative List (2024).

The NPC approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), and the State Council promulgated the Implementing Rules of the Foreign Investment Law (《中華人民共和國外商投資法實施條例》), or the Implementing Rules, to further clarify and elaborate the relevant provisions of the Foreign Investment Law. Pursuant to the Foreign Investment Law, "foreign investments" refer to investment activities conducted by foreign investors (including foreign natural persons, foreign enterprises or other foreign organizations) directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors, (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC, (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors, and (iv) investment of other methods as specified in laws, administrative regulations, or as stipulated by the State Council.

Requirements or Standards on Cockpit Solution and Products

The "National Guidelines for the Construction of the Industrial Standard System for Vehicles Connectivity (Intelligent and Connected Vehicles) (2023 Edition)" (國家車聯網產業標準體系建設指南(智能網聯汽車)(2023版)) were jointly revised and issued by the Ministry of Industry and Information Technology (工業和信息化部) and the Standardization Administration of the People's Republic of China (國家標準化管理委員會). The guideline primarily focuses on the universal norms, core technologies, and key product applications of intelligent and connected vehicles, aiming to establish a comprehensive standard system that encompasses the basics, technologies, products, and testing standards for intelligent and connected vehicles.

The China Association of Automobile Manufacturers released the Automotive Intelligent Cockpit Interaction Experience Test and Evaluation Procedures (Draft for Comments) (《汽車智能座艙交互體驗測試評價規程(徵求意見稿)》), which stipulates the terminology and definitions, the evaluation index system, the classification of grades, and the test and evaluation methodology of the Automotive Intelligent Cockpit Interaction Experience Test and Evaluation Procedures. The Automotive Intelligent Cockpit Interaction Experience Test and Evaluation include the evaluation on usefulness, safety, efficiency, cognition, intelligence, value, and aesthetics.

According to the Guideline for Developing National Vehicles Connectivity Industry Standard System (Electronic Products and Services) (《國家車聯網產業標準體系建設指南(電子產品和服務)》), it mainly aims at the standardization of automotive electronic products, in-vehicle information systems, and in-vehicle information services and platforms that underpin the IoV industry chain, and clarifies the development direction of standardization of IoV electronic products and in-vehicle information services. Moreover, according to the construction method of the technical logical structure and product physical structure of intelligent connected vehicles, taking into account different functional requirements, product and technology types, and information flow between various subsystems, the government defines the standard system framework of intelligent connected vehicles as four parts: "Foundation," "General Specifications," "Product and Technology Applications," and "Relevant Standards." General Specifications put forward the overall requirements and specifications from the vehicle level, mainly including function evaluation, human-machine interface, function safety and information safety, etc. Product and Technology Applications mainly cover the functions, performance requirements, and testing methods of core technologies and applications of intelligent connected vehicles, such as information perception, decision warning, auxiliary control, automatic control, and information interaction. Relevant Standards mainly include communication protocols, the foundation of vehicle information communication, which mainly covers protocol specifications on medium, short-range

communication, wide area communication and other aspects of the realization of intelligent information interaction among vehicles (individual passengers, vehicles, roads, clouds, etc.), and they also include standard specifications for software and hardware interface between various physical layers and different application layers.

The state officially released three national mandatory standards, including "Technical Requirements for Information Security of Complete Automobiles" (《汽車整車信息安全技術要求》), "General Technical Requirements for Automotive Software Upgrades" (汽車軟件升級通用技術要求), and "Data Recording System for Autonomous Driving of Intelligent and Connected Vehicles" (《智能網聯汽車自動駕駛數據記錄系統》). The implementation of these standards will impose specific requirements on the information security of intelligent connected vehicles, encompassing but not limited to data encryption, access control, security vulnerability management, emergency response, and other aspects.

According to the Interim Provisions on Radio Management of Automobile Radar (《汽車雷達無線電管理暫行規定》), the automobile radar equipment manufactured or imported for domestic sale or use shall comply with the RF Technical Requirements for Automobile Radar and apply for the radio type approval of the radio transmitting equipment from the national radio administration agency.

The "On-board Wireless Communication Terminal" (《車載無線通信終端》) (GB/T 43187-2023) is a national recommended standard that stipulates the technical requirements for on-board wireless communication terminals. It also outlines the testing methods and inspection rules for these terminals, providing detailed specifications for various aspects such as communication performance, electromagnetic compatibility (EMC), environmental adaptability, and durability.

The National Standardization Administration Committee (國家標準化管理委員會) issued the third batch of recommended national standard plans for 2023. Among them, five significant national standard projects in the field of intelligent and connected vehicles, including "Technical Requirements and Test Methods for Intelligent and Connected Vehicle Control Operating Systems" (《智能網聯汽車車控操作系統技術要求及試驗方法》) submitted by the National Technical Committee on Automobile Standardization (全國汽車標準化技術委員會), were officially approved and initiated. This standard stipulates the technical requirements, information security requirements, functional safety requirements, and corresponding test methods for intelligent driving operating systems and safe vehicle control operating systems.

REGULATIONS ON PRODUCT QUALITY

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》), the seller shall be responsible for the repair, replacement or return of the product sold if (i) the product sold does not possess the properties for use that it should possess, and no prior disclosure is given of such a situation; (ii) the product sold does not conform to the applied product standard as carried on the product or its packaging; or (iii) the product sold does not conform to the quality indicated by such means as a product description or physical sample. If a consumer incurs losses as a result of purchased products, the seller shall compensate for such losses.

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

According to the Administrative Regulations on Compulsory Product Certification (《強制性產品認證管理規定》), relevant products stipulated by the state must undergo certification ("Compulsory Product Certification") and be marked with the China Compulsory Certification mark before they can leave the factory, be sold, imported, or used in other business activities. The

state implements a unified product catalog subject to certification, unified mandatory technical requirements, standards and conformity assessment procedures, unified certification marks, and a unified fee standard for products subject to compulsory product certification.

REGULATIONS ON THE IMPORT AND EXPORT OF GOODS

In accordance with the Foreign Trade Law of the People's Republic of China (《中華人民共和國對外貿易法》), and the Notice on Matters Relating to the Filing of Consignees and Consignors of Imported and Exported Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》), the consignee or consignor of imported or exported goods applying for filing should obtain the qualification of the market entity, but no filing for foreign trade operators is required.

According to the Customs Law of the People's Republic of China (《中華人民共和國海關法》), respectively, the consignee of imported goods, the consignor of exported goods, and the owner of inbound and outbound goods are the taxpayers of customs duties, customs declaration and tax payment procedures may be completed by the consignee or consignor of the imported and exported goods, or the consignee or consignor of import and export goods may entrust a customs declaration enterprise to complete the customs declaration and tax payment procedures. Customs declaration units refer to the consignee or consignor of the imported and exported goods and the customs declaration enterprises filed with the customs in accordance with the Regulations of the People's Republic of China on the Administration of the Record of Customs Declaration Units (《中華人民共和國海關報關單位備案管理規定》). Where the consignee or consignor of imported or exported goods or a customs declaration enterprise applies for filing, it shall obtain the qualification of market entities.

According to the Law of the People's Republic of China on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法》), the General Administration of Customs is responsible for the inspection of import and export commodities nationwide. Entry-exit inspection and quarantine authorities are responsible for inspecting commodities listed in the official catalog and other commodities subject to mandatory inspection as stipulated by applicable laws and administrative regulations. Imported commodities subject to compulsory inspection shall not be sold or used until they have passed the inspection. Export commodities subject to inspection shall not be exported if they have not been inspected or have failed the inspection.

According to the Regulations of the People's Republic of China on the Administration of the Import and Export of Goods (the "Goods Import and Export Regulations", 《中華人民共和國貨物進出口管理條例》), enterprises engaged in import or export trading activities involving goods entering or leaving the PRC territory must comply with the provisions of the Goods Import and Export Regulations: goods prohibited from import and export shall not be imported or exported; goods restricted from import and export are subject to a licensing system or a quota system; freely imported and exported goods are not subject to any restrictions. The consignee of imported goods or the consignor of exported goods shall submit an automatic import/export license, import/export license, or quota certificate to the customs to complete customs clearance procedures.

The Export Control Law of the People's Republic of China (《中華人民共和國出口管制法》) is China's first comprehensive and integrated export control law, which sets out provisions for the export control of dual-use goods, military supplies, nuclear energy products, goods related to the protection of national security and interests and other commodities, science and technology, services and goods, as well as fulfilling the responsibilities related to the international prohibition of nuclear proliferation.

The tariff payment for imported goods into China is primarily determined by classifying the goods according to the Import Tariff Schedule in the "Customs Import and Export Tariff of the People's Republic of China" ("中華人民共和國進出口稅則"). Each tariff item typically corresponds to multiple rates, including the Most-Favored-Nation (MFN) rate, agreement rate, preferential rate, and general rate, with the applicable rate depending on the country of origin.

REGULATIONS ON CYBERSECURITY, DATA PRIVACY AND PROTECTION

Cybersecurity and Data Protection

The Cybersecurity Law of the People's Republic of China (the "Cybersecurity Law,"《中華人民共和國網絡安全法》), requires that when constructing and operating a network, or providing services through a network, technical measures and other necessary measures shall be taken in accordance with laws, administrative regulations and the compulsory requirements set forth in national standards to ensure the secure and stable operation of the network, to effectively cope with cybersecurity incidents, to prevent criminal activities committed on the network, and to maintain the integrity, confidentiality and availability of network data. The Cybersecurity Law emphasizes that any individuals and organizations that use networks must not endanger cybersecurity or use networks to engage in activities endangering national security, economic order and social order or infringing the reputation, privacy, intellectual property rights and other lawful rights and interests of others. Any violation of the provisions and requirements under the Cybersecurity Law may subject an internet service provider to rectifications, warnings, fines, confiscation of illegal gains, revocation of business permits, cancellation of business license, closedown of websites or even criminal liabilities.

The Data Security Law of the People's Republic of China (the "Data Security Law,"《中華人民共和國數據安全法》). The Data Security Law requires a data processor to establish and improve a whole-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to safeguard data security. Any violation of the provisions and requirements under the Data Security Law may subject a data processor to rectifications, warnings, fines, suspension of the related business, revocation of business permits or even criminal liabilities.

The Personal Information Protection Law of the PRC (the "Personal Information Protection Law,"《中華人民共和國個人信息保護法》) reiterates the circumstances under which a personal information processor could process personal information and the requirements for such circumstances. It also stipulates the obligations of a personal information processor. Any violation of the provisions and requirements under the Personal Information Protection Law may subject a personal information processor to rectifications, warnings, fines, suspension of the related business, revocation of licenses, inclusion in relevant credit record, or even criminal liabilities.

The Measures for Cybersecurity Review specifies that the procurement of network products and services by critical information infrastructure operators and the activities of data processing carried out by online platform operators, that raise or may raise "national security" concerns are subject to strict cybersecurity review by the Office of Cybersecurity Review established by the CAC. In addition, an online platform operator that possesses the personal information of more than one million users must apply for a cybersecurity review by the Cybersecurity Review Office, if it plans on listing companies in foreign countries. Pursuant to the Measures for Cybersecurity Review, any violation shall be punished in accordance with the Cybersecurity Law and the Data Security Law.

The State Council promulgated the Regulations on Cyber Data Security Management. This regulation clarifies the general provisions on network data security management, and also further supplements and refines the specific requirements on personal information protection, important data security management, cross-border security management of network data, and obligations of network platform service providers.

The MIIT issued the Measures for the Administration of Data Security in the Field of Industry and Information Technology (for Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》). The measures are aimed to regulate the processing activities of data in the field of industry and information technology field conducted by relevant data processors in China. The measures apply to industrial enterprises, software and information technology service companies, and companies holding licences for operation of telecommunication services that independently determine the purposes and methods of data processing in the course of data processing activities.

Pursuant to the measures, data in the field of industry and information technology includes industrial data, telecommunication data, and radio data generated and collected during the operation of relevant services. The measures provide for the classification of data in the field of industry and information technology as general, important, or core data, and provide specific requirements for the management of data classifications and data protection measures. Data processors processing important data and core data are required to complete filing with relevant authorities for the catalogue of important data and core data. If over 30% of the quantity (i.e. number of data items or amount of data stored) of important and core data changes or there is any material change to other filing information, data processors must update.

The CAC issued the Provisions on Promoting and Regulating Cross-border Data Flow (《促進和規範數據跨境流動規定》). According to the provisions, data processors are subject to security assessments conducted by the CAC prior to any cross-border transfers of important data and personal information, if falling under any of the following circumstances: (i) where the critical information infrastructure operator intends to provide important data or personal information overseas; (ii) where the data processor other than critical information infrastructure operators intends to provide important data overseas; (iii) where the data processor other than critical information infrastructure operators, intends to provide personal information overseas; and (iv) other circumstances where the security assessment of cross-border data transfer is required as prescribed by the CAC.

The CAC, the NDRC, the MPS, the MIIT and the Ministry of Transport jointly promulgated the Several Provisions on Automobile Data Security Management (Trial Implementation) (the "Provisions on Automobile Data Security," 《汽車數據安全管理若干規定(試行)》) and aims to regulate the collection, analysis, storage, utilization, provision, publication, and cross-border transfer of personal information and important data involved in the process of automobile design, manufacture, sales, use, operation and maintenance, among others. To process personal information, automobile data processors shall obtain the consent of the individual or conform to other circumstances stipulated by laws and regulations. Pursuant to the Provisions on Automobile Data Security, important data related to automobiles shall in principle be stored within the PRC and a security assessment of cross-border data transfer shall be conducted by the national cyberspace administration authority in concert with relevant departments under the State Council if it is indeed necessary to provide such data overseas. To process important data, automobile data processors shall conduct risk assessments in accordance with regulations and submit risk assessment reports to related departments at provincial levels.

Privacy Protection

The Decision Regarding the Protection of Cybersecurity (《關於維護互聯網安全的決定》), provides that the following activities conducted through the internet, if constituting a crime under the Criminal Law, are subject to criminal punishment: (i) hacking into a computer or system of strategic importance; (ii) intentionally inventing and spreading destructive programs to attack computer systems and communications networks, and damaging computer systems and the communications networks; (iii) violation of national regulations or discontinuing computer network or communications services without authorization; (iv) disseminating politically disruptive information or divulging state secrets; (v) spreading false commercial information; or (vi) infringing on intellectual property rights.

The MIIT promulgated the Several Provisions on Regulating the Market Order of Internet Information Service (《規範互聯網信息服務市場秩序若干規定》). Internet information service providers shall obtain user consent before collecting users' personal information, shall clearly inform users of the methods, content, and purposes of collecting and processing users' personal information, and shall properly safeguard users' personal information.

In addition, pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), and the Order for the Protection of Telecommunication and Internet User Personal Information (《電信和互聯網用戶個人信息保護規定》), any collection and use of a user's personal information must abide by the principles of legality, legitimacy and

necessity, explicitly state the purpose, manners and scopes of the information collection and uses, obtain the consent of the user. Internet information service providers must strictly keep confidential the collected users' personal information, shall not disclose, alter, damage, sell, or provide it to others. Internet information service providers shall take technical measures and other necessary measures to prevent the collected personal information from being disclosed, damaged, or lost without authorization.

The NPC adopted the Civil Code of the PRC (《中華人民共和國民法典》). According to the Civil Code, individuals have the right of privacy. No organization or individual shall process any individual's private information or infringe an individual's right of privacy, unless otherwise prescribed by law or with the consent of such individual or such individual's guardian.

The Personal Information Protection Law requires, that (i) the processing of personal information should have a clear and reasonable purpose, in a method that has the least impact on personal rights and interests, and (ii) the collection of personal information should be limited to the minimum scope necessary to achieve the processing purpose. Different types of personal information and personal information processing will be subject to various rules on consent, transfer, and security. Entities processing personal information bear responsibilities for their activities of processing personal information, and shall adopt necessary measures to safeguard the security. Otherwise, the entities processing personal information could be ordered to correct, or suspend or terminate the provision of services, and face confiscation of illegal income, fines or other penalties.

The NPCSC issued the Ninth Amendment to the Criminal Law of the PRC (《中華人民共和國刑法修正案(九)》), stipulates that any network service provider that fails to fulfill the obligations related to information network security management and refuses to take corrective measures after the regulatory authorities order them to correct the non-performance, will be subject to criminal liability for causing (i) any large-scale dissemination of illegal information; (ii) serious consequence due to the leakage of users' information; (iii) any serious loss of evidence of criminal activities or (iv) other severe situations, and any individual or entity that (a) sells or provides personal information to others unlawfully or (b) steals or illegally obtains any personal information will be subject to criminal liability in severe situations.

REGULATIONS ON TELECOMMUNICATIONS EQUIPMENT NETWORK ACCESS

According to Measures for the Administration of Telecommunications Equipment Access to the Network (《電信設備進網管理辦法》), the State applies a network access licensing system to telecommunications terminal equipment, radio communication equipment and telecommunications equipment involving interconnection of public telecommunications networks. The telecommunications equipment subject to the network access license system must obtain the network access license; without access to the network license, may not access the public telecommunications network to use and sell in the country.

REGULATIONS ON WORK SAFETY

Under relevant construction safety laws and regulations, including the PRC Work Safety Law (《中華人民共和國安全生產法》), production and operating business entities improve the working environment and conditions for workers. A work safety protection scheme must also be set up to implement the work safety job responsibility system. In addition, production and operating business entities must arrange work safety training and provide their employees with protective equipment that meets national or industrial standards.

According to the Measures for the Supervision and Administration of "Three Simultaneities" for the Safety Facilities of Construction Projects (《建設項目安全設施"三同時"監督管理辦法》), the safety facilities of a construction project must be designed, constructed and put into operation simultaneously with the major construction works of the construction project.

REGULATIONS ON FIRE PREVENTION

According to the Fire Prevention Law of the People's Republic of China (《中華人民共和國消防法》) the Interim Provisions on the Administration of Examination and Acceptance of Fire Prevention Design of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) special construction projects that have not passed the fire prevention inspection or the fire prevention inspection are prohibited from being put into use. Construction projects other than special construction projects shall go through the fire safety acceptance filing, and the competent housing and urban-rural development authorities shall conduct random inspections on the fire safety acceptance of other construction projects filed. If the construction projects fail to pass the random inspection on fire safety acceptance, such projects shall be stopped.

REGULATIONS ON ENVIRONMENTAL PROTECTION

Environmental Protection Law

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), or the Environmental Protection Law. The Environmental Protection Law has been formulated for the purpose of protecting and improving both the living and the ecological environment, preventing and controlling pollution and other public hazards and safeguarding people's health. According to the provisions of the Environmental Protection Law, the Ministry of Environmental Protection and its local counterparts are responsible for administering and supervising environmental protection matters. Pursuant to the Environmental Protection Law, construction projects that have environmental impacts shall be subject to an environmental impact assessment. Installations for the prevention and control of pollution in construction projects must be designed, built and commissioned together with the principal construction plan of the project. Such installations shall not be dismantled or left idle without authorization.

Laws on Environment Impact Assessment

According to the Administration Rules on Environmental Protection of Construction Projects (《建設項目環境保護管理條例》), an construction employer shall submit an environmental impact report or an environmental impact statement, or file a registration form. As to a construction project, the construction employer shall, before the commencement of construction, submit an environmental impact report or the environmental impact statement to the relevant authority for approval. If the environmental impact assessment documents of the construction project have not been examined or approved upon examination by the approval authority, the construction employer shall not commence the construction.

Pursuant to the Law of the People's Republic of China on Environment Impact Assessment (《中華人民共和國環境影響評價法》), the State Council implemented an environmental impact assessment, or EIA, to classify construction projects according to the impact of the construction projects on the environment. Constructing entities shall prepare an environmental impact report, or an EIR, or an environmental impact statement, or an EIS, or fill out the EIR Form according to the following rules: (i) for projects with potentially serious environmental impacts, an EIR shall be prepared; (ii) for projects with potentially mild environmental impacts, an EIS shall be prepared; and (iii) for projects with very small environmental impacts, an EIS is not required but an EIR form shall be completed.

Pollutant discharge permits

According to the Catalogue of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (《固定污染源排污許可分類管理名錄》), the PRC implements key management, simplified management and registration management of pollutant discharge permits. For pollutant discharging entities subject to registration management, applications for pollutant discharge permits are not required.

Pursuant to the Administrative Measures for Pollutant Discharge Licensing (排污許可管理辦法), enterprises, public institutions and other producers and operators under the administration of discharge permits (referred to as "discharge units") shall apply for and obtain a pollutant discharge license and discharge pollutants in accordance with the provisions of the discharge permit. Any enterprise that fails to obtain a pollutant discharge license as required shall not discharge pollutants.

According to the Catalog of Classified Administration of Pollutant Discharge License for Stationary Pollution Sources (2019 Version) (固定污染源排污許可分類管理名錄(2019年版)), key management, simplified management and registration management of pollutant discharge permits are implemented, and only pollutant discharge entities that implement registration management do not need to apply for a pollutant discharge permit.

According to the Regulations on the Administration of Permitting of Pollutant Discharges (《排污許可管理條例》), enterprises and other production operators that implement pollutant discharge licencing management (the "pollutant discharging entities") shall apply for pollutant discharge permits, and shall not discharge pollutants without obtaining the pollutant discharge permits. Pollutant discharging entities are classified into key management and simplified management. The pollutant discharge permit is valid for five years. If a pollutant discharging entity intends to continue to discharge pollutants, it shall submit an application for renewal to the approving authority prior to the permit's expiration.

REGULATIONS ON LAND, PLANNING AND ENGINEERING CONSTRUCTION

Land

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》), and the Regulations for the Implementation of the Land Administration Law of the PRC (《中華人民共和國土地管理法實施條例》), the land of the PRC is either State-owned or collectively-owned. Except for land which is legally owned by the State or has been expropriated as State-owned according to law, all of which is collectively-owned. The State-owned land use rights may be used by third parties through grant, allocation, lease, capital contribution and other forms. Third parties who have obtained the State-owned land use rights may legally use, profit from and dispose of the State-owned land use rights within the statutory use term and planned use scope. Permanent buildings cannot be built on the land for temporary use, and the term of use of the land shall generally not exceed two years.

According to the Interim Regulations on Real Estate Registration (《不動產登記暫行條例》), the real estate registration shall be conducted by the real estate registration authorities of the people's government at or above the county level. Each real estate unit has a unique code. The real estate register shall record the following: (i) natural conditions of the real estate such as location, boundaries, spatial limits, acreage and usage; (ii) property conditions of the real estate rights such as ownership, type, content, source, term, changes in rights; (iii) matters related to restrictions and warnings on real estate rights; and (iv) other relevant matters. The Interim Regulations on Real Estate Registration and the Implementing Rules of the Interim Regulations on Real Estate Registration (《不動產登記暫行條例實施細則》) provide that, the State implements a uniform real estate registration system and the registration of real estate shall be strictly administered and carried out in a stable and continuous manner that provides convenience for people.

Regulations On Leasing

Pursuant to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), and became effective on January 1, 2020, the lessor and the lessee shall enter into a written lease contract for leasing of building; the lease contract shall be registered and filed with the real estate administration authorities.

According to Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), the lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development (real

estate) department of the People's Government of the centrally-administered municipality, municipality or county where the leased property is located. The parties to the house lease may entrust others in writing to handle the house lease registration filing. If the parties to the house lease fail to handle the house lease registration filing, they shall be ordered to make corrections within a time limit by the construction (real estate) authority of the people's government of the municipality directly under the Central Government, city, or county; if a unit fails to make corrections within the time limit, a fine of between RMB1,000 and RMB10,000 shall be imposed.

Planning

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》), if the construction of buildings, structures, roads, pipelines and other projects is carried out in the planning area of a city or a town, the construction entity or individual shall apply to the competent authority of urban and rural planning of the people's government of the city or county or the people's government of the town for a construction project planning permit. The construction entity shall carry out the construction in accordance with the planning conditions and submit the relevant completion acceptance information to the urban and rural planning authority within six months after the completion acceptance.

Engineering construction

According to the Construction Law of the PRC (《中華人民共和國建築法》), prior to the commencement of construction work, the construction entity shall apply to the construction administrative authority of the people's government at or above the county level where the project is located for a construction permit in accordance with the relevant provisions of the State, except for small-scale projects under the quota as determined by the construction administrative authority. A construction project shall be delivered for use only after it has passed the acceptance examination. A construction project shall not be delivered for use without acceptance or with unqualified acceptance.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Trademark Law

Registered trademarks are protected under the Trademark Law of the PRC (《中華人民共和國商標法》). Trademarks are registered with the State Intellectual Property Office. Where registration is sought for a trademark that is identical or similar to another trademark which has already been registered or given preliminary examination and approval for use in the same or similar category of commodities or services, the application for registration of this trademark may be rejected. Trademark registrations are effective for ten years.

Patent Law

The Patent Law of the People's Republic of China (《中華人民共和國專利法》), provide for three types of patents: "invention," "utility model" and "design." "Invention" refers to any new technical solution in relation to a product, or a process or improvement thereof; "utility model" refers to any new technical solution relating to the shape, structure, or their combination, of a product, which is suitable for practical use; "design" refers to a new design that is aesthetic and suitable for industrial application for the overall or partial shape, pattern or its combination of products, as well as the combination of color, shape and pattern. The validity period of patent for an "invention" is 20 years, while the validity period of patent for a "utility model" is ten years and that of a "design" is 15 years.

Copyright Law

Pursuant to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), Chinese citizens, legal persons or unincorporated organizations shall, whether published or not, enjoy copyright in their works in accordance with the law, reproducing, distributing,

performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, undertake to cease the infringement, eliminate impact, and offer an apology, pay damages and other civil liabilities. According to the Measures for the Registration of Computer Software Copyright (《計算器軟件著作權登記辦法》) and the Regulations on Protection of Computer Software (《計算機軟件保護條例》) the State Copyright Administration shall be responsible for the administration of software copyright registration nationwide, and the China Copyright Protection Center is recognized as the software registration authority. Applicants for computer software copyright satisfying the requirements of the Measures for the Registration of Computer Software Copyright and the Regulations on Protection of Computer Software will be issued a registration certificate by the China Copyright Protection Center.

Domain Names

Pursuant to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》), the Ministry of Industry and Information Technology supervises and administers domain services nationwide. The principle of "first come, first served" is followed for the domain name registration service. Applicants of domain name registration shall provide the domain name registration authority with true, accurate and complete information about the identity of the domain name holder for registration purpose, and sign a registration agreement with it. After completing the domain name registration, the applicant becomes the holder of the domain name registered by him/her/it.

REGULATIONS ON SHARE INCENTIVE PLANS

SAFE promulgated the Circular on Foreign Exchange Administration for PRC Residents Participating in Share Incentive Plans of Offshore Listed Companies (Huifa [2012] No. 7) (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》(匯發[2012]7號)) (the "SAFE Circular 7"), a domestic director, supervisor or senior management or employees who has employment or labor relationship with a company listed overseas, and participates in a share incentive plan of the company shall be subject to the foreign exchange registration procedure as required in the SAFE Circular 7. However, H-share direct listings by domestic companies do not fall under the category of 'overseas listed companies' as defined in SAFE Circular 7.

According to the "Guidelines for Foreign Exchange Business under Capital Accounts (2024 Edition)" (《資本項目外匯業務指引(2024年版)》), after a domestic company listed overseas is approved to participate in the "full circulation" of H-shares, its domestic shareholders should register their domestic shareholder holdings with the local foreign exchange bureau within 20 working days before increasing their holdings. After registration is completed, they should receive a business registration certificate and bring the domestic shareholder shareholding business registration certificate to the domestic securities company to handle share increase.

After a domestic company listed overseas is approved to participate in the "full circulation" of H-shares, its domestic shareholders should register their domestic shareholder shareholding at the local foreign exchange bureau within 20 working days after the reduction. After the registration is completed, they should receive a business registration certificate and open a relevant account at a domestic bank with the domestic shareholder shareholding business registration certificate.

REGULATIONS ON LABOR AND SOCIAL INSURANCE

Labor Law and Labor Contracts Law

According to the Labor Law of the PRC (《中華人民共和國勞動法》), enterprises shall establish and improve their system of workplace safety and sanitation, and conduct employee training on labor safety and sanitation in the PRC. Labor safety and sanitation facilities shall comply with statutory standards. Enterprises and institutions shall provide employees with a safe workplace and sanitation conditions.

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), and the Implementation Rules of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), set out specific provisions in relation to the execution, the terms and the termination of a labor contract and the rights and obligations of the employees and employers, respectively. At the time of hiring, the employers shall truthfully inform of the employees the scope of work, working conditions, working place, occupational hazards, work safety, salary and other matters which the employees request to be informed about.

Social Insurance and Housing Provident Fund

As required under the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), enterprises are obliged to provide their employees in mainland China with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, labour injury insurance and medical insurance. These payments are made to local administrative authorities. Employers who failed to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency (社會保險費徵收機構) to make or supplement contributions within a stipulated period, and shall be subject to a late payment fine computed from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from 1 to 3 times the amount of the amount in arrears.

Pursuant to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》), employers shall timely pay the housing provident fund in full. Employers shall process the housing fund payment and deposit registration in the housing provident fund administrative center. For enterprises who violate the above laws and regulations and fail to apply for housing provident fund deposit registration or open housing provident fund accounts for their employees, the housing provident fund administrative center shall order the relevant enterprises to make corrections within a designated period. When enterprises violate those provisions and fail to pay the housing provident fund in full amount as due, the housing provident fund administrative center will order such enterprises to pay up the amount within a prescribed period; if those enterprises still fail to comply with the regulations upon the expiration of the above-mentioned time limit, further application will be made to the People's Court for mandatory enforcement.

According to Article 20 of the Regulation on Labor Security Supervision (《勞動保障監察條例》) where an act of violating labor security laws, regulations or rules is neither found by the labor security administration nor reported or complained by others within 2 years, the labor security administration shall no longer investigate it. The period prescribed in the preceding paragraph shall begin from the date when the act of violating labor security laws, regulations or rules occurred.

Pursuant to the Reform Plan of the State Tax and Local Tax Collection Administration System (《國稅地稅徵管體制改革方案》), from January 1, 2019, all the social insurance premiums including the premiums of the basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance will be collected by the tax authorities. All the local authorities responsible for the collection of social insurance are strictly forbidden to conduct self collection of historical unpaid social insurance contributions from enterprises. Tax authorities at all levels may not organize self-collection of arrears of taxpayers including private enterprises in the previous years. The Notice on Promulgation of the Comprehensive Plan for the Reduction of Social Insurance Premium Rate (關於印發《降低社會保險費率綜合方案的通知》) (Guo Ban Fa [2019] No. 13), emphasizes that the historical unpaid arrears of the enterprise shall be properly treated. In the process of the reform of the collection system, it is not allowed to conduct self-collection of historical unpaid arrears from enterprises.

On July 31, 2025, the Supreme People's Court of the PRC has issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二) 》) (the "Interpretation II"), which takes effect from September 1, 2025. Pursuant to the Interpretation II, it is a statutory obligation on both the employers and employees to participate in the social insurance. Any arrangement not to participate in social insurance, either by unilateral undertaking or mutual agreement, is invalid.

Further, the Interpretation II specifies that if the employee terminates the labor contract on the grounds that the employer has failed to make social insurance contributions as required by law, and claims economic compensation from the employer, the People's Court of the PRC shall uphold the claim.

REGULATIONS ON TAX IN THE PRC

Income Tax Law

Pursuant to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得税法》) (the "EIT Law") and the Enterprise Income Tax Implementation Regulations of the PRC (《中華人民共和國企業所得税法實施條例》) (the "EITIR"), the income tax rate for both domestic and foreign-invested enterprises is 25%. Enterprises established outside the PRC with "de facto management bodies" located in the PRC are considered as "resident enterprises" and are subject to the uniform 25% enterprise income tax rate for their global income. "Non-resident enterprises" are defined as enterprises that are organized under the laws of foreign countries and have "de facto management bodies" located outside the PRC, but have established institutions or premises in the PRC, or have no such established institutions or premises but have income generated from inside the PRC. Non-resident enterprises are generally subject to a uniform corporate income tax of 25%. However, pursuant to the EIT Law and its implementing rules, if non-resident enterprises have not formed establishments or premises in the PRC, or if they have formed establishments or premises in the PRC but there is no actual relationship between the relevant income derived in the PRC and the establishments or premises set up by them, enterprise income tax is set at the rate of 10% with respect to their income sourced from inside the PRC.

Value-Added Tax

Pursuant to the Provisional Regulations on Value-Added Tax of the People's Republic of China (《中華人民共和國增值税暫行條例》), and the Detailed Rules for the Implementation of the Interim Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值税暫行條例實施細則》) all entities or individuals in the PRC engaged in the sale of goods, processing services, repair and replacement services, and the provision of services, sales of intangible assets, real estate and importation of goods are required to pay value-added tax ("VAT"). Unless otherwise provided, taxpayers engaged in the provision of services and sales of intangible assets are subject to a tax rate of 6%.

According to the Notice on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner (Caishui [2016] No. 36) (《關於全面推開營業税改徵增值税試點的通知》(財税[2016]36號)), the pilot program of replacing business tax with VAT shall be implemented across the country, all business tax taxpayers in the construction industry, the real estate industry, the financial industry, and the living service industry shall be included in the scope of the pilot program, and the payment of business tax shall be replaced by the payment of VAT.

According to the Circular on Policies for Simplifying and Consolidating Value-Added Tax Rates (Cai Shui [2017] No. 37) (《關於簡併增值税税率有關政策的通知》(財税[2017]37號)), the structure of VAT rates will be simplified from July 1, 2017, and the 13% VAT rate will be canceled. The scope of goods with an 11% tax rate and the provisions for deducting input tax are specified.

According to the Circular on Adjusting Value-Added Tax Rates of Ministry of Finance and the State Administration of Taxation (Cai Shui [2018] No. 32) (《財政部、税務總局關於調整增值税税率的通知》(財税[2018]32號)), where a taxpayer engages in a taxable sales activity for value-added tax (VAT) purpose or imports goods, the previous applicable 17% and 11% tax rates are adjusted to be 16% and 10%, respectively.

According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs (《財政部、税務總局、海關總署關於深化增值税改革有關政策的公告》) ("Announcement of the Ministry of Finance of the PRC, the State Taxation Administration

and the General Administration of Customs of the PRC [2019] No. 39"), with respect to VAT taxable sales or imported goods of a VAT general taxpayer, the originally applicable VAT rate of 16% shall be adjusted to 13%, and the originally applicable VAT rate of 10% shall be adjusted to 9%.

The Standing Committee of the National People's Congress promulgated the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值税法》). The new law reiterates the provisions of the Provisional Regulations and introduces amendments in areas such as taxable activities, tax jurisdiction, deemed sales, non-taxable items, simplified tax calculation, withholding agents, input tax, non-deductible input tax, mixed sales, carry-over of input tax deductions, and tax refunds.

Dividend Withholding Tax

Pursuant to the Enterprise Income Tax Law, dividends distributed by foreign-invested enterprises to foreign investors (defined as non-resident enterprises under the Enterprise Income Tax Law) are subject to a withholding tax rate of 10%. Pursuant to an Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Incomes (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) (the "Double Tax Avoidance Arrangement"), if a Hong Kong resident enterprise self-assesses that it satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws, the 10% withholding tax on the dividends the Hong Kong resident enterprise receives from a PRC resident enterprise may be reduced to 5%. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties (《關於執行税收協議股息條款有關問題的通知》), if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment.

Based on the Notice of the State Administration of Taxation on the Recognition of Beneficial Owners in Tax Treaties (《國家税務總局關於税收協議中"受益所有人"有關問題的公告》), a comprehensive analysis will be used to determine beneficial ownership based on the actual situation of a specific case combined with certain principles, and if an applicant was obliged to pay more than 50% of its income to a third country (region) resident within 12 months of the receipt of the income, or the business activities undertaken by an applicant did not constitute substantive business activities including substantive manufacturing, distribution, management and other activities, the applicant was unlikely to be recognized as an beneficial owner to enjoy tax treaty benefits.

Enterprise Income Tax on Indirect Transfer of Non-resident Enterprises

The SAT issued the Notice on Strengthening Administration of Enterprise Income Tax Concerning Proceeds from Equity Transfers by Non-Resident Enterprises (《國家税務總局關於加強非居民企業股權轉讓所得企業所得税管理的通知》) (the "Circular 698"). By promulgating and implementing the Circular 698, the PRC tax authorities have enhanced their scrutiny over the indirect transfer of equity interests in a PRC resident enterprise by a non-resident enterprise. The SAT further issued the SAFE Circular 7 on February 3, 2015, to supersede existing provisions in relation to the indirect transfer as set forth in the Circular 698. The SAFE Circular 7 introduces a new tax regime that is significantly different from that under the Circular 698. The SAFE Circular 7 extends its tax jurisdiction to capture not only indirect transfer as set forth under the Circular 698 but also transactions involving transfer of immovable property in China and assets held under the establishment and place, in China of a foreign company through the offshore transfer of a foreign intermediate holding company. The SAFE Circular 7 also provides clearer criteria than the Circular 698 on how to assess reasonable commercial purposes and introduces safe harbor scenarios applicable to internal group restructurings. Where a non-resident enterprise indirectly transfers equity interests or other assets of a PRC resident enterprise by implementing arrangements that are not for reasonable commercial purposes to avoid its obligation to pay enterprise income tax, such an indirect transfer shall, in accordance with the EIT Law, be recognized by the competent PRC tax authorities as a direct transfer of equity interests or other assets by the PRC resident enterprise. The SAT promulgated the Announcement on Matters Concerning Withholding and Payment of Income

Tax of Non-resident Enterprises from Source (《國家税務總局關於非居民企業所得税源泉扣繳有關問題的公告》) (the "SAT Circular 37"). The SAT Circular 37 does, among other things, simplify procedures of withholding and payment of income tax levied on non-resident enterprises.

REGULATIONS ON OVERSEAS LISTING

The CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and relevant five guidelines.

According to the Trial Administrative Measures, (i) PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; (ii) domestic companies that seek to offer or list securities overseas directly are limited by shares; and (iii) any PRC company limited by shares is required to file with the CSRC within three business days after its application for overseas listing is submitted.

According to the Provisions on Strengthening Confidentiality and Archives Management for Domestic Enterprises Engaging in Overseas Securities Issuance and Listing (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), domestic enterprises engaged in overseas securities issuance and listing activities, as well as securities companies and securities service institutions providing related services, shall strictly comply with the relevant laws and regulations of the People's Republic of China and the requirements of this provision, and shall not disclose state secrets or state agency work secrets, nor harm national or public interests. Domestic enterprises that provide, publicly disclose, or disclose documents or materials involving state secrets or state agency work secrets to securities companies, securities service institutions, overseas regulatory authorities, or other entities or individuals, whether directly or through their overseas listing entities, shall submit such actions to the competent authority with approval authority for approval in accordance with the law and report them to the confidentiality administrative department at the same level for filing.

Besides, PRC domestic companies seeking to overseas offering and listing shall strictly comply with the laws, administrative regulations and relevant provisions of the PRC government on foreign investment, state-owned assets, industry regulation, overseas investment, etc., shall not disrupt domestic market order, and shall not harm national interests, public interest and the legitimate rights and interests of domestic investors.

Full Circulation of H Shares

"Full Circulation" represents listing and circulating on the Stock Exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. CSRC announced the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》("Guidelines for the 'Full Circulation'")). As regulated in the Guidelines for "Full Circulation," shareholders of domestic unlisted shares have the flexibility to jointly decide the amount and proportion of shares that will be included in the circulation application. This decision should be reached through mutual consultation, ensuring compliance with relevant laws, regulations and policies governing state-owned asset administration, foreign investment and industry regulation. Meanwhile, the H-share listed company corresponding to these shares may be authorized to file for "full circulation" with the CSRC. An unlisted domestic joint stock company may file with the CSRC for "full circulation" at the time of its initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Stock Exchange, they may not be transferred back to China. Pursuant to the Trial Administrative Measures, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC. Additionally, they are required to authorize the domestic company to submit the conversion application to the CSRC on their behalf.

China Securities Depository and Clearing Corporation Limited and Shenzhen Stock Exchange jointly announced the Measures for Implementation of the H-share "Full Circulation" Business (the "Measures for Implementation"). The businesses of cross-border share transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc., in relation to the H-share "Full Circulation" business, are subject to these Measures for Implementation.

REGULATIONS ON FOREIGN EXCHANGE

Foreign Exchange

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》). Pursuant to these regulations and other PRC rules and regulations on currency conversion, Renminbi is freely convertible for payments of current account items, such as trade- and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan or investment in securities outside China unless prior approval of the State Administration of Foreign Exchange, ("SAFE") or its local counterpart is obtained.

According to the Notice on Relevant Issue Concerning the Administration of Foreign Exchange for Overseas Listing (《關於境外上市外匯管理有關問題的通知》), the domestic companies shall register the overseas listing with the foreign exchange control bureau located at its registered address in 15 working days after completion of the overseas listing and issuance. The funds raised by the domestic companies through overseas listing may be repatriated to China or deposited overseas, provided that the intended use of the fund shall be consistent with the contents of the document and other public disclosure documents.

SAFE promulgated the Notice on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》), according to which, entities and individuals may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of SAFE, may directly review the applications and conduct the registration. SAFE promulgated the Circular on Reforming the Management Approach regarding the Settlement of Foreign Capital of Foreign-invested Enterprise (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "SAFE Circular 19"). According to the SAFE Circular 19, the foreign exchange capital of foreign-invested enterprises shall be subject to the Discretionary Foreign Exchange Settlement, and if a foreign-invested enterprise needs to make further payment from such account, it still needs to provide supporting documents and proceed with the review process with the banks. Furthermore, the SAFE Circular 19 stipulates that the use of capital by foreign-invested enterprises shall follow the principles of authenticity and self-use within the business scope of enterprises. The capital of a foreign-invested enterprise and capital in Renminbi obtained by the foreign-invested enterprise from foreign exchange settlement shall not be used for the following purposes: (i) payments beyond the business scope of the enterprises or payments as prohibited by relevant laws and regulations; (ii) investment in securities unless otherwise provided by the relevant laws and regulations; (iii) granting entrust loans in Renminbi (unless permitted by the scope of business), repaying inter-enterprise borrowings (including advances by the third-party) or repaying the bank loans in Renminbi that have been sub-lent to third parties; or (iv) expenses related to the purchase of real estate that is not for self-use (except for the foreign-invested real estate enterprises).

The Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》) (the "SAFE Circular 13"), cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration. Pursuant to SAFE Circular 13, investors should register with banks for direct domestic investment and direct overseas investment.

The Notice on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "SAFE Circular 19"). According to SAFE Circular 19, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis based on the actual needs of their business operations. SAFE may adjust the aforementioned ratio according to the balance of payments situation.

The Circular on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《關於改革和規範資本項目結匯管理政策的通知》) (the "SAFE Circular 16"). Pursuant to the SAFE Circular 16, enterprises registered in the PRC may also convert their foreign debts from foreign currency to Renminbi on a self-discretionary basis. The SAFE Circular 16 reiterates the principle that Renminbi converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope or prohibited by PRC Laws.

In accordance with the Circular on Further Promoting the Facilitation of Cross-border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》), or the SAFE Circular 28, non-investment foreign-invested enterprises are permitted to make domestic equity investments with their capital funds under the condition that the prevailing Special Administrative Measures for the Access of Foreign Investment (Negative List) are not violated and the relevant domestic investment projects are true and compliant.

SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification (《關於進一步推進外匯管理改革完善真實合規性審核的通知》): (i) banks should check board resolutions regarding profit distribution, the original version of tax filing records, and audited financial statements pursuant to the principle of genuine transactions; and (ii) domestic entities should hold income to account for previous years' losses before remitting the profits. Domestic entities should make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts, and other proof when completing the registration procedures in connection with an outbound investment.

The SAFE promulgated the Notice for Further Advancing the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》), allows all FIEs to use Renminbi converted from foreign currency denominated capital for equity investments in China, as long as the equity investment is genuine, does not violate applicable laws, and complies with the negative list on foreign investment.

According to the Circular of the State Administration for Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), the reform of facilitating the payments of incomes under the capital accounts shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on the use of income from capital projects, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc., for domestic payment.

Foreign Exchange Registration of Overseas Investment by PRC Residents

SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "SAFE Circular 37").

Under SAFE Circular 37, PRC residents, including PRC individuals and institutions, shall register with local branches of SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned onshore or offshore assets or interests, as a "special purpose vehicle" under

SAFE Circular 37. In the event that a PRC shareholder holding equity interests in a special purpose vehicle fails to comply with the required SAFE registration, the PRC subsidiaries of such special purpose vehicle may be prohibited from making profit distributions to its offshore parent company and prohibited from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in its ability to contribute additional capital into its PRC subsidiaries.

Under SAFE Circular 37, if a non-listed special purpose vehicle uses its own equity to grant equity incentives to any directors, supervisors, senior management or any other employees directly employed by a domestic enterprise which is directly or indirectly controlled by such special purpose vehicle, or with which such an employee has established an employment relationship, related PRC residents and individuals may, prior to exercising their rights, apply to the SAFE for foreign exchange registration formalities for such special purpose vehicle.

INTERNATIONAL SANCTIONS LAWS AND REGULATIONS

Our legal advisors as to International Sanctions have provided the following summary of the sanctions regimes imposed by their respective jurisdictions. This summary does not intend to set out the laws and regulations relating to the U.S., the European Union, the UK, the United Nations and Australian sanctions in their entirety.

United States

Treasury regulations

OFAC is the primary agency responsible for administering U.S. sanctions programmes against targeted countries, entities, and individuals. "Primary" U.S. sanctions apply to "U.S. persons" or activities involving a U.S. nexus (e.g., funds transfers in U.S. currency even if performed by non-U.S. persons), and "secondary" U.S. sanctions apply extraterritorially to the activities of non-U.S. persons even when the transaction has no U.S. nexus. Generally, U.S. persons are defined as entities organized under U.S. law (such as companies and their U.S. subsidiaries); any U.S. entity's domestic and foreign branches (sanctions against Iran and Cuba also apply to U.S. companies' foreign subsidiaries or other non-U.S. entities owned or controlled by U.S. persons); U.S. citizens or permanent resident aliens ("green card" holders), regardless of their location in the world; individuals physically present in the United States; and U.S. branches or U.S. subsidiaries of non-U.S. companies.

Depending on the sanctions program and/or parties involved, U.S. law also may require a U.S. company or a U.S. person to "block" (freeze) any assets/property interests owned, controlled or held for the benefit of a sanctioned country, entity, or individual when such assets/property interests are in the United States or within the possession or control of a U.S. person. Upon such blocking, no transaction may be undertaken or effected with respect to the asset/property interest – no payments, benefits, provision of services or other dealings or other type of performance (in case of contracts/agreements) – except pursuant to an authorization or license from OFAC.

OFAC's comprehensive sanctions programmes currently apply to Cuba, Iran, North Korea, Syria, the Crimea region of Russia/Ukraine, and the self-proclaimed Luhansk People's Republic (LPR) and Donetsk People's Republic (DPR) regions (the comprehensive OFAC sanctions programme against Sudan was terminated on October 12, 2017). OFAC also prohibits virtually all business dealings with persons and entities identified in the SDN List. Entities that a party on the SDN List owns (defined as a direct or indirect ownership interest of 50% or more, individually or in the aggregate) are also blocked, regardless of whether that entity is expressly named on the SDN List. Additionally, U.S. persons, wherever located, are prohibited from approving, financing, facilitating, or guaranteeing any transaction by a non-U.S. person where the transaction by that non-U.S. person would be prohibited if performed by a U.S. person or within the United States.

United Nations

The United Nations Security Council (the "UNSC") can take action to maintain or restore international peace and security under Chapter VII of the United Nations Charter. Sanctions measures encompass a broad range of enforcement options that do not involve the use of armed force. Since 1966, the UNSC has established 30 sanctions regimes.

The UNSC sanctions have taken a number of different forms, in pursuit of a variety of goals. The measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions. The UNSC has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation.

There are 14 ongoing sanctions regimes which focus on supporting political settlement of conflicts, nuclear non-proliferation, and counter-terrorism. Each regime is administered by a sanctions committee chaired by a non-permanent member of the UNSC. There are ten monitoring groups, teams and panels that support the work of the sanctions committees.

United Nations sanctions are imposed by the UNSC, usually acting under Chapter VII of the United Nations Charter. Decisions of the UNSC bind members of the United Nations and override other obligations of United Nations member states.

European Union

Under European Union sanction measures, there is no "blanket" ban on doing business in or with a jurisdiction targeted by sanctions measures. It is not generally prohibited or otherwise restricted for a person or entity to do business (involving non-controlled or unrestricted items) with a counterparty in a country subject to European Union sanctions where that counterparty is not a Sanctioned Person and not engaged in prohibited activities, such as exporting, selling, transferring or making certain controlled or restricted products available (either directly or indirectly) to, or for use in a jurisdiction subject to sanctions measures, provided that no funds and economic resources are made available to the Sanctioned Persons.

United Kingdom and United Kingdom overseas territories

As of January 1, 2021, the United Kingdom is no longer an EU member state. EU law including EU sanctions measures continued to apply to and in the United Kingdom until December 31, 2020. EU sanctions measures had also been extended by the United Kingdom on a regime by regime basis to apply in the United Kingdom overseas territories, including the Cayman Islands. Starting from January 1, 2021, the United Kingdom applies its own sanctions programs and has extended its autonomous sanctions regimes to apply to and in the United Kingdom overseas territories.

Australia

The Australian restrictions and prohibitions arising from the sanctions laws apply broadly to any person in Australia, any Australian anywhere in the world, companies incorporated overseas that are owned or controlled by Australians or persons in Australia, and/or any person using an Australian flag vessel or aircraft to transport goods or transact services subject to United Nations sanctions.

U.S. EXPORT CONTROLS

The United States has implemented and has proposed additional restrictions, some of which may impact Chinese companies, including us. For instance, in October 2022, BIS issued an interim final rule (the "**BIS October 2022 IFR**") requiring license for exports, re-exports, or transfers of any item subject to the EAR when there is "knowledge" that the item is destined for end use in the development or production of ICs at a fab in China that fabricates ICs meeting certain criteria. On

December 2, 2024, BIS issued an interim final rule (the "**BIS December 2024 IFR**") and a final rule (the "**BIS December 2024 FR**"), which expanded controls in the EAR on advanced computing and semiconductor manufacturing items. The United States has increased export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the U.S. Department of Commerce (the "**BIS**"), which includes a list of foreign persons on which certain trade restrictions are imposed, including businesses, research institutions, government and private organizations, individuals and other types of legal persons (the "**Entity List**"). Products produced outside of the United States (i.e., foreign produced items in U.S. export controls context) that contain a de minimis threshold (usually varies from 10% to 25%) of controlled U. S.-origin items, or otherwise subject to the foreign direct product rules because of the end-user or end-use, would be subject to the EAR export restrictions because of the U. S.-origin incorporated in or otherwise used in the development of such products. Where a foreign person is included on the Entity List, the export, re-export and/or transfer (in-country) of items which are subject to the EAR including the type of aforementioned foreign produced items generally is prohibited unless the specified license requirements are met.

In addition, EAR also maintains a list of items, software, and technology that are subject to export controls (the "**Commerce Control List**"). The Commerce Control List is primarily based on multilateral export control lists, such as the Wassenaar Arrangement's List of Dual-Use Goods and Technologies and Munitions List, BIS can also implement unilateral licensing requirements and other controls on items subject to U.S. export controls jurisdiction that can restrict exports and reexports to certain countries, as well as transfers within a country to a different end-user or end-use. The Commerce Control List is divided into ten categories, represented by the first digit of the Export Control Classification Number ("**ECCN**").

OVERVIEW

Our history dates back to August 2014 when our Company was established by Mr. Yang. For details of the biographies of Mr. Yang, see "Directors and Senior Management" in this document. In November 2025, our Company was converted into a joint stock company with limited liability. As at the Latest Practicable Date, our Company had an issued share capital of 33,637,110 Shares at a nominal value of RMB1.00 each.

We are a pioneer, promoter and key player in the evolution of the automotive E/E architecture. We are committed to reinforcing our forward-looking advantages and leading position in the global evolution of the automotive E/E architecture.

OUR KEY MILESTONES

The following is a summary of our Group's key business development milestones:

Year	Milestone
2014	Our Company was established on August 4, 2014.
2015	We established and commenced operations at our Shenzhen manufacturing facility.
2016	We established our Shanghai R&D center.
2017	We obtained pre-installation qualifications from a cumulative total of 15 automotive manufacturers and successfully secured project from FAW-Volkswagen.
2018	We initiated our three core strategic adjustments, proactively optimizing our customer portfolio, comprehensively repositioning our product direction, and exploring options for establishing a presence in East China.
2019	We commenced strategic cooperation with Bosch China and transformed our business focus to the intelligent cockpit sector.
2020	We secured our first SA8155 domain controller project and entered into a cooperation agreement with Wuxi Economic Development Zone and moved our headquarters to Wuxi.
2021	We launched the world's first mass-produced intelligent cockpit domain controller based on the Qualcomm Snapdragon SA8155P platform.
2022	We commenced mass production of SA8155 domain controllers with GAC and Geely and secured project for BYD. We also secured our first domestically-produced X9 platform project.
2023	We successfully brought our intelligent cockpit domain controller solution project for Chery into mass production.
2024	We achieved our first design win from Chery Jetour vehicles for our AL-C2 series based on the Qualcomm Snapdragon SA8255P platform.

Year	Milestone
2025	We achieved our first mass-produced project for BAIC featuring our AL-A1 series, the integrated ADAS and cockpit controller based on the Qualcomm Snapdragon SA8775P platform. We achieved our first mass-produced project for Changan featuring our AL-M1 and AL-M2 series based on the MT8675 and MT8676 platforms, respectively. We achieved our first mass-produced project for Chery Jetour vehicles featuring our AL-C2 series, which is based on the Qualcomm Snapdragon SA8255P platform. We achieved our first mass-produced project for ONVO featuring our zone controller solutions.

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, the following entity is our major subsidiaries which we consider are material to our operations and individually contributed to 5% or more in terms of total assets, revenue, profit before tax and gross profit to the Group in any of the financial year during the Track Record Period:

Name of subsidiary	Place of incorporation	Date of incorporation	Shareholding	Principal business activities
Shanghai Autolink Information Technology Co., Ltd. (上海車聯天下信息技術有限公司)	PRC	May 10, 2016	100%	R&D
Wuhu Autolink Intelligent Technology Co., Ltd. (蕪湖車聯天下智能科技有限公司) (formerly known as Wuhu Autolink Information Technology Co., Ltd. (蕪湖車聯天下信息技術有限公司))	PRC	Nov 13, 2024	100%	R&D

As of the Latest Practicable Date, our other subsidiaries were principally engaged in, among others, R&D. A summary of the principal activities of our other subsidiaries are set out in Note 42 to the Accountants' Report as set out in Appendix I to this document.

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Establishment of our Company

On August 4, 2014, our Company was established as a limited liability company under the laws of the PRC, with an initial registered capital of RMB10,000,000, which was held by Mr. Yang and Mr. Shang Tao (商濤), the then employee of the Company, as to 99% and 1%, respectively.

Capital transfer in February 2016

On December 21, 2015, Mr. Yang entered into equity transfer agreements with Ms. Wu Yeheng (吳業恒), Ms. Chang Zhen (常禎), Mr. Chen Mingche (陳明車), Mr. Jiang Liming (江黎明), Beijing Cherongtong, Beijing Automobile Component Manuf. Co., Ltd. (北京順恆達汽車電子股份有限公司) ("Beijing Shunhengda") and Chelian Yijia, respectively, pursuant to which Mr. Yang agreed to transfer 9% equity interest in our Company at a consideration of RMB472,000 to Ms. Wu Yeheng, 5.6% equity interest in our Company at a consideration of RMB5,600,000 to Ms. Chang Zhen, 3% equity interest in our Company at a consideration of RMB3,000,000 to Mr. Chen Mingche; 5% equity in our Company at a consideration of RMB5,000,000 to Mr. Jiang Liming, 8% equity interest in our Company at a consideration of RMB944,000 to Beijing Cherongtong, 5% equity interest in our Company to Beijing Shunhengda based on a share swap arrangement which set out below, and 20% equity interest in our Company to Chelian Yijia at nil consideration. Among the 9% equity interest in our Company that Mr. Yang transferred to Ms. Wu Yeheng, 5% equity interest was held by Ms. Wu Yeheng on behalf of Mr. Qin Zhi (秦致) and the relevant consideration was settled by Mr. Qin Zhi himself. Mr. Qin Zhi was not registered as a named shareholder of our Company due to the administrative burden associated with being a named shareholder at that time, he entrusted Ms. Wu Yeheng to hold such equity interest on his behalf. The capital transfer between Mr. Yang and Beijing Shunhengda was based on a share swap arrangement, whereby Beijing Shunhengda transferred its registered capital of RMB789,475 as the consideration to the capital transfer.

On the same day, Mr. Shang Tao entered into an equity transfer agreement with Chelian Yijia, pursuant to which Mr. Shang Tao agreed to transfer 1% equity interest in our Company to Chelian Yijia at nil consideration. The capital transfer to Chelian Yijia was to structure our Company's employee shareholding platform. For details of our Employee Shareholding Platforms, please see "Appendix VI—Statutory and General Information—D. Share Incentive Schemes—1. Pre-[**REDACTED**] Employee Shareholding Scheme".

The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Upon the completion of the above capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	43.40
Chelian Yijia	2,100,000	21.00
Ms. Wu Yeheng	900,000	9.00
Beijing Cherongtong	800,000	8.00
Ms. Chang Zhen	560,000	5.60
Mr. Jiang Liming	500,000	5.00
Beijing Shunhengda	500,000	5.00
Mr. Chen Mingche	300,000	3.00
Total	**10,000,000**	**100.00**

Capital increase in April 2016 (Series A Investment)

Pursuant to the capital increase agreement dated March 10, 2016 for series A investment ("Series A Investment"), the registered capital of our Company was increased from RMB10,000,000 to RMB11,400,000 through capital subscriptions in a total amount of RMB1,400,000, among which

(i) the registered capital of RMB1,200,000 was subscribed by CDIB Private Equity (Fujian) Enterprise (L.P.) (華創(福建)股權投資企業((有限合夥)) ("CDIB") at a consideration of RMB30,000,000 and (ii) the registered capital of RMB200,000 was subscribed by Suzhou Qingyan Automotive Industry Venture Capital Enterprise (L.P.) (蘇州清研汽車產業創業投資企業((有限合夥)) ("Suzhou Qingyan") at a consideration of RMB5,000,000.

The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	38.07
Chelian Yijia	2,100,000	18.42
CDIB	1,200,000	10.53
Ms. Wu Yeheng	900,000	7.89
Beijing Cherongtong	800,000	7.02
Ms. Chang Zhen	560,000	4.91
Mr. Jiang Liming	500,000	4.39
Beijing Shunhengda	500,000	4.39
Mr. Chen Mingche	300,000	2.63
Suzhou Qingyan	200,000	1.75
Total	**11,400,000**	**100.00**

Capital increase in November 2016 (Series A+ Investment)

Pursuant to the capital increase agreement dated July 15, 2016 for series A+ investment ("Series A+ Investment"), the registered capital of our Company was increased from RMB11,400,000 to RMB13,400,000 through capital subscription in a total amount of RMB2,000,000 which was subscribed by Wingtech Technology Co., Ltd. (聞泰科技股份有限公司) ("Wingtech Technology") at a consideration of RMB50,000,000.

The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	32.39
Chelian Yijia	2,100,000	15.67
Wingtech Technology	2,000,000	14.93
CDIB	1,200,000	8.96
Ms. Wu Yeheng	900,000	6.72
Beijing Cherongtong	800,000	5.97

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Ms. Chang Zhen	560,000	4.18
Mr. Jiang Liming	500,000	3.73
Beijing Shunhengda	500,000	3.73
Mr. Chen Mingche	300,000	2.24
Suzhou Qingyan	200,000	1.50
Total	**13,400,000**	**100.00**

Capital transfer in January 2017

Pursuant to the respective equity transfer agreements each dated December 15, 2016, Mr. Yang agreed to transfer approximately 32.39% equity interest in our Company at nil consideration to Beijing Hongran Intelligent Technology Center (北京泓然智能科技中心) ("Beijing Hongran"), Ms. Wu Yeheng agreed to transfer approximately 6.72% equity interest in our Company at nil consideration to Beijing Hengye Intelligent Technology Center (北京恒葉智能科技中心) ("Beijing Hengye"), Ms. Chang Zhen agreed to transfer approximately 4.18% equity interest in our Company (representing registered capital of RMB560,000) at nil consideration to Beijing Honghan Intelligent Technology Center (北京洪瀚智能科技中心) ("Beijing Honghan") to structure their respective personal shareholding platform due to the change of the relevant sole proprietorship tax policy in China, which made it more tax-efficient for a corporate entity to hold the shares.

Pursuant to an equity transfer agreement dated December 15, 2016, Mr. Jiang Liming agreed to transfer approximately 3.73% equity interest in our Company at a consideration of nil to Lited Group, which is ultimately controlled by Mr. Jiang Liming to adjust his investment structure.

Upon the completion of the above capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Beijing Hongran	4,340,000	32.39
Chelian Yijia	2,100,000	15.67
Wingtech Technology	2,000,000	14.93
CDIB	1,200,000	8.96
Beijing Hengye	900,000	6.72
Beijing Cherongtong	800,000	5.97
Beijing Honghan	560,000	4.18
Lited Group	500,000	3.73
Beijing Shunhengda	500,000	3.73
Mr. Chen Mingche	300,000	2.24
Suzhou Qingyan	200,000	1.49
Total	**13,400,000**	**100.00**

Capital transfer in May 2017

Pursuant to the respective equity transfer agreements each dated April 20, 2017, Beijing Hongran agreed to transfer approximately 32.39% equity interest in our Company at nil consideration to Mr. Yang, Beijing Hengye agreed to transfer approximately 6.72% equity interest in our Company at nil consideration to Ms. Wu Yeheng, Beijing Honghan agreed to transfer approximately 4.18% equity interest in our Company at nil consideration to Ms. Chang Zhen to

restructure their respective personal shareholding platforms into direct individual shareholdings due to the further development of the relevant sole proprietorship tax policy in China, which made it more tax-efficient for an individual to hold the shares.

Upon the completion of the above capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	32.39
Chelian Yijia	2,100,000	15.67
Wingtech Technology	2,000,000	14.93
CDIB	1,200,000	8.96
Ms. Wu Yeheng	900,000	6.72
Beijing Cherongtong	800,000	5.97
Ms. Chang Zhen	560,000	4.18
Beijing Shunhengda	500,000	3.73
Lited Group	500,000	3.73
Mr. Chen Mingche	300,000	2.24
Suzhou Qingyan	200,000	1.49
Total	**13,400,000**	**100.00**

Capital transfer in September 2017

Pursuant to an equity transfer and capital increase agreement dated June 10, 2017, Ms. Chang Zhen agreed to transfer registered capital of our Company of RMB150,000 to NavInfo Co., Ltd. (北京四維圖新科技股份有限公司) ("NavInfo") at a consideration of RMB3,750,000, Ms. Wu Yeheng agreed to transfer registered capital of our Company of RMB24,000 to NavInfo at a consideration of RMB600,000, and Lited Group agreed to transfer registered capital of our Company of RMB100,000 to NavInfo at a consideration of RMB2,500,000.

Pursuant to an equity transfer agreement and capital increase agreement dated May 24, 2017, Ms. Wu Yeheng agreed to transfer registered capital of the Company of RMB296,000 to Hubei Yangtze River Weilai New Energy Industry Development Fund Partnership (L.P.) (湖北長江蔚來新能源產業發展基金合夥企業(有限合夥)) ("Weilai New Energy") at a consideration of RMB7,400,000, Beijing Shunhengda agreed to transfer registered capital of the Company of RMB250,000 to Weilai New Energy at a consideration of RMB6,250,000, and Chelian Yijia transferred registered capital of the Company of RMB100,000 to Weilai New Energy at a consideration of RMB2,500,000. Among the total RMB320,000 registered capital of our Company that Ms. Wu Yeheng transfered which set out above, RMB150,000 registered capital of our Company was transfered on behalf of Mr. Qin Zhi (秦致). Therefore upon the completion of such capital transfers, Ms. Wu Yeheng held RMB350,000 registered capital of our Company on behalf of Mr. Qin Zhi.

The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Pursuant to an equity transfer agreement dated July 12, 2017, Ms. Wu Yeheng agreed to transfer registered capital of our Company of RMB350,000 to Mr. Qin Zhi (秦致) at nil consideration. Upon the completion of such capital transfer, the nominee shareholding arrangement between Ms. Wu Yeheng and Mr. Qin Zhi has been fully released.

Pursuant to an equity transfer agreement dated July 12, 2017, Ms. Chang Zhen agreed to transfer registered capital of our Company of RMB410,000 to Mr. Qin Lihong (秦力洪) (the husband of Ms. Chang Zhen) at nil consideration to adjust their investment structure.

Upon the completion of the above capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	32.39
Chelian Yijia	2,000,000	14.93
Wingtech Technology	2,000,000	14.93
CDIB	1,200,000	8.96
Beijing Cherongtong	800,000	5.97
Weilai New Energy	646,000	4.82
Mr. Qin Lihong	410,000	3.06
Lited Group	400,000	2.99
Mr. Qin Zhi	350,000	2.61
Mr. Chen Mingche	300,000	2.24
NavInfo	274,000	2.04
Beijing Shunhengda	250,000	1.87
Ms. Wu Yeheng	230,000	1.72
Suzhou Qingyan	200,000	1.49
Total	**13,400,000**	**100.00**

Capital increase in December 2017 (Series B Investment)

Pursuant to the capital increase agreement dated June 10, 2017 for series investment ("Series B Investment"), the registered capital of our Company was increased from RMB13,400,000 to RMB16,951,000 through capital subscriptions in a total amount of RMB3,551,000, among which, (i) the registered capital of RMB2,493,238 was subscribed by Weilai New Energy at a consideration of RMB148,850,000 and (ii) the registered capital of RMB1,057,762 was subscribed by NavInfo at a consideration of RMB63,150,000.

The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	25.60
Weilai New Energy	3,139,238	18.52
Chelian Yijia	2,000,000	11.80
Wingtech Technology	2,000,000	11.80
NavInfo	1,331,762	7.86
CDIB	1,200,000	7.08
Beijing Cherongtong	800,000	4.72
Mr. Qin Lihong	410,000	2.42
Lited Group	400,000	2.36
Mr. Qin Zhi	350,000	2.06
Mr. Chen Mingche	300,000	1.77

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Beijing Shunhengda	250,000	1.47
Ms. Wu Yeheng	230,000	1.36
Suzhou Qingyan	200,000	1.18
Total	**16,951,000**	**100.00**

Capital transfer in September 2018

Pursuant to an equity transfer agreement dated September 20, 2018, NavInfo agreed to transfer the registered capital of our Company of RMB1,331,762 to Beijing Four-Dimensional Interconnected Fund Management Center (L.P.) (北京四維互聯基金管理中心(有限合夥)) ("Beijing Four-Dimensional"), the Company which was ultimately controlled by NavInfo, at a consideration of RMB76,520,000. The Company was not a party to the above transfer, and to the best information and knowledge of the Company, the consideration of the above capital transfer was determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the internal investment arrangement of the investor and the timing of the investment.

Upon the completion of the above capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	25.60
Weilai New Energy	3,139,238	18.52
Chelian Yijia	2,000,000	11.80
Wingtech Technology	2,000,000	11.80
Beijing Four-Dimensional	1,331,762	7.86
CDIB	1,200,000	7.08
Beijing Cherongtong	800,000	4.72
Mr. Qin Lihong	410,000	2.42
Lited Group	400,000	2.36
Mr. Qin Zhi	350,000	2.06
Mr. Chen Mingche	300,000	1.77
Beijing Shunhengda	250,000	1.47
Ms. Wu Yeheng	230,000	1.36
Suzhou Qingyan	200,000	1.18
Total	**16,951,000**	**100.00**

Capital increase in August 2020

On July 15, 2020, pursuant to a shareholders' resolution, the registered capital of RMB1,676,473 was subscribed by Chelian Zhijia at the consideration of RMB1,676,473 to further structure our employee shareholding platform and the registered capital of our Company increased to RMB18,627,473. For details of our Employee Shareholding Platforms, please see "Appendix VI—Statutory and General Information—D. Share Incentive Schemes—1. Pre-[**REDACTED**] Employee Shareholding Scheme".

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	23.30
Weilai New Energy	3,139,238	16.85
Wingtech Technology	2,000,000	10.74
Chelian Yijia	2,000,000	10.74
Chelian Zhijia	1,676,473	9.00
Beijing Four-Dimensional	1,331,762	7.15
CDIB	1,200,000	6.44
Beijing Cherongtong	800,000	4.30
Mr. Qin Lihong	410,000	2.20
Lited Group	400,000	2.15
Mr. Qin Zhi	350,000	1.88
Mr. Chen Mingche	300,000	1.61
Beijing Shunhengda	250,000	1.34
Ms. Wu Yeheng	230,000	1.23
Suzhou Qingyan	200,000	1.07
Total	**18,627,473**	**100.00**

Capital increase (Series B+ investment) and capital transfer in December 2020

Pursuant to an equity transfer agreement dated December 25, 2020, Suzhou Qingyan agreed to transfer the registered capital of our Company of RMB200,000 to Mr. Yang at a consideration of RMB8,169,315.

Pursuant to an equity transfer agreement dated December 25, 2020, CDIB agreed to transfer 3.22% equity interest in our Company to Jiangsu Youquan Taihu Lake Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership) (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)) ("Taihu Guolian") at a consideration of RMB24,512,877 and 3.22% equity interest in our Company to Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)) ("Wuxi Shangxian") at a consideration of RMB24,512,877. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Pursuant to the capital increase agreement dated September 7, 2020 for series B+ investment ("Series B+ Investment"), the registered capital of our Company was increased from RMB18,627,473 to RMB20,776,797 through capital subscription in a total amount of RMB2,149,324 among which, (i) the registered capital of RMB1,074,662 was subscribed by Taihu Guolian at a consideration of RMB75,000,000 and (ii) the registered capital of RMB1,074,662 was subscribed by Wuxi Shangxian at a consideration of RMB75,000,000. The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase and capital transfer, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,540,000	21.85
Weilai New Energy	3,139,238	15.11
Chelian Yijia	2,000,000	9.63
Wingtech Technology	2,000,000	9.63
Chelian Zhijia	1,676,473	8.07
Wuxi Shangxian	1,674,662	8.06
Taihu Guolian	1,674,662	8.06
Beijing Four-Dimensional	1,331,762	6.41
Beijing Cherongtong	800,000	3.85
Mr. Qin Lihong	410,000	1.97
Lited Group	400,000	1.93
Mr. Qin Zhi	350,000	1.68
Mr. Chen Mingche	300,000	1.44
Beijing Shunhengda	250,000	1.20
Ms. Wu Yeheng	230,000	1.11
Total	**20,776,797**	**100.00**

Capital increase (Series C Investment) and capital transfer in August 2021

Pursuant to the respective equity transfer agreements each dated June 18, 2021, Beijing Cherongtong, Lited Group, Mr. Qin Zhi, Beijing Shunhengda and Mr. Yang agreed to transfer 0.24%, 0.49%, 0.49%, 1.20% and 0.97% equity interest in our Company to Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司) ("Weifu High-Technology") at a consideration of RMB2,750,000, RMB5,500,000, RMB5,500,000, RMB13,750,000 and RMB11,000,000, respectively. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Pursuant to the capital increase agreement dated June 18, 2021 for series C investment ("Series C Investment"), the registered capital of our Company was increased from RMB20,776,797 to RMB22,139,510 through capital subscription in a total amount of RMB1,362,713 which was subscribed by Weifu High-Technology at a consideration of RMB111,500,000.

The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	19.60
Weilai New Energy	3,139,238	14.18

Shareholders	Registered capital held	Percentage of shareholding
	(RMB)	*(%)*
Weifu High-Technology	2,062,713	9.32
Wingtech Technology	2,000,000	9.03
Chelian Yijia	2,000,000	9.03
Chelian Zhijia	1,676,473	7.57
Taihu Guolian	1,674,662	7.56
Wuxi Shangxian	1,674,662	7.56
Beijing Four-Dimensional	1,331,762	6.02
Beijing Cherongtong	750,000	3.39
Mr. Qin Lihong	410,000	1.85
Mr. Chen Mingche	300,000	1.36
Lited Group	300,000	1.36
Mr. Qin Zhi	250,000	1.13
Ms. Wu Yeheng	230,000	1.04
Total	**22,139,510**	**100.00**

Capital increase (Series C1 Investment) in August 2021

Pursuant to the capital increase agreement dated August 18, 2021 for series C1 investment ("Series C1 Investment"), the registered capital of our Company was increased from RMB22,139,510 to RMB23,361,675 through capital subscription in a total amount of RMB1,222,165 which was subscribed by ROBERT BOSCH INTERNATIONALE BETEILIGUNGEN AG ("BOSCH") at a consideration of RMB100,000,000.

The consideration of the above subscription was determined based on arm's length negotiations between the Company and the subscriber after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,340,000	18.58
Weilai New Energy	3,139,238	13.44
Weifu High-Technology	2,062,713	8.83
Chelian Yijia	2,000,000	8.56
Wingtech Technology	2,000,000	8.56
Chelian Zhijia	1,676,473	7.18
Wuxi Shangxian	1,674,662	7.17
Taihu Guolian	1,674,662	7.17
Beijing Four-Dimensional	1,331,762	5.70
BOSCH	1,222,165	5.23
Beijing Cherongtong	750,000	3.21
Mr. Qin Lihong	410,000	1.76
Mr. Chen Mingche	300,000	1.28
Lited Group	300,000	1.28
Mr. Qin Zhi	250,000	1.07
Ms. Wu Yeheng	230,000	0.98
Total	**23,361,675**	**100.0000**

Capital increase (Series C2 Investment, Series C2-1 Investment and Series C2-2 Investment) and transfer in December 2022

Pursuant to the respective equity transfer agreements each dated September 13, 2022, (i) Mr. Yang agreed to transfer 0.2141% equity interest in our Company to Wuxi Shangxing Industrial Investment Fund Partnership (Limited Partnership) (無錫尚行產業投資基金合夥企業(有限合夥)) ("Wuxi Shangxing"), at a consideration of RMB3,500,000; (ii) Weilai New Energy agreed to transfer 0.1223% equity interest in the Company to Wuxi Shangxing, at a consideration of RMB2,000,000; (iii) Weilai New Energy agreed to transfer 0.0673% equity interest in the Company to Wuxi Xinzhi Venture Capital Partnership (Limited Partnership) (無錫經開區新智創業投資合夥企業(有限合夥)) ("Wuxi Xinzhi") at a consideration of RMB1,100,000; and (iv) Weilai New Energy agreed to transfer 0.2489% equity interest in our Company to Weifu High-Technology at a consideration of RMB4,070,000. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Pursuant to the capital increase agreement dated August 11, 2022 for series C2 investment ("Series C2 Investment"), the registered capital of our Company was increased from RMB23,361,675 to RMB23,696,153 through capital subscription in a total amount of RMB334,478 which was subscribed by Weifu High-Technology at a consideration of RMB32,930,000.

Pursuant to the capital increase agreement dated September 13, 2022 for series C2-1 investment ("Series C2-1 Investment"), the registered capital of our Company was increased from RMB23,696,153 to RMB24,654,998 through capital subscription in a total amount of RMB958,845, among which (i) the registered capital of RMB451,998 was subscribed by Wuxi Shangxing at a consideration of RMB44,500,000, (ii) the registered capital of RMB90,399 was subscribed by Wuxi Xinzhi at a consideration of RMB8,900,000, (iii) the registered capital of RMB304,718 was subscribed by Wuxi Guolian Industrial Collaborative Investment Center (Limited Partnership) (無錫國聯產業協同投資中心(有限合夥)) ("Wuxi Guolian") at a consideration of RMB30,000,000, and (iv) the registered capital of RMB111,730 was subscribed by Wuxi Binfu Haichuang Talent Venture Capital Partnership (Limited Partnership) (無錫彬復海創人才創業投資合夥企業(有限合夥)) ("Binfu Haichuang") at a consideration of RMB11,000,000.

Pursuant to the capital increase agreement dated December 28, 2022 for series C2-2 investment ("Series C2-2 Investment"), the registered capital of our Company was increased from RMB24,654,998 to RMB24,939,401 through capital subscription in a total amount of RMB284,403, among which (i) the registered capital of RMB182,831 was subscribed by Wenzhou Xunsheng at a consideration of RMB18,000,000; and (ii) the registered capital of RMB101,572 was subscribed by Mr. Wu Bin (吳斌) at a consideration of RMB10,000,000.

The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase and capital transfers, the shareholding structure of our Company was as follows:

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,290,000	17.20

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Weilai New Energy	3,036,809	12.18
Weifu High-Technology	2,455,334	9.85
Chelian Yijia	2,000,000	8.02
Wingtech Technology	2,000,000	8.02
Chelian Zhijia	1,676,473	6.72
Wuxi Shangxian	1,674,662	6.71
Taihu Guolian	1,674,662	6.71
Beijing Four-Dimensional	1,331,762	5.34
BOSCH	1,222,165	4.90
Beijing Cherongtong	750,000	3.00
Wuxi Shangxing	530,569	2.13
Mr. Qin Lihong	410,000	1.64
Wuxi Guolian	304,718	1.22
Mr. Chen Mingche	300,000	1.20
Lited Group	300,000	1.20
Mr. Qin Zhi	250,000	1.00
Ms. Wu Yeheng	230,000	0.92
Wenzhou Xunsheng	182,831	0.73
Binfu Haichuang	111,730	0.45
Wuxi Xinzhi	106,114	0.43
Mr. Wu Bin	101,572	0.41
Total	**24,939,401**	**100.00**

Capital increase (Series C2-3 Investment and Series C2-4 Investment) in May 2023

Pursuant to the capital increase agreement dated May 11, 2023 for series C2-3 investment ("Series C2-3 Investment"), Guangdong Dezaihou subscribed the registered capital of RMB101,572 at a consideration of RMB10,000,000. Pursuant to the capital increase agreement dated May 11, 2023 for series C2-4 investment ("Series C2-4 Investment"), Shenzhen Dezaihou subscribed the registered capital of RMB121,887 at a consideration of RMB12,000,000 and Zibo Henglu Honglian Industrial Investment Partnership (L.P.) (淄博衡廬弘聯產業投資合夥企業(有限合夥)) ("Zibo Henglu") subscribed the registered capital of RMB314,875 at a consideration of RMB31,000,000. The total registered capital of our Company was increased from RMB24,939,401 to RMB25,477,735.

The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,290,000	16.84
Weilai New Energy	3,036,809	11.92
Weifu High-Technology	2,455,334	9.64
Chelian Yijia	2,000,000	7.85
Wingtech Technology	2,000,000	7.85

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Chelian Zhijia	1,676,473	6.58
Wuxi Shangxian	1,674,662	6.57
Taihu Guolian	1,674,662	6.57
Beijing Four-Dimensional	1,331,762	5.23
BOSCH	1,222,165	4.80
Beijing Cherongtong	750,000	2.94
Wuxi Shangxing	530,569	2.08
Mr. Qin Lihong	410,000	1.61
Zibo Henglu	314,875	1.24
Wuxi Guolian	304,718	1.20
Mr. Chen Mingche	300,000	1.18
Lited Group	300,000	1.18
Mr. Qin Zhi	250,000	0.98
Ms. Wu Yeheng	230,000	0.90
Wenzhou Xunsheng	182,831	0.72
Shenzhen Dezaihou	121,887	0.48
Binfu Haichuang	111,730	0.44
Wuxi Xinzhi	106,114	0.42
Mr. Wu Bin	101,572	0.40
Guangdong Dezaihou	101,572	0.40
Total	**25,477,735**	**100.00**

Capital increase (Series D1 Investment and Series D2 Investment) in June 2025

Pursuant to the capital increase agreement dated July 16, 2024 for series D1 investment ("Series D1 Investment"), the registered capital of our Company was increased from RMB25,477,735 to RMB28,190,984 through capital subscription in a total amount of RMB2,713,213, among which (i) the registered capital of RMB277,939 was subscribed by Weifu High-Technology at a consideration of RMB30,000,000; (ii) the registered capital of RMB1,389,695 was subscribed by Wuxi Guoshou Chengda Equity Investment Center (Limited Partnership) (無錫國壽成達股權投資中心(有限合夥)) ("Guoshou Chengda") at a consideration of RMB150,000,000; (iii) the registered capital of RMB397,056 was subscribed by Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有限合夥)) ("Wuxi Shangwen") at a consideration of RMB42,857,143; (iv) the registered capital of RMB185,292 was subscribed by Gongqingcheng Tianxing Car Core Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城天興車芯創業投資合夥企業(有限合夥)) ("Gongqingcheng Tianxing") at a consideration of RMB20,000,000; and (v) the registered capital of RMB463,231 was subscribed by Wuxi Jingkai Shangxian Emerging Industry Equity Investment Fund (Limited Partnership) (無錫經開尚賢新興產業股權投資基金(有限合夥)) ("Jingkai Shangxian") at a consideration of RMB50,000,000.

Pursuant to the capital increase agreement dated October 22, 2024 for series D2 investment ("Series D2 Investment"), the registered capital of our Company was increased from RMB28,190,984 to RMB29,441,672 through capital subscription in a total amount of RMB1,250,688, among which (i) the registered capital of RMB648,524 was subscribed by Anhui Ruicheng Xinche Zhilian Industry Fund Partnership Enterprise (Limited Partnership) (安徽省瑞丞芯車智聯產業基金合夥企業(有限合夥)) ("Ruicheng Fund") at a consideration of RMB70,000,000; (ii) the registered capital of RMB463,231 was subscribed by Anhui Cornerstone Intelligent Manufacturing Phase III Fund Partnership Enterprise (Limited Partnership) (安徽基石智能製造三期基金合夥企業(有限合夥)) ("Cornerstone Capital") at a consideration of RMB50,000,000; and (iii) the registered capital of RMB138,969 was subscribed by Wuhu Industrial Investment Fund Co., Ltd. (蕪湖產業投資基金有限公司) ("Industrial Investment") at a consideration of RMB15,000,000.

The consideration of the above subscriptions were determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of our business.

Upon the completion of the above capital increase, the shareholding structure of our Company was as follows:

Shareholders	Registered Capital held	Percentage of shareholding
	(RMB)	*(%)*
Mr. Yang	4,290,000	14.57
Weilai New Energy	3,036,809	10.31
Weifu High-Technology	2,733,273	9.28
Chelian Yijia	2,000,000	6.79
Wingtech Technology	2,000,000	6.79
Chelian Zhijia	1,676,473	5.69
Wuxi Shangxian	1,674,662	5.69
Taihu Guolian	1,674,662	5.69
Guoshou Chengda	1,389,695	4.72
Beijing Four-Dimensional	1,331,762	4.52
BOSCH	1,222,165	4.15
Beijing Cherongtong	750,000	2.55
Ruicheng Fund	648,524	2.20
Wuxi Shangxing	530,569	1.80
Jingkai Shangxian	463,231	1.57
Cornerstone Capital	463,231	1.57
Mr. Qin Lihong	410,000	1.39
Wuxi Shangwen	397,056	1.35
Zibo Henglu	314,875	1.07
Wuxi Guolian	304,718	1.04
Mr. Chen Mingche	300,000	1.02
Lited Group	300,000	1.02
Mr. Qin Zhi	250,000	0.85
Ms. Wu Yeheng	230,000	0.78
Gongqingcheng Tianxing	185,292	0.63
Wenzhou Xunsheng	182,831	0.62
Industrial Investment	138,969	0.47
Shenzhen Dezaihou	121,887	0.41
Binfu Haichuang	111,730	0.38
Wuxi Xinzhi	106,114	0.36
Mr. Wu Bin	101,572	0.35
Guangdong Dezaihou	101,572	0.35
Total	**29,441,672**	**100.00**

Conversion into a joint stock company with limited liability in November 2025

On November 10, 2025, our general shareholders' meeting resolved to approve the conversion of our Company from a limited liability company into a joint stock company with limited liability. The conversion was completed on November 18, 2025, and the shareholding structure of our Company was as follows:

Shareholders	Number of Shares	Percentage of shareholding
		(%)
Mr. Yang	4,290,000	14.57
Weilai New Energy	3,036,809	10.31
Weifu High-Technology	2,733,273	9.28
Chelian Yijia	2,000,000	6.79
Wingtech Technology	2,000,000	6.79
Chelian Zhijia	1,676,473	5.69
Wuxi Shangxian	1,674,662	5.69
Taihu Guolian	1,674,662	5.69
Guoshou Chengda	1,389,695	4.72
Beijing Four-Dimensional	1,331,762	4.52
BOSCH	1,222,165	4.15
Beijing Cherongtong	750,000	2.55
Ruicheng Fund	648,524	2.20
Wuxi Shangxing	530,569	1.80
Jingkai Shangxian	463,231	1.57
Cornerstone Capital	463,231	1.57
Mr. Qin Lihong	410,000	1.39
Wuxi Shangwen	397,056	1.35
Zibo Henglu	314,875	1.07
Wuxi Guolian	304,718	1.04
Mr. Chen Mingche	300,000	1.02
Lited Group	300,000	1.02
Mr. Qin Zhi	250,000	0.85
Ms. Wu Yeheng	230,000	0.78
Gongqingcheng Tianxing	185,292	0.63
Wenzhou Xunsheng	182,831	0.62
Industrial Investment	138,969	0.47
Shenzhen Dezaihou	121,887	0.41
Binfu Haichuang	111,730	0.38
Wuxi Xinzhi	106,114	0.36
Mr. Wu Bin	101,572	0.35
Guangdong Dezaihou	101,572	0.35
Total	**29,441,672**	**100.00**

Capital increase (Series PI Investment) and transfer in November 2025

Pursuant to the respective equity transfer agreements each dated on November 27, 2025, (i) Weilai New Energy agreed to transfer 2,334,974 Shares in our Company to Hubei Weilian Equity Investment Partnership Enterprise (Limited Partnership) (湖北蔚聯股權投資合夥企業(有限合夥)) ("Weilian Investment"), a company which was controlled by Weilai New Energy, at a consideration of RMB122,727,461.2; and (ii) Mr. Qin Zhi agreed to transfer 250,000 Shares in our Company to Zhicheng Automotive, a company wholly owned by himself, at a consideration of RMB6,250,000. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's

length negotiations between parties after taking into consideration various factors, including, but not limited to, the internal investment arrangement of the investors, the historical investment costs and the timing of the investments.

Pursuant to the respective equity transfer agreements each dated on November 27, 2025, (i) Weilai New Energy agreed to transfer 230,013 Shares in our Company to Anpeng Automotive at a consideration of RMB25,000,000 and transferred 471,822 Shares in our Company to Wuxi Shangwen at a consideration of RMB50,000,000, respectively; (ii) Mr. Qin Lihong agreed to transfer 138,020 Shares in our Company to Sichuan Bihong Venture Capital Partnership Enterprise (Limited Partnership) (四川碧鴻創業投資合夥企業(有限合夥)) (formerly known as Chengdu Bihong Venture Capital Partnership Enterprise (Limited Partnership) (成都碧鴻創業投資合夥企業(有限合夥)) ("Sichuan Bihong") at a consideration of RMB15,001,420; and (iii) Ms. Wu Yeheng agreed to transfer 45,990 Shares in our Company to Sichuan Bihong at a consideration of RMB4,998,580 and transferred 184,010 Shares in our Company to Haikou Kaizhilian Investment Co., Ltd. (海口凱之聯投資有限公司) ("Kaizhilian") at a consideration of RMB20,000,000, respectively. The Company was not a party to the above transfers, and to the best information and knowledge of the Company, the consideration of the above capital transfers were determined based on arm's length negotiations between parties after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the document of business of our Company.

Pursuant to the capital increase agreement dated November 27, 2025 for series PI investment ("Series PI Investment"), the registered capital of our Company was increased from RMB29,441,672 to RMB33,637,110 through capital subscription in a total amount of RMB4,195,438, among which (i) the registered capital of RMB736,042 was subscribed by Wuxi Shangwen at a consideration of RMB100,000,000; (ii) the registered capital of RMB588,833 was subscribed by Wuxi Listed Company High Quality Development Fund (Limited Partnership) (無錫市上市公司高質量發展基金(有限合夥)) ("Wuxi High Quality Fund") at a consideration of RMB80,000,000; (iii) the registered capital of RMB220,813 was subscribed by Shenzhen Zhongxin Pengxiang Sci Tech Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership) (深圳中鑫鵬翔科創私募股權投資基金合夥企業(有限合夥)) ("Shenzhen Zhongxin Pengxiang") at a consideration of RMB30,000,000; (iv) the registered capital of RMB147,208 was subscribed by Su Gan (Nanjing) Cultural Industry Equity Investment Fund Partnership Enterprise (Limited Partnership) (蘇贛(南京)文化產業股權投資基金合夥企業(有限合夥)) ("Su Gan Cultural Industry") at a consideration of RMB20,000,000; (v) the registered capital of RMB73,604 was subscribed by Beijing Anpeng Sci Tech Innovation Automotive Industry Investment Fund Partnership Enterprise (Limited Partnership) (北京安鵬科創汽車產業投資基金合夥企業(有限合夥)) ("Anpeng Automotive") at a consideration of RMB10,000,000; (vi) the registered capital of RMB220,813 was subscribed by Wuxi Best Precision Machinery Co., Ltd. (無錫貝斯特精機股份有限公司) ("Precision Machinery") at a consideration of RMB30,000,000; and (vii) the registered capital of RMB2,208,125 was subscribed by Fuzhou Xintou Longqiu Zhixing Zhonghe Venture Capital Partnership (Limited Partnership) (福州新投隆湫智行眾合創業投資合夥企業(有限合夥)) ("Xintou Longqiu") at a consideration of RMB300,000,000.

The consideration of the above subscriptions was determined based on arm's length negotiations between the Company and the subscribers after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business. The subscribers are strategic industry investors with deep expertise and extensive networks in automotive industry, who demonstrated strong confidence in the Company's business model, growth potential and long-term development strategy. Their participation not only provides capital support but also validates the Company's competitive positioning and future prospects in the industry. The strategic investors' commitment reflects their highly optimistic outlook on the Company's ability to capture market opportunities and achieve sustainable growth.

Upon the completion of the above capital increase and transfer, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares	Percentage of shareholding
		(%)
Mr. Yang	4,290,000	12.75
Weifu High-Technology	2,733,273	8.13
Chelian Yijia	2,000,000	5.95
Wingtech Technology	2,000,000	5.95
Chelian Zhijia	1,676,473	4.98
Wuxi Shangxian	1,674,662	4.98
Taihu Guolian	1,674,662	4.98
Guoshou Chengda	1,389,695	4.13
Beijing Four-Dimensional	1,331,762	3.96
BOSCH	1,222,165	3.63
Beijing Cherongtong	750,000	2.23
Ruicheng Fund	648,524	1.93
Wuxi Shangxing	530,569	1.58
Jingkai Shangxian	463,231	1.38
Cornerstone Capital	463,231	1.38
Mr. Qin Lihong	271,980	0.81
Wuxi Shangwen	1,604,920	4.77
Zibo Henglu	314,875	0.94
Wuxi Guolian	304,718	0.91
Mr. Chen Mingche	300,000	0.89
Lited Group	300,000	0.89
Zhicheng Automotive	250,000	0.74
Gongqingcheng Tianxing	185,292	0.55
Wenzhou Xunsheng	182,831	0.54
Industrial Investment	138,969	0.41
Shenzhen Dezaihou	121,887	0.36
Binfu Haichuang	111,730	0.33
Wuxi Xinzhi	106,114	0.32
Mr. Wu Bin	101,572	0.30
Guangdong Dezaihou	101,572	0.30
Weilian Investment	2,334,974	6.94
Wuxi High Quality Fund	588,833	1.75
Shenzhen Zhongxin Pengxiang	220,813	0.66
Su Gan Cultural Industry	147,208	0.44
Anpeng Automotive	303,617	0.90
Sichuan Bihong	184,010	0.55
Precision Machinery	220,813	0.66
Xintou Longqiu	2,208,125	6.56
Kaizhilian	184,010	0.55
Total	**33,637,110**	**100.00**

Share Subdivision prior to the Listing

We expect to conduct the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB[0.10] each. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB33,637,110, will be divided into [336,371,100] Shares with par value of RMB[0.10] per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before the Listing, and the number of our issued Shares will be [336,371,100], without taking into consideration the new Shares to be issued for the [**REDACTED**].

PRE-[REDACTED] INVESTMENTS

Details of the Pre-[**REDACTED**] Investments are set out below:

Relevant Pre-[REDACTED] Investor	Date of the agreement	Total consideration	Approximate adjust cost per Share[(2)]	Registered capital of our Company	Settlement date of the consideration	Discount to the [REDACTED][(3)]
		(RMB)	*(RMB)*	*(RMB)*		
Series A Investment . .	March 10, 2016	35,000,000	2.5	1,400,000	March 18, 2016	[REDACTED]%
Series A+ Investment . .	July 15, 2016	50,000,000	2.5	2,000,000	August 17, 2016	[REDACTED]%
Series B Investment . .	June 10, 2017	212,000,000	5.97	3,551,000	July 24, 2017	[REDACTED]%
Series B+ Investment . .	September 7, 2020	150,000,000	6.98	2,149,324	October 16, 2020	[REDACTED]%
Series C Investment . .	June 18, 2021	111,500,000	8.18	1,362,713	June 18, 2021	[REDACTED]%
Series C1 Investment . .	August 18, 2021	100,000,000	8.18	1,222,165	September 13, 2021	[REDACTED]%
Series C2 Investment . .	August 11, 2022	32,930,000	9.85	334,478	August 11, 2022	[REDACTED]%
Series C2-1 Investment . .	September 13, 2022	94,400,000	9.85	958,845	September 16, 2022	[REDACTED]%
Series C2-2 Investment . .	December 28, 2022	28,000,000	9.85	284,403	January 5, 2023	[REDACTED]%
Series C2-3 Investment . .	May 11, 2023	10,000,000	9.85	101,572	February 27, 2023	[REDACTED]%
Series C2-4 Investment . .	May 11, 2023	43,000,000	9.85	436,762	March 23, 2023	[REDACTED]%
Series D1 Investment . .	July 16, 2024	292,857,143	10.79	2,713,249	December 18, 2024	[REDACTED]%
Series D2 Investment . .	October 22, 2024	135,000,000	10.79	1,250,688	November 28, 2024	[REDACTED]%
Series PI Investment . .	November 27, 2025	570,000,000	13.59	4,195,438	November 28, 2025	[REDACTED]%

Basis of determining the consideration paid . . . . . Save as specifically disclosed above, the consideration for the Pre-[**REDACTED**] Investments which involved increase of registered capital or issuance of new Shares of our Company was determined based on arm's length negotiations between the Company and the Pre-[**REDACTED**] Investors after taking into consideration various factors, including, but not limited to, the historical operating performance, the timing of the investments and the prospects of our business.

To the best knowledge of our Company, for the Pre-[**REDACTED**] Investments which involved transfer of existing registered capital or Shares to the Pre-[**REDACTED**] Investors, the considerations were determined among the then Shareholders of our Company and the relevant Pre-[**REDACTED**] Investors upon their respective arm's length negotiations.

Lock-up Period	Pursuant to the applicable PRC laws, within the 12 months following the Listing Date, all current Shareholders (including the Pre-[**REDACTED**] Investors) cannot dispose of any of the Shares held by them.
Use of proceeds from the Pre-[REDACTED] Investments	We utilized proceeds from the Pre-[**REDACTED**] Investments involving increase of registered capital by our Company for the principal business of our Group, including, but not limited to, the growth and expansion of our Company's business and general working capital purposes. As at the date of the Latest Practicable Date, the net proceeds from such Pre-[**REDACTED**] Investments had been fully utilized.
Strategic benefits to our Company brought by the Pre-[REDACTED] Investors .	It was believed at the relevant time of the investment that our Company could benefit from the additional capital provided by the Pre-[**REDACTED**] Investors' investments in our Company and the Pre-[**REDACTED**] Investors' knowledge and experience. We could take advantage of the Pre-[**REDACTED**] Investors' industry resources and networks, while broadening our shareholder base. The series of investments made by the Pre-[**REDACTED**] Investors in our Company reflected their consistent confidence in the business of our Group and served as an endorsement of our performance and future prospects.

Notes:

(1) The Pre-[**REDACTED**] Investments consist of both (i) subscription of additional registered capital of the Company or new Shares by the Pre-[**REDACTED**] Investors, for which the Company was a party to such Pre-[**REDACTED**] Investments and received proceeds from such Pre-[**REDACTED**] Investors, the details of which are set out in this table; and (ii) transfer of existing registered capital or Shares to the Pre-[**REDACTED**] Investors, for which the Company was not a party to such Pre-[**REDACTED**] Investments and received no proceeds from such Pre-[**REDACTED**] Investors, and for further details of such transfers, please refer to the paragraph headed "—Major Shareholding Changes of our Company" above.

(2) The adjusted cost per Share of each series is calculated dividing the consideration by the number of Shares subscribed or acquired as adjusted by the Share Subdivision to be undertaken immediately prior to the Listing, to facilitate the illustration of premium or discount to the [**REDACTED**].

(3) The discount to [**REDACTED**] is calculated based on the [**REDACTED**] of [**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range).

PRC Legal Adviser's confirmation

As advised by our PRC Legal Advisers, all the capital transfers, capital increases and issuances and transfers of Shares set out above were conducted in compliance with the applicable PRC laws and regulations in all material respects.

Special rights of the Pre-[REDACTED] Investors

The Pre-[**REDACTED**] Investors had been granted with customary special rights and preference (the "Special Rights"), including, among others, information rights, redemption rights, liquidation preference, performance commitment, director nomination rights, no more favourable terms, anti-dilution rights, right of first refusal and tag-along rights.

Pursuant to the agreement entered into by the Shareholders of our Company dated October 17, 2025, in anticipation of the [**REDACTED**], certain Special Rights (including redemption rights, liquidation preference, performance commitment and anti-dilution rights) have been terminated prior to the first submission of the Company's listing application to the Stock Exchange (the "First Filing"), and other Special Rights will terminate upon Listing, provided that, director nomination

rights and board of supervisors shall be restored upon the earliest of (i) the withdrawal of the listing application to the Stock Exchange by our Company and failure to re-submit a listing application within 12 months after such withdrawal, or (ii) the Company failing to complete the Listing within 18 months after the First Filing.

Joint Sponsors' Confirmation

On the basis that (i) the considerations for the Pre-[**REDACTED**] Investments were settled no less than 120 clear days before the Listing Date; and (ii) the redemption and divestment rights granted to the Pre-[**REDACTED**] Investors had been terminated prior to the First Filing and all other special rights will be terminated upon Listing, the Joint Sponsors confirm that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of the Guide.

Information relating to our major Pre-[REDACTED] Investors

Set out below is a description of each of our major Pre-[**REDACTED**] Investors, which have made meaningful investments in our Company (each holding more than 1.00% of the total issued share capital of our Company immediately prior to the [**REDACTED**]). To the best of the Company's knowledge, information and belief, save for Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Zhicheng Automotive, Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou, Wuxi Entities and their respective ultimate beneficial owners, each of such major Pre-[**REDACTED**] Investors are Independent Third Parties.

Beijing Cherongtong

Beijing Cherongtong is a limited liability company established under the laws of the PRC on December 10, 2013, principally engaged in equity investment and asset management. As at the Latest Practicable Date, it was ultimately controlled by Mr. Yang, a member of our Single Largest Shareholder Group.

Mr. Qin Lihong

Mr. Qin Lihong is an individual investor, aged 53. Prior to co-founding NIO Co., Ltd.(上海蔚來汽車有限公司) in 2014 with Mr. Li Bin and others, Mr. Qin has held various positions at Longfor Group Holdings Limited (龍湖集團控股有限公司, Stock Code: 0960), Chery Automobile Sales Company, Roland Berger Strategy Consultants, and The Procter & Gamble Company. Mr. Qin obtained his bachelor's and master's degree in law from Peking Unicersity. He obtained another master's degree in public policy from the John F. Kennedy School of Government at Harvard University in 2001.

Mr. Chen Mingche

Mr. Chen Mingche is an individual investor, aged 58. Mr. Chen is primarily engaged in the automotive parts industry and is the founder of Wenzhou Northern Electronic Machinery Co., Ltd. (溫州北方電子機械有限公司). Mr. Chen has extensive investment experiences through various private equity funds.

Lited Group

Lited Group is a limited liability company established under the laws of the PRC on March 12, 1998, principally engaged in wholesale of other machinery, equipment and electronic products. As at the Latest Practicable Date, it was ultimately controlled by Mr. Jiang Liming (江黎明).

Zhicheng Automotive and Mr. Qin Zhi

Zhicheng Automotive is a limited liability company established under the laws of the PRC on February 27, 2018, principally engaged in car sales and services. As at the Latest Practicable Date, Zhicheng Automotive was wholly owned by Mr. Qin Zhi (秦致).

Mr. Qin Zhi is an individual investor, aged 54. Prior to his entrepreneurial and investment activities since 2016. Mr. Qin served at Autohome Inc. (汽車之家) a company listed on the main board of the Stock Exchange (stock code: 2518) and on the New York Stock Exchange (stock code: ATHM), from July 2007, where he led its initial public offering on the New York Stock Exchange on December 11, 2013. Mr. Qin has also held various positions at Beijing Nengdong Network Technology Co., Ltd. (北京能動網絡技術有限公司 (previously known as Beijing 265 Info Tech Co., Ltd.) and several renowned international companies. Mr. Qin obtained his bachelor's degree from Tsinghua University, his master's degree in computer science from the University of Iowa and another master's degree in business administration from Business School of Harvard.

Wenzhou Xunsheng

Wenzhou Xunsheng is a limited partnership established under the laws of the PRC on October 10, 2022, principally engaged in venture capital investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.01% by its general partner, Shanghai Rongxun Asset Management Centre (Limited Partnership) (上海榮巽資產管理中心(有限合夥)) ("Shanghai Rongxun"), who has the full discretion over investment decisions regarding assets managed by Wenzhou Xunsheng and the general partner of which is Yang Mei (楊梅), who has the full discretion over investment decisions regarding assets managed by Shanghai Rongxun; (ii) approximately 66.66% by Yang Mei, one limited partner; and (iii) approximately 33.33% by the remaining two limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Shenzhen Dezaihou

Shenzhen Dezaihou is a limited partnership established under the laws of the PRC on February 8, 2023, principally engaged in information consultancy services and venture capital investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.08% by its general partner, Beijing Dezaihou Investment Management Center (Limited Partnership) (北京德載厚投資管理中心(有限合夥)) ("Beijing Dezaihou LLP")) who has the full discretion over investment decisions regarding assets managed by Shenzhen Dezaihou; (ii) approximately 35.58% by Xie Sihui (解思輝), one limited partner and; (iii) approximately 64.34% by the other four limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party. As at the Latest Practicable Date, Beijing Dezaihou LLP was held as to (i) approximately 7.21% by its general partner, Beijing Dezaihou Enterprise Management Co., Ltd. (北京德載厚企業管理有限公司) ("Beijing Dezaihou") who has the full discretion over investment decisions regarding assets managed by Beijing Dezaihou LLP, and it was ultimately controlled by Dong Yang (董揚); (ii) approximately 36.03% by Dong Yang, a limited partner; and (iii) approximately 56.76% by the other seven limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Mr. Wu Bin

Mr. Wu Bin is an individual investor. Mr. Wu currently serves as chairman of Shenzhen Zhongguang Industrial Technology Research Institute (深圳市中光工業技術研究院) and vice chairman of Shenzhen Shangzuo Charitable Foundation (深圳市尚佐慈善基金會). Mr. Wu previously served as non-executive director of Shenzhen Deyi Investment Co., Ltd. (深圳市得壹投資有限公司), vice president of Shenzhen Zhongguang Industrial Technology Research Institute, and vice general manager of Appotronics Corporation Limited (深圳光峰科技股份有限公司, Stock Code: 688007SH).

Guangdong Dezaihou

Guangdong Dezaihou is a limited partnership established under the laws of the PRC on February 2, 2023, principally engaged in enterprise management consulting and enterprise management. Shenzhen Dezaihou is held as to (i) approximately 0.10% by its general partner, Beijing Dezaihou LLP, and the general partner of Beijing Dezaihou LLP is Beijing Dezaihou and it was ultimately controlled by Dong Yang (董揚); (ii) approximately 76.77% by Guangdong Dezaihou Yingxing Equity Investment Partnership Enterprise (Limited Partnership) (廣東德載厚贏行股權投資合夥企業(有限合夥)) ("Dezaihou Yingxing"); and (iii) approximately 23.13% by another limited partner, an Independent Third Party. As at the Latest Practicable Date, Dezaihou Yingxing was held as to (i) approximately 0.85% by its general partner, Beijing Dezaihou LLP who has the full discretion over investment decisions regarding assets managed by Dezaihou Yingxing, and it was ultimately controlled by Dong Yang (董揚); (ii) approximately 27.12% by Shi Min (施敏), a limited partner, an Independent Third Party; and (iii) approximately 72.03% by the other 15 limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wuxi Entities

Wuxi Entities consists of Taihu Guolian, Wuxi Guolian, Wuxi Shangxian, Wuxi Shangxing, Wuxi Xinzhi, Wuxi Shangwen and Wuxi High Quality Fund.

Taihu Guolian is a limited partnership established in the PRC on March 13, 2019, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.10% by its general partner, Wuxi Guolian Industrial Investment Private Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) and it was ultimately controlled by Wuxi Municipal People's Government State-owned Assets Supervision and Administration Commission (無錫市國有資產監督管理委員會) ("Wuxi SASAC"); (ii) approximately 59.90% by Wuxi Guolian Financial Investment Group Co., Ltd. (無錫國聯金融投資集團有限公司) as the limited partner, which was ultimately controlled by Wuxi SASAC; and (iii) approximately 40% by the other two limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wuxi Guolian is a limited partnership established in the PRC on August 3, 2022, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.33% by its general partner, Wuxi Guolian Industrial Investment Private Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 50.00% by Wuxi Taihu Talent Development Fund (Limited Partnership) (無錫太湖人才發展基金(有限合夥)) as the limited partner and it was ultimately controlled by Wuxi SASAC; (iii) approximately 39.67% by Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司) and it was ultimately controlled by Wuxi SASAC, and (iv) approximately 10.00% by one remaining limited partner, an Independent Third Party.

Wuxi Shangxian is a limited partnership established in the PRC on September 9, 2020, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.06% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.94% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi Shangxing is a limited partnership established in the PRC on May 25, 2022, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.10% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.90% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi Xinzhi is a limited partnership established in the PRC on January 29, 2022, principally engaged in venture capital investment and investment management. As at the Latest Practicable Date, it was held as to (i) approximately 0.50% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.50% by four limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wuxi Shangwen is a limited partnership established in the PRC on April 18, 2023, principally engaged in venture capital investment and investment management. As at the Latest Practicable Date, it was held as to (i) 1% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) 99% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi High Quality Fund is a limited partnership established under the laws of the PRC on July 10, 2023, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.04% by its general partner, Wuxi Financial Investment Management Co., Ltd. (無錫金投資本私募基金管理有限公司), and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.96% by Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司), and it was ultimately controlled by Wuxi SASAC.

Weifu High-Technology

Weifu High-Technology is a joint stock limited company established under the laws of the PRC on October 27, 1988 and is listed on the Shenzhen Stock Exchange with stock code 000581 on June 29, 1998, principal engaged in automotive parts and accessories manufacturing.

Jingkai Shangxian

Jingkai Shangxian is a limited partnership established in the PRC on November 17, 2023, principally engaged in venture capital investment and investment management. As at the Latest Practicable Date, it was held as to (i) approximately 0.02% by one of its general partners, Wuxi Jinyi Private Equity Fund Management Co., Ltd. (無錫金易私募基金管理有限公司) and it was ultimately controlled by Wuxi Economic Development Zone Finance Bureau (江蘇無錫經濟開發區財政局), an Independent Third Party; (ii) approximately 0.02% by the other general partner, SIP Oriza PE Fund Management Co., Ltd. (蘇州工業園區元禾重元股權投資基金管理 有限公司), which is ultimately controlled by Suzhou Industrial Park Zhongyuan Jingfeng Equity Investment Management Co., Ltd. (蘇州工業園區重元景風股權投資管理有限公司) which held by six shareholders and none of its shareholders held one-third or more of the equity interests therein, each an Independent Third Party; (iii) approximately 99.96% by Wuxi Jingkai Shangxianhu Investment Co., Ltd. (無錫經開尚賢湖投資有限公司), the limited partner and it was ultimately controlled by Wuxi Economic Development Zone Finance Bureau.

Weilian Investment

Weilian Investment is a limited partnership established in the PRC on August 23, 2023, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.0063% by its general partner, Hubei Changjiang NIO New Energy Equity Investment Partnership Enterprise (Limited Partnership) (湖北長江蔚來新能源股權投資合夥企業(有限合夥)) ("Changjiang Nio") who has the full discretion over investment decisions regarding assets managed by Weilian Investment and an Independent Third Party; (ii) approximately 99.9937% by Weilai New Energy, the limited partner which is a leading, market-oriented private equity investment firm focusing on investing in mobility, energy, materials and other related sectors, which insists on sustainable investments with a focus on innovations in decarbonization and digitalization and an Independent Third Party. As at the Latest Practicable Date, Weilai New Energy was held as to (i) approximately 2.19% by its general partner, Changjiang Nio, who has the full

discretion over investment decisions regarding assets managed by Weilai New Energy and an Independent Third Party; (ii) approximately 97.81% by the remaining nine limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party. As at the Latest Practicable Date, Changjiang Nio was held as to (i) 10.00% by its general partner, Weilai New Energy Wei New Energy Cci Capital Ltd (湖北長江蔚來新能源投資管理有限公司), who has the full discretion over investment decisions regarding assets managed by Changjiang Nio and an Independent Third Party; (ii) 50.00% by XPT (Nanjing) E-Powertrain Technology Co., Ltd. (蔚然(南京)動力科技有限公司), one limited partner, which is indirectly wholly owned by NIO Inc., a company listed on the main board of the Stock Exchange (stock code: 9866), on the New York Stock Exchange (stock code: NIO) and on the Singapore Exchange (stock code: NIO), an Independent Third Party; and (iii) 40.00% by the remaining two limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wingtech Technology

Wingtech Technology is a joint stock limited company established under the laws of the PRC on January 11, 1993, and is listed on the Shanghai Stock Exchange with stock code 600745 on August 28, 1996, principally engaged in research and development of intelligent robots and technical services.

Beijing Four-Dimensional

Beijing Four-Dimensional is a limited partnership established under the laws of the PRC on December 4, 2017, principally engaged in equity investment management. As at the Latest Practicable Date, it was held held as to (i) 1% by its general partner, Beijing Siwei Tiansheng Private Equity Fund Management Co., Ltd. (北京四維天盛私募基金管理有限公司) and it was ultimately controlled by NavInfo, a company listed on the Shenzhen Stock Exchange (stock code: 002405), an Independent Third Party; (ii) 99% by NavInfo, the limited partner, an Independent Third Party.

BOSCH

Robert Bosch International Invest AG is a limited liability company or joint stock company incorporated in Switzerland on December 14, 2006, principally engaged in acquiring, managing and disposing of investments of all kinds, in particular in the form of a holding company, in trading and manufacturing companies. As at the Latest Practicable Date, it was wholly owned by Robert Bosch GmbH, which was ultimately controlled by Robert Bosch Industrietreuhand KG, an Independent Third Party.

Guoshou Chengda

Guoshou Chengda is a limited partnership established under the laws of the PRC on February 25, 2022, principally engaged in equity investment and investment management. As at the Latest Practicable Date, it was held as to (i) approximately 0.93% by its general partner, Guoshou Chengda (Shanghai) Health and Medical Equity Investment Management Co., Ltd. (國壽成達(上海)健康醫療股權投資管理有限公司), who has the full discretion over investment decisions regarding assets managed by Guoshou Chengda, and it was ultimately controlled by Ministry of Finance, PRC (中華人民共和國財政部), an Independent Third Party; (ii) approximately 75.00% by China Life Insurance Company Limited (中國人壽保險股份有限公司), a limited partner and a company listed on the Shanghai Stock Exchange (stock code: 601628), an Independent Third Party; (iii) approximately 24.07% by the remaining three limited partners, each an Independent Third Party.

Ruicheng Fund

Ruicheng Fund is a limited partnership established under the laws of the PRC on January 26, 2024, principally engaged in equity investment and investment management. As at the Latest Practicable Date, it was held as to (i) approximately 0.12% by its general partner, Hefei Ruicheng Private Equity Fund Management Co., Ltd. (合肥瑞丞私募基金管理有限公司) ("Hefei Ruicheng"), who has the full discretion over investment decisions regarding assets managed by Ruicheng Fund and an Independent Third Party; (ii) approximately 49.94% by Wuhu Ruicheng Zhanxin Industry No. 1 Foundation Partnership (Limited Partnership) (蕪湖市瑞丞戰新產業壹號基金合夥企業(有限合夥)) ("Ruicheng Zhanxin"), a limited partner, an Independent Third Party; and (iii) approximately 49.94% by the remaining two limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party. As at the Latest Practicable Date, Hefei Ruicheng was held as to 80% by Wuhu Chery Capital Management Co., Ltd. (蕪湖奇瑞資本管理有限公司) ("Chery Capital") and 20% by Hefei Ruiying Enterprise Management Service Partnership (Limited Partnership) (合肥瑞瀛企業管理服務合夥企業 (有限合夥)). Chery Capital was held as to 50% by Chery AUTOMOBILE Co., Ltd (奇瑞汽車股份有限公司), a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 09973), an Independent Third Party, and 50% by Chery Holding Group Co., Ltd. (奇瑞控股集團有限公司) which held by ten shareholders and none of its shareholders held one-third or more of the equity interests therein, each an Independent Third Party. As of the Latest Practicable Date, Ruicheng Zhanxin was held as to approximately (i) 0.24% by its general partner, Hefei Ruicheng, who has the full discretion over investment decisions regarding assets managed by Ruicheng Zhanxin and an Independent Third Party; (ii) 74.81% by a limited partner, and it was ultimately controlled by Wuhu SASAC, an Independent Third Party; and (iii) 24.94% by the remaining 2 limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Cornerstone Capital

Cornerstone Capital is a limited partnership established under the laws of the PRC on September 9, 2021, principally engaged in equity investment and investment management. As at the Latest Practicable Date, it was held as to (i) 1% by its general partner, Ma'anshan Happiness Cornerstone Investment Management Co., Ltd. (馬鞍山幸福基石投資管理有限公司), who has the full discretion over investment decisions regarding assets managed by Cornerstone Capital with Wang Qiwen (王啟文) as its authorized representative and it was ultimately controlled by Zhang Wei (張維), an Independent Third Party; (ii) 40% by Anhui Sanzhong Yichuang Industrial Development Fund Co., Ltd. (安徽省三重一創產業發展基金有限公司), a limited partner and it was ultimately controlled by State-owned Assets Supervision and Administration Commission of Anhui Provincial People's Government (安徽省人民政府國有資產監督管理委員會), an Independent Third Party; and (iii) 59% by the remaining three limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Xintou Longqiu

Xintou Longqiu is a limited partnership established under the laws of the PRC on November 7, 2025, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 1% by its general partner, Suzhou Longqiu Private Equity Fund Management Co., Ltd. (蘇州隆湫私募基金管理有限公司) ("Longqiu Private Equity"), which was ultimately controlled by Zhu Wei (朱偉), an Independent Third Party; (ii) approximately 99% by six limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

The investment decision committee of XIntou Longqiu (the "Investment Decision Committee") serves as the highest decision-making body for investment projects of Xintou Longqiu. The Investment Decision Committee comprises three members, with two appointed by Longqiu Private Equity and one appointed by Fuzhou Xintou Venture Capital Co., Ltd. Resolutions of the Investment Decision Committee must be approved by a majority of its members. However,

the following matters will need to be approved by all members of the Investment Decision Committee: (a) proposed investments involving related-party transactions; (b) cumulative investment in a single project exceeding 5% of the partnership's total committed capital contributions; and (c) proposed investments unrelated to the automotive industry chain.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, we have not made any acquisitions, disposals or mergers that we consider to be material to us.

SHARE INCENTIVE SCHEMES

Our Company adopted the Pre-[**REDACTED**] Employee Shareholding Schemes, which included (i) 2016 Pre-[**REDACTED**] Employee Shareholding Scheme adopted on December 15, 2016, and amended and took effect on November 28, 2025; and (ii) the 2025 Pre-[**REDACTED**] Employee Shareholding Scheme which was adopted by the Company and took effect on November 28, 2025. Our Company has also adopted Pre-[**REDACTED**] Share Option Scheme adopted on November 28, 2025. See "Appendix VI—Statutory and General Information—D. Share Incentive Schemes" for further details.

ACTING IN CONCERT AGREEMENT AND OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

To formalize their cooperation as Shareholders in achieving the shared goals and objective of our Group, on May 16, 2023, Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou and one then Shareholder who has ceased to be Shareholder as of the Latest Practicable Date entered into the Acting in Concert Agreement, pursuant to which each of them has confirmed and agreed that, since they became shareholders of the Company, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until one year after the Listing. In November, 2025, Mr. Qin Zhi transferred all his 250,000 Shares in the Company to Zhicheng Automotive, a company wholly owned by Mr. Qin Zhi. Therefore, Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Zhicheng Automotive, Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou will constitute our Single Largest Group of Shareholders.

As at the Latest Practicable Date, the Single Largest Group of Shareholders were collectively interested in approximately 30.76% of the Shares, and will hold approximately [**REDACTED**]% of the Shares immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme) and will collectively be entitled to exercise the voting rights of approximately [**REDACTED**]% of the total issued share capital of our Company (assuming that the [**REDACTED**] is fully exercised and without no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme). Therefore, upon Listing, the Single Largest Group of Shareholders will remain as our Single Largest Group of Shareholders and our Company will not have any controlling shareholders as defined under the Listing Rules.

PUBLIC FLOAT AND FREE FLOAT

Public Float

Our Company has applied for H-share full circulation and the CSRC issued notice of filing on [●] for the conversion of [**REDACTED**] Unlisted Shares into H Shares upon the Listing.

In addition, upon completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**], [**REDACTED**] H Shares held by our Single Largest Group of Shareholders and Wuxi Entities, who are core connected persons of our Company, in aggregate, and which represents approximately [**REDACTED**]% of our total issued Shares upon the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), would not be counted towards the public float.

To the best knowledge of our Directors, upon the completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**], [**REDACTED**] H Shares are expected to be held by our existing Shareholders who are not our core connected persons. Such [**REDACTED**] H Shares will be counted towards the public float. None of these Shareholders are accustomed to take instructions from any core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and none of their acquisition of the Shares were financed directly or indirectly by our core connected persons. Such H Shares to be converted from Unlisted Shares, together with the [**REDACTED**] H Shares to be issued pursuant to the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised), which represent approximately [**REDACTED**]% of our total issued Shares upon the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), will be counted towards the public float.

With respect to the indicative [**REDACTED**] range of HK$[**REDACTED**], HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**] (being the low end, mid-point and the high-end of the [**REDACTED**], respectively), the expected market capitalization of the Company's H Shares would be more than HK$[**REDACTED**] but not exceeding HK$[**REDACTED**]. It is expected that immediately following completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised), the total number of listed H Shares held by the public represents approximately [**REDACTED**]% of our total issued Shares upon Listing, which is higher than the prescribed percentage of Shares required to be held in public hands of 15% with the expected market value of HK$[**REDACTED**] million under Rule 19A.13A(1) (based on a minimum [**REDACTED**] of HK$[**REDACTED**] per Share). Therefore, our Company will be able to meet the minimum public float requirement under Rule 19A.13A.

Free Float

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

To the best knowledge of our Directors, the [**REDACTED**] H Shares to be issued pursuant to the [**REDACTED**] (assuming the [**REDACTED**] is not exercised) are expected to be held by the public and will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise). Accordingly, the total market value of H Shares required to be held in public hands and will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) is expected to be approximately HK$[**REDACTED**], calculated based on an [**REDACTED**] of [**REDACTED**] per H Share, being the low-end of the indicative [**REDACTED**] range, which is higher than the prescribed expected market value of H Shares required to be held in public hands of not less than HK$[**REDACTED**]. Therefore, our Company is expected to satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure (a) as of the Latest Practicable Date and (b) immediately upon the completion of the [**REDACTED**] and the Conversion of the Unlisted Shares into H Shares, assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

Shareholder	Number of Shares held by the Shareholder as of the Latest Practicable Date	Number of Shares upon completion of the [REDACTED][(1)]		Aggregate ownership percentage as at the Latest Practicable Date	Aggregate ownership percentage upon completion of the [REDACTED][(1)]	Whether the H Shares will be counted toward the public float
		H Shares	Unlisted Shares	(%)	(%)	
Major Pre-[REDACTED] Investors[(2)]						
Single Largest Group of Shareholders						
Mr. Yang	4,290,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Chelian Yijia	2,000,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Chelian Zhijia	1,676,473	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Beijing Cherongtong	750,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Mr. Qin Lihong	271,980	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Mr. Chen Mingche	300,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Lited Group	300,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Mr. Qin Zhi (秦致)[(3)]	250,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wenzhou Xunsheng	182,831	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Shenzhen Dezaihou	121,887	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Mr. Wu Bin (吴斌)	101,572	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Guangdong Dezaihou	101,572	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Entities						
Taihu Guolian	1,674,662	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Guolian	304,718	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Shangxian	1,674,662	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Shangxing	530,569	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Xinzhi	106,114	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi Shangwen	1,604,920	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Wuxi High Quality Fund	588,833	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[No]
Other major Pre-[REDACTED] Investors						
Ruicheng Fund	648,524	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Weifu High-Technology	2,733,273	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Jingkai Shangxian	463,231	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Weilian Investment	2,334,974	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Wingtech Technology	2,000,000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Beijing Four-Dimensional	1,331,762	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
BOSCH	1,222,165	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Guoshou Chengda	1,389,695	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Cornerstone Capital	463,231	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Xintou Longqiu	2,208,125	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Other Pre-[REDACTED] Investors[(4)]						
Industrial Investment	138,969	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Zibo Henglu	314,875	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]

Shareholder	Number of Shares held by the Shareholder as of the Latest Practicable Date	Number of Shares upon completion of the [REDACTED][(1)]		Aggregate ownership percentage as at the Latest Practicable Date	Aggregate ownership percentage upon completion of the [REDACTED][(1)]	Whether the H Shares will be counted toward the public float
		H Shares	Unlisted Shares	*(%)*	*(%)*	
Gongqingcheng Tianxing	185,292	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Binfu Haichuang	111,730	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Shenzhen Zhongxin Pengxiang	220,813	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Su Gan Cultural Industry	147,208	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Anpeng Automotive	303,617	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Sichuan Bihong	184,010	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Precision Machinery	220,813	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Kaizhilian	184,010	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
[**REDACTED**] **Shareholders**[(5)]	N/A	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[Yes]
Total	**33,637,110**	[REDACTED]	[REDACTED]	**100.00**	**100.00**	**N/A**

Notes:

(1) Assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(2) See "—Pre-[**REDACTED**] Investments—Information relating to our major Pre-[**REDACTED**] Investors" for the detailed background information of each of the major Pre-[**REDACTED**] Investors.

(3) In November 2025, Mr. Qin Zhi transferred all his 250,000 Shares in the Company to Zhicheng Automotive, a company wholly owned by Mr. Qin Zhi. Therefore, Mr. Qin Zhi was deemed to be interested in the Shares held by Zhicheng Automotive in our Company.

(4) Other Pre-[**REDACTED**] Investors, include Zibo Henglu, Industrial Investment, Gongqingcheng Tianxing, Binfu Haichuang, Shenzhen Zhongxin Pengxiang, Su Gan Cultural Industry, Anpeng Automotive, Sichuan Bihong, Precision Machinery and Kaizhilian.

Zibo Henglu is a limited partnership established under the laws of the PRC on December 21, 2022, principally engaged in equity investment. As at the Latest Practicable Date, it was held as to (i) approximately 0.03% by its general partner, Shanghai Henglu Asset Management Co., Ltd. (上海衡廬資產管理有限公司), and it was ultimately controlled by Liu Shuwen (劉書文), an Independent Third Party; (ii) approximately 99.97% by ten limited partners and none of which held one-third or more of the partnership interest therein.

Industrial Investment is a limited liability company established under the laws of the PRC on June 16, 2017, principally engaged in equity investment. As at the Latest Practicable Date, it was ultimately controlled by State-owned Assets Supervision and Administration Commission of Wuhu Municipal People's Government (蕪湖市人民政府國有資產監督管理委員會) ("Wuhu SASAC"), an Independent Third Party.

Gongqingcheng Tianxing is a limited partnership established under the laws of the PRC on December 26, 2023, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.047% by its general partner, Shanghai Tianxing Weishi Private Equity Fund Management Co., Ltd. (上海天興未石私募基金管理有限公司); (ii) approximately 44.98% by its limited partner, Shenzhen Dena Sheng Technology Co., Ltd. (深圳德納升技術有限公司), and it was ultimately controlled by Zhang Yonghong (張永洪); and (iii) approximately 54.97% by the remaining six limited partners and none of which held one-third or more of the partnership interest therein.

Binfu Haichuang is a limited partnership established under the laws of the PRC on September 25, 2020, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 1% by its general partner, Wuxi Zibin Enterprise Management Partnership (Limited Partnership) (無錫子彬企業管理合夥企業(有限合夥)), and the general partner of which is Shanghai Zibin Investment Management Co., Ltd. (上海子彬投資管理有限公司), and it was ultimately controlled by Fan Huizhong (范惠眾), an Independent Third Party; (ii) approximately 99% by four limited partners and none of which held one-third or more of the partnership interest therein.

Shenzhen Zhongxin Pengxiang is a limited partnership established under the laws of the PRC on April 24, 2025, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.02% by its general partner, BOC CAPITAL Private Equity Fund Management (Beijing) Co., Ltd. (中銀資本私募基金管理(北京)有限公司), and it was wholly owned by Bank of China Limited, a company listed on Shanghai Stock Exchange (stock code: 601988) and on the Main Board of Stock Exchange (stock code: 3988); (ii) approximately 99.98% by Boc Financial Assets Investment Co., Ltd. (中銀金融資產投資有限公司), and it was wholly owned by Bank of China Limited.

Su Gan Cultural Industry is a limited partnership established under the laws of the PRC on October 18, 2024, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.95% by its general partner, Nanjing Wentou Equity Investment Management Co., Ltd. (南京文投股權投資管理有限公司), and it was ultimately controlled by State-owned Assets Supervision and Administration Commission of Nanjing Municipal People's Government (南京市人民政府國有資產監督管理委員會) ("Nanjing SASAC"); (ii) approximately 99.05% by the other 8 limited partners and none of which held one-third or more of the partnership interest therein.

Anpeng Automotive is a limited partnership established under the laws of the PRC on April 29, 2025, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.00345% by its general partner, Shenzhen Anpeng Equity Investment Fund Management Co., Ltd. (深圳市安鵬股權投資基金管理有限公司), and it was ultimately controlled by State-owned Assets Supervision and Administration Commission of Beijing Municipal People's Government (北京市人民政府國有資產監督管理委員會) ("Beijing SASAC"); (ii) approximately 99.99% by the other four limited partners and none of which held one-third or more of the partnership interest therein.

Sichuan Bihong is a limited partnership established under the laws of the PRC on January 16, 2024, principally engaged in investment and asset management. As at the Latest Practicable Date, it was held as to (i) approximately 0.1250% by its general partner, Ningbo Meishan Free Trade Port Bihong Private Fund Management Co., Ltd. (寧波梅山保稅港區碧鴻私募基金管理有限公司), and it was ultimately controlled by Li Ni (李妮), an Independent Third Party; (ii) approximately 50.13% by its limited partner, Shanghai Kaixin Investment Co., Ltd. (上海凱心投資有限公司), and it was ultimately controlled by Li Ni (李妮); (iii) approximately 49.74% by remaining three limited partners and none of which held one-third or more of the partnership interest therein.

Precision Machinery is a joint stock limited company established under the laws of the PRC on April 16, 1997, principally engaged in precision component R&D and intelligent manufacturing, and is listed on the Shenzhen Stock Exchange with stock code 300580 on January 11, 2017.

Kaizhilian is a limited liability company established under the laws of the PRC on November 14, 2025, principally engaged in investment and asset management. As at the Latest Practicable Date, Kaizhilian is wholly owned by Haikou Kairunlin Investment Partnership (Limited Partnership) (海口凱潤麟投資合夥企業(有限合夥) ("Kaizhilian LLP"). As at the Latest Practicable Date, Kaizhilian LLP was held as to (i) 40% by its general partner, Yuan Suwen (袁素雯), an Independent Third Party; and (ii) 60% by its limited partner, Zhou Zixun (周子尋), an Independent Third Party.

(5) "[**REDACTED**] Shareholders" refer to the Shareholders who subscribe for the [**REDACTED**] pursuant to the [**REDACTED**].

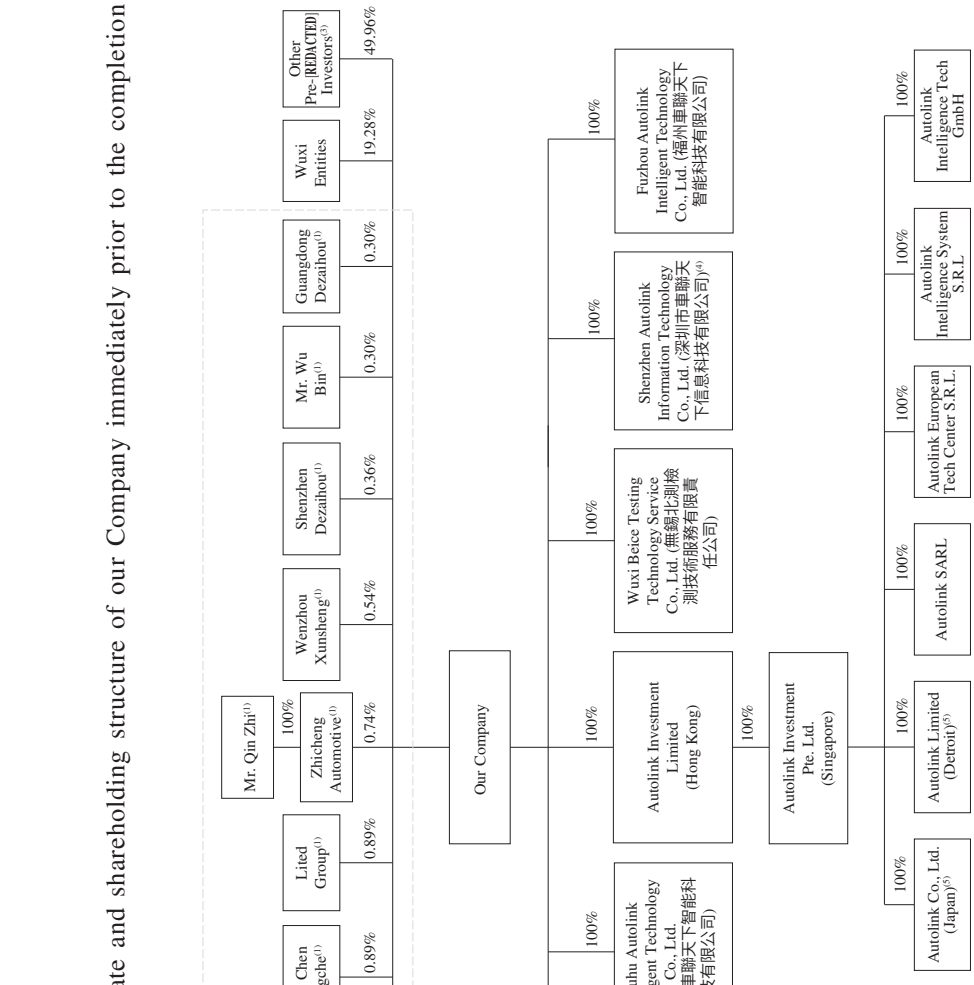
(6) The number of H Shares upon Listing represents (i) in respect of the existing Shareholders, the number of H Shares as converted from Unlisted Shares under the Conversion of Unlisted Shares into H Shares, and (ii) in respect of the public Shareholders, the number of H Shares to be issued pursuant to the [**REDACTED**].

CORPORATE STRUCTURE

The following charts illustrate our shareholding and corporate structure (1) immediately prior to the completion of the [**REDACTED**] and (2) immediately after the completion of the [**REDACTED**] (assuming that the [**REDACTED**] has not been exercised, and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme).

Immediately prior to the completion of the [REDACTED]

The following diagram illustrates the simplified corporate and shareholding structure of our Company immediately prior to the completion of the [**REDACTED**]:



Note:

(1) Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Zhicheng Automotive, Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou are our Single Largest of Shareholders. See "-Acting in Concert Agreement and Our Single Largest Group of Shareholders" for details.

(2) Chelian Yijia and Chelian Zhijia are Employee Shareholding Platforms of our Company. See "Appendix VI—Statutory and General Information—D. Share Incentive Schemes" for details, including details of their respective shareholdings.

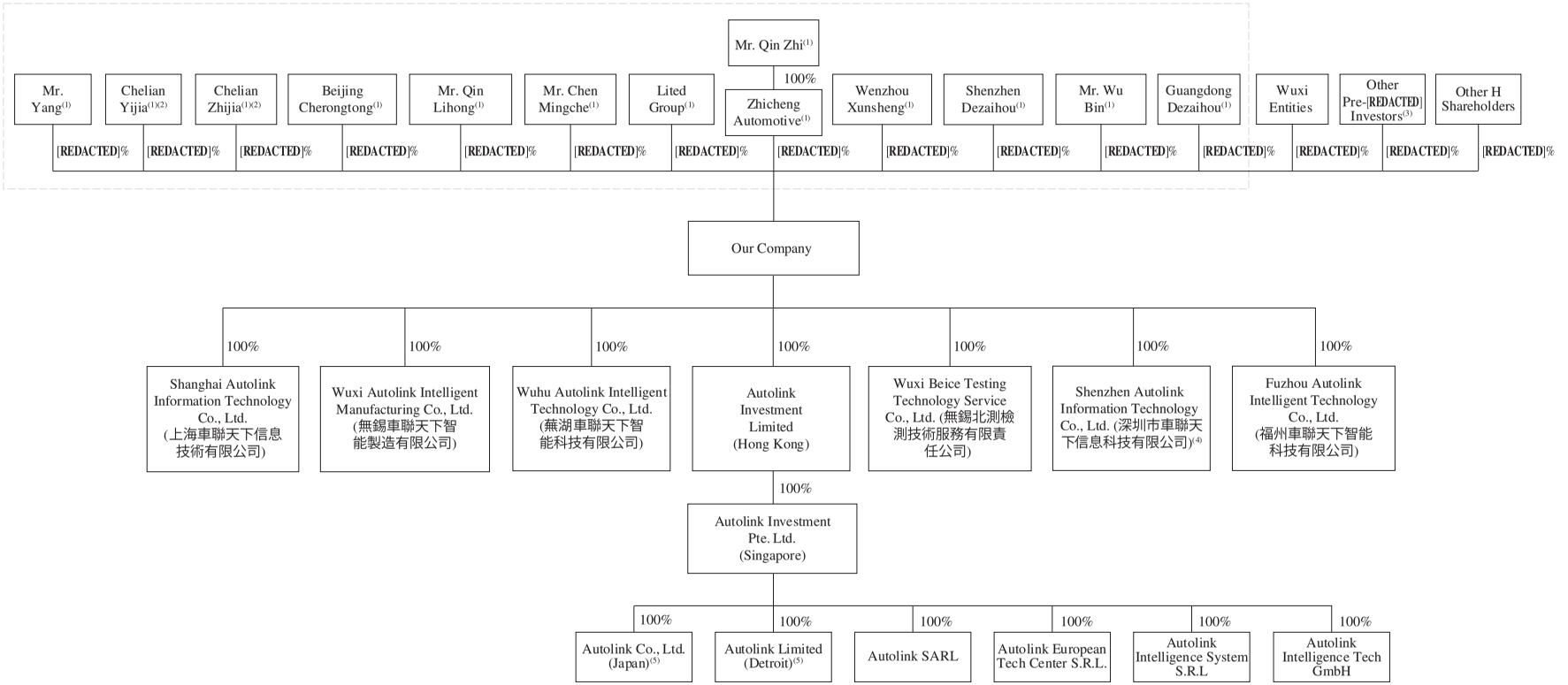
(3) Other Pre-[**REDACTED**] Investors, include Ruicheng Fund, Weifu High-Technology, Jingkai Shangxian, Weilian Investment, Wingtech Technology, Beijing Four-Dimensional, BOSCH, Guoshou Chengda, Cornerstone Capital, Xintou Longqiu, Industrial Investment, Zibo Henglu, Gongqingcheng Tianxing, Binfu Haichuang, Shenzhen Zhongxin Pengxiang, Su Gan Cultural Industry, Anpeng Automotive, Sichuan Bihong, Precision Machinery and Kaizhilian. See "—Capitalization of Our Company" for their respective shareholding percentage and background.

(4) Shenzhen Autolink Information Technology Co., Ltd. (深圳車聯天下信息技術有限公司) is undergoing deregistration procedures and will be deregistered prior to the Listing, as its production and operations were fully relocated to Wuxi between December 2021 and January 2022. It has not carried out any substantive operations for three consecutive years and therefore will be deregistered.

(5) The establishment of Autolink Co., Ltd. (Japan) and Autolink Limited (Detroit) is primarily to enable the Company to more directly understand and respond to local market demands, and to optimize products and services to meet the high standards of overseas consumers. At the same time, leveraging the global market influence of U.S and Japanese automotive companies will allow the Company to address trade challenges more effectively, reduce dependence on a single market, diversify risks, and accelerate its globalization process. Their future business scope is planned to include sales, maintenance, leasing, import and export of software and hardware products, as well as related consulting and market research services.

Immediately after the completion of the [REDACTED] (assuming that the [REDACTED] has not been exercised, and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)

The chart below sets out the shareholding structure of our Company immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised, and the options granted under the Pre-[**REDACTED**] Share Option Scheme are not exercised):



Note:

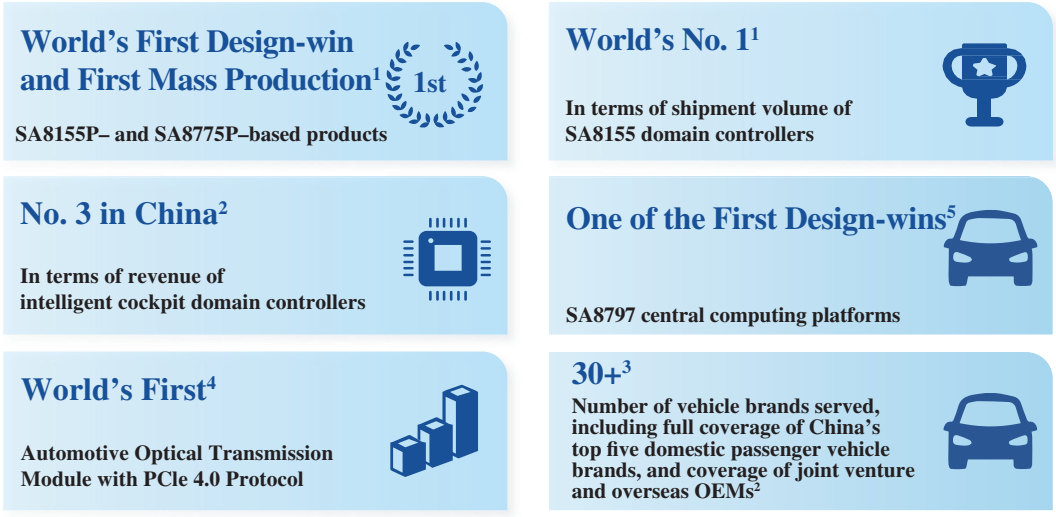
(1) Notes (1) to (5): See the corresponding notes for the chart under "Corporate Structure Immediately Before the [**REDACTED**]" above.

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.

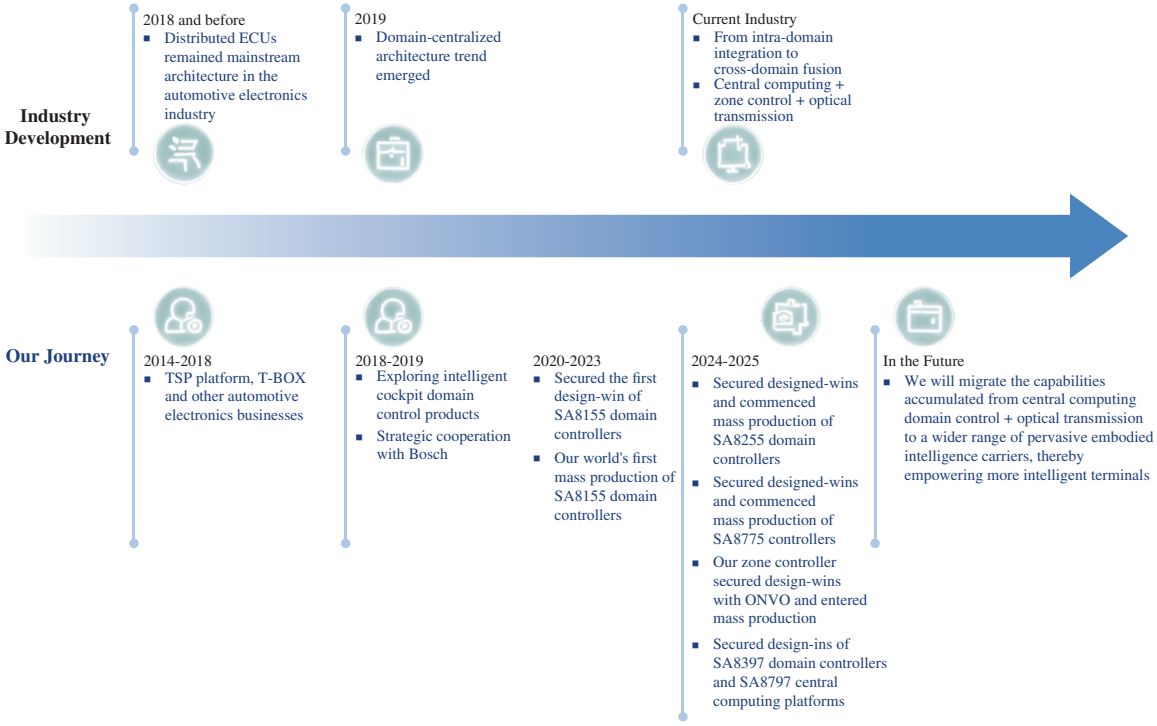
Breaking through cross-domain integration and centralized computing, driving technological transformation.

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.

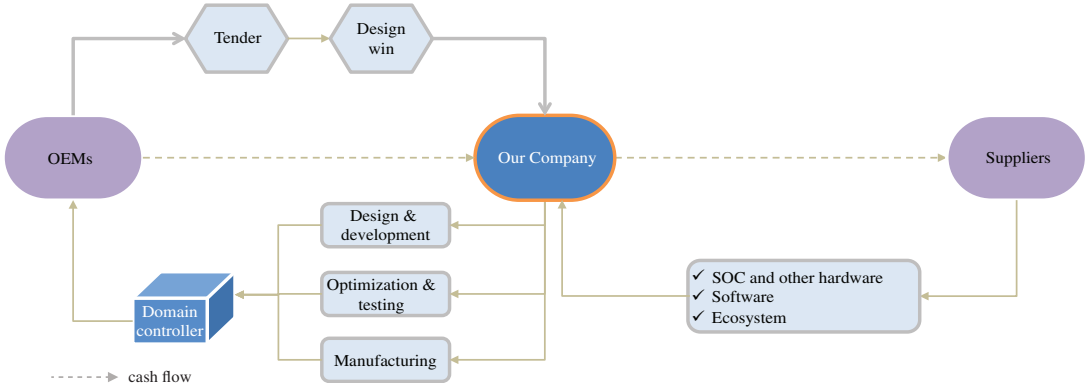
Our business consists of two interrelated product lines, namely vehicle computing solutions and zone controllers solutions, which together form a cross-domain and scalable computing framework of the vehicle, enabling OEMs to transition from distributed domain controllers to centralized and software-defined 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.

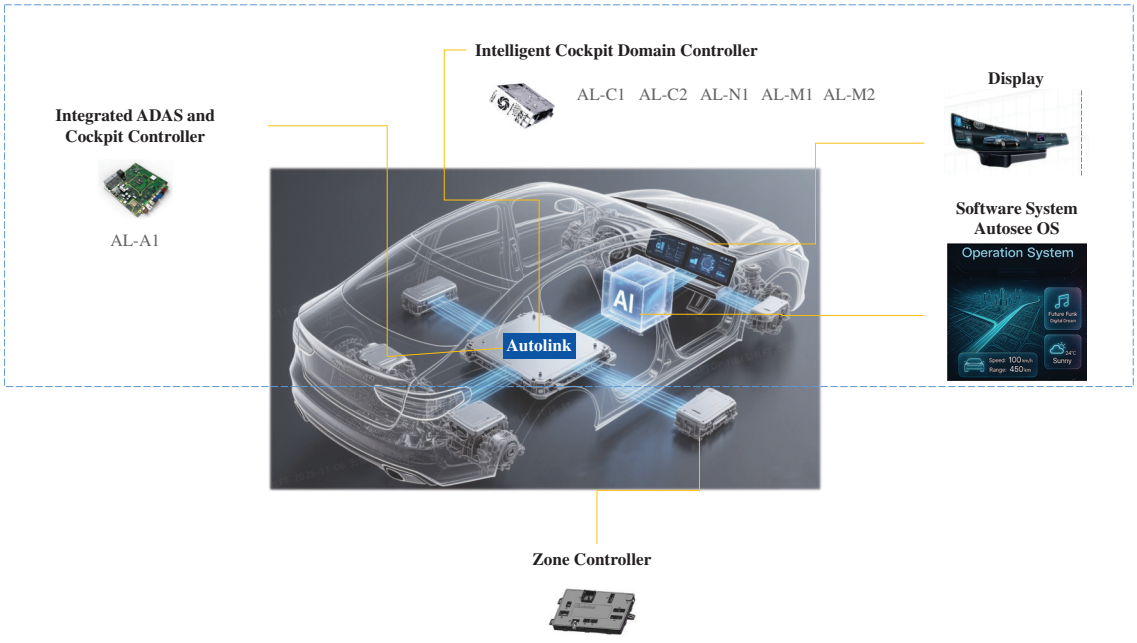
- *Display components.* We integrate high-quality, in-house produced displays into our vehicle computing solutions to ensure system-level compatibility and superior performance.

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**

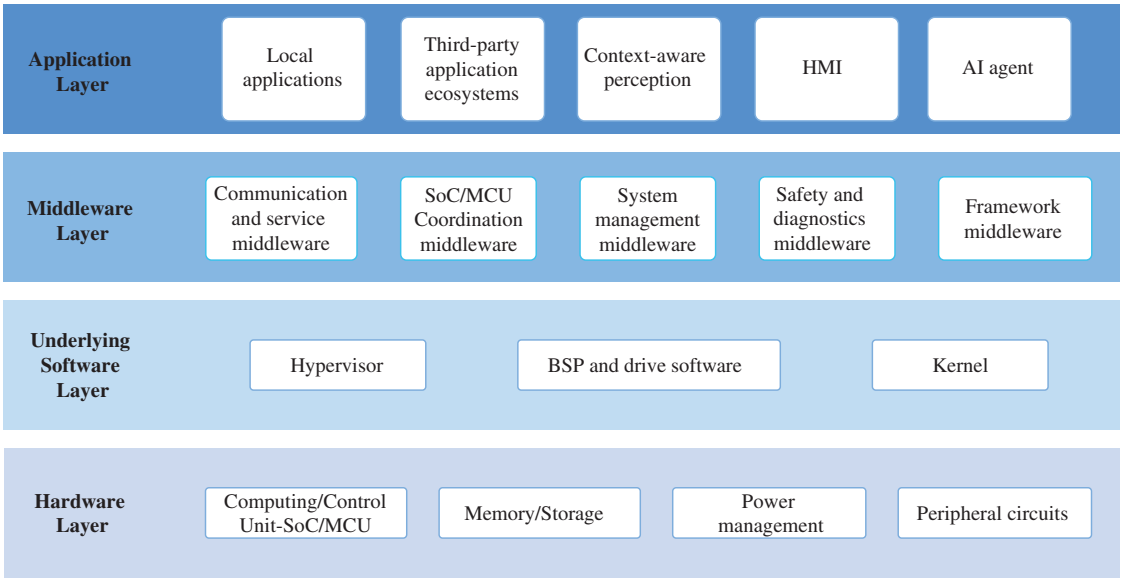
Vehicle Computing Solutions

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.

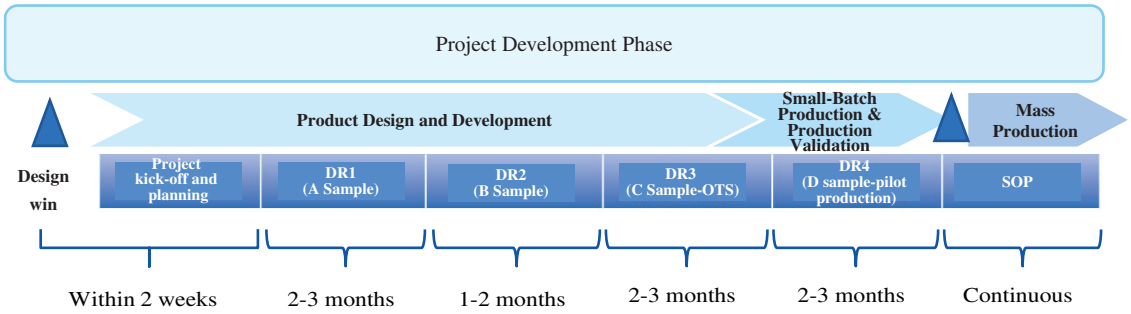
Zone Controller Solutions

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.

SINGLE LARGEST SHAREHOLDERS

To formalize their cooperation as Shareholders in achieving the shared goals and objective of our Group, on May 16, 2023, Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou and one then Shareholder who has ceased to be Shareholder as of the Latest Practicable Date entered into the Acting in Concert Agreement, pursuant to which each of them has confirmed and agreed that, since they became shareholders of the Company, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until one year after the Listing. In November, 2025, Mr. Qin Zhi transferred all his 250,000 Shares in the Company to Zhicheng Automotive, a company wholly owned by Mr. Qin Zhi. Therefore, Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Zhicheng Automotive, Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌) and Guangdong Dezaihou will constitute our Single Largest Group of Shareholders.

As at the Latest Practicable Date, the Single Largest Group of Shareholders were collectively interested in approximately [30.76]% of the Shares, and will hold approximately [**REDACTED**]% of the Shares immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme) and will collectively be entitled to exercise the voting rights of approximately [**REDACTED**]% of the total issued share capital of our Company (assuming that the [**REDACTED**] is fully exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme). Therefore, upon Listing, the Single Largest Group of Shareholders will remain as our Single Largest Group of Shareholders and our Company will not have any controlling shareholders as defined under the Listing Rules. For details of the Single Largest Group of Shareholders and their shareholding in our Company, see "History, Development and Corporate Structure" and "Substantial Shareholders".

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently from the Single Largest Group of Shareholders and their close associates after the Listing, taking into consideration the factors below.

Management Independence

Our business is managed and conducted by our Board and senior management. Upon Listing, our Board consists of nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. Our management and operational decisions are made collectively by our Board and senior management, most of whom have served our Group for a significant period of time and have substantial and extensive relevant industry experience and expertise as set out in "Directors and Senior Management." Save for Mr. Yang, who is a member of our Single Largest Group of Shareholders and the chairman of our Board, an executive Director, the general manager and the chief executive officer of our Company, none of our Directors or members of the senior management is a member of our Single Largest Group of Shareholders or holds any directorship or executive position in our Single Largest Shareholder Group or their close associates.

Our Directors consider that we are able to carry on our business independently from the Single Largest Group of Shareholders from a management perspective for the following reasons:

(a) our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. See "Directors and Senior Management" for details of the industry experience of our senior management team;

(b) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as our Director and his/her personal interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions and the interested Director shall abstain from voting and shall not be counted towards the quorum for the voting;

(c) we have three independent non-executive Directors forming over one-third of the Board, and certain matters of our Company must always be referred to the independent non-executive Directors for review and approval as required by the Listing Rules and other applicable laws, rules and regulations; and

(d) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the Single Largest Group of Shareholders which would support our independent management. See "—Corporate Governance" for details.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from the Single Largest Group of Shareholders and their respective close associates after the Listing.

Operational Independence

We do not rely on the Single Largest Group of Shareholders and their respective close associates for [our business development, research and development, sales and marketing, financing, logistics, administration, human resources, legal and compliance, internal audit, information technology or company secretarial functions]. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from the Single Largest Group of Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

[We have independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We also have sufficient capital, facilities, equipment and employees, administrative and corporate governance infrastructure, to operate the business independently. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.]

Based on the above, our Directors believe that we are able to operate independently from our Single Largest Group of Shareholders and their respective close associates after Listing.

Financial Independence

During the Track Record Period, Mr. Yang and his spouse provided guarantees over certain bank loans (the "Founder's Guarantees") and for the benefit of our Group which applied in our ordinary course of business. The Founder's Guarantees are on normal commercial terms and are not secured by any assets of the Group, therefore are fully exempted connected transactions in accordance with Rule 14A.90 of the Listing Rules. As of the Latest Practicable Date, we had an aggregate of approximately RMB1,420 million loans had been covered by Founder's Guarantees, of which approximately RMB1,010 million had been drawn down. These drawn down loans will remain guaranteed by Mr. Yang and his spouse prior to the Listing (the "Founder's Guaranteed Loans"), of which the maturity date of the latest Founder's Guaranteed Loan is in December 2027. The undrawn portion of such loan facilities is expected to be released from the Founder's guarantee upon Listing. The Company is in negotiation with those independent third-party commercial banks for the full release of the Founder's Guarantees upon the Listing. Further to such negotiation, all those lenders agreed to and/or were willing to initiate their internal procedures in respect of issuance of consent letters to fully release the Founder's Guarantees, subject to their respective internal approval procedures.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on the Single Largest Group of Shareholders or their respective close associates after the Listing.

INTERESTS OF THE SINGLE LARGEST GROUP OF SHAREHOLDERS IN OTHER BUSINESSES

Each of the Single Largest Group of Shareholders has confirmed that as of the Latest Practicable Date, it/he/she did not have any interest in other business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE

Upon Listing, our Company will comply with the provisions of the Corporate Governance Code, which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We will adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and the Single Largest Group of Shareholders and their respective associates:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which the Single Largest Group of Shareholders or any of their respective associates has a material interest, the Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;

(b) as part of our preparation for the [**REDACTED**], we have amended our Articles of Association to comply with the Listing Rules, which will become effective upon Listing. In particular, our Articles of Association provides that, a Director shall abstain from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;

(c) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with the Single Largest Group of Shareholders or any of their respective associates, our Company will comply with the applicable Listing Rules;

(d) we are committed that our Board shall include a balanced composition of executive directors and non-executive directors (including independent non-executive directors). We have appointed three independent non-executive Directors, and we believe our independent non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment, and (iii) will be able to provide an impartial and external opinion to protect the interests of our Shareholders as a whole. See "Directors and Senior Management" for details of the independent non-executive Directors;

(e) where our Directors reasonably request the advice of independent professionals, such as financial advisors and legal advisors, the appointment of such independent professionals will be made at our Company's expenses; and

(f) we have appointed Somerley Capital Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and the Single Largest Group of Shareholders, and to protect minority Shareholders' interests after the Listing.

OVERVIEW

Our Board consists of nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. Our Directors serve a term of three years and may be re-elected for successive reappointments.

The following table sets forth certain information regarding our Directors:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors and senior management
Executive Directors						
Mr. Yang Hongze (楊泓澤)	58	Executive Director, chairman of our Board, general manager, and chief executive officer	August 2014	August 2014	Responsible for overall strategic planning, business development, and major operational decisions of our Group	None
Mr. Liang Guofeng (梁國鋒)	53	Executive Director and president	March 2021	May 2023	Responsible for supervising business and daily operations, and providing guidance to ensure effective governance of our Group	None
Ms. He Yihan (何易韓)	33	Executive Director, vice president and Board secretary	May, 2025	November, 2025	Responsible for securities affairs, financing and investment activities, investor relations, and overseas strategy of our Group	None
Non-executive Director						
Mr. Dang Jianming (黨建明)	62	Non-executive Director	July 2017	August 2021	Providing professional advice to the Board	None
Mr. Wu Ke (吳珂)	37	Non-executive Director	November 2025	November 2025	Providing professional advice to the Board	None
Mr. Zhang Weimin (張偉民)	56	Non-executive Director	December 2020	December 2020	Providing professional advice to the Board	None
Independent Non-executive Directors						
Ms. Xin Zhu (辛珠)	57	Independent Non-executive Director	Listing Date	November 2025 (effective upon Listing Date)	Supervising and providing independent opinion and judgment to the Board	None

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors and senior management
Mr. Guo Qian (郭謙)	61	Independent Non-executive Director	Listing Date	November 2025 (effective upon Listing Date)	Supervising and providing independent opinion and judgment to the Board	None
Ms. Xu Hui (徐輝)	51	Independent Non-executive Director	Listing Date	November 2025 (effective upon Listing Date)	Supervising and providing independent opinion and judgment to the Board	None

Our senior management is responsible for the day-to-day management of our business. The following table provides information about the members of our senior management:

Name	Age	Position	Date of joining our Group	Date of appointment as a senior management	Roles and responsibilities	Relationship with other Directors and senior management
Mr. Yang Hongze (楊泓澤)	58	Executive Director, chairman of our Board, general manager, and chief executive officer	August 2014	August 2014	Responsible for overall strategic planning, business development, and major operational decisions of our Group	None
Mr. Liang Guofeng (梁國鋒)	53	Executive Director and president	March 2021	March 2021	Responsible for supervising business and daily operations, and providing guidance to ensure effective governance of our Group	None
Ms. He Yihan (何易韓)	33	Executive Director, vice president and Board secretary	May 2025	May 2025	Responsible for securities affairs, financing and investment activities, investor relations, and overseas strategy of our Group	None

Name	Age	Position	Date of joining our Group	Date of appointment as a senior management	Roles and responsibilities	Relationship with other Directors and senior management
Mr. Li Zhigang (李志剛).	47	Vice president and chief strategy officer	February 2022	February 2022	Responsible for strategic planning, product planning, and strategic ecosystem cooperation of our Group	None
Mr. Chen Jianhua (陳健華)	41	Assistant vice president	January 2021	January 2021	Responsible for product development and technological innovation of our Group	None

DIRECTORS

Executive Directors

Mr. Yang Hongze (楊泓澤), aged 58, is the chairman of our Board, an executive Director and chief executive officer of our Company. Mr. Yang founded our Group in August 2014 and has been serving as the chairman of the Board, a Director, general manager, and chief executive officer since then. He was re-designated as an executive Director on November 28, 2025. He is primarily responsible for overall strategic planning, business development and major operational decisions of our Group. Mr. Yang has also held directorship in certain subsidiaries of our Company, including Autolink Intelligent Network Connection (Beijing) Technology Co., Ltd. since January 2021, Wuxi Autolink Intelligent Manufacturing Co., Ltd. since July 2021, Autolink Intelligent Network Connection (Wuxi) Information Technology Co., Ltd. since July 2020 and Shanghai Autolink Tianxia Information Technology Co., Ltd since May 2016.

Prior to joining our Group, Mr. Yang served as a head of sales division at Henan HongYang Machinery Factory, China North Industries Group (兵器工業河南紅陽機械廠) from August 1988 to March 1999. From April 1999 to June 2005, he served as the head of brand and communications at Beiqi Foton Motor Co., Ltd. (北汽福田股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600166)). From September 2005 to June 2010, he served as a vice general manager of Chery Automobile Co., Ltd. (奇瑞汽車股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 9973). From July 2010 to June 2013, he served as the chief operating officer of Li& Lung Limited (內蒙古利豐汽車有限公司).

Mr. Yang graduated from Henan Open University (河南開放大學) (formerly known as Henan Radio and Television University (河南廣播電視大學)), and obtained his executive master degree in business administration in July 2010 from Peking University (北京大學) in the PRC.

Mr. Liang Guofeng (梁國鋒), aged 53, is an executive Director of our Company. He was appointed as a Director on May 16, 2023 and re-designated as an executive Director on November 28, 2025. He is primarily responsible for supervising business and daily operations, and providing guidance to ensure effective governance of our Group.

Prior to joining our Group, Mr. Liang served as a senior manager of market research and planning at SAIC Volkswagen Automobile Co., Ltd. (上汽大眾汽車有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600104)) from April 1997 to March 2006 during which he was responsible for formulating the company's long-term market plans and annual marketing

strategies, providing a basis for business decision-making and driving cross-functional implementation. From March 2006 to October 2011, he served as the executive deputy general manager at Anhui Chery Automobile Sales Co., Ltd. (安徽奇瑞汽車銷售有限公司) where he provided comprehensive support in managing the company's day-to-day operations and executing major decisions. Afterwards, he joined BAIC Motor Corporation., Ltd. (北京汽車股份有限公司) (a company listed on the Main Board of the Stock Exchange (stock code: 1958)) and served as product planning department manager from January 2011 to January 2013 and became the vice president from January 2013 to April 2016. From May 2016 to August 2018, he served as the vice chairman of the board at Kayjet International Investment Pte. Ltd. (凱捷融資租賃有限公司), mainly to assist the chairman in overseeing the company's strategic planning, day-to-day corporate management, risk control, external relations and capital markets operations. From October 2018 to November 2020, he served as the adviser at Shanghai Yingxiang Advertising Media Co., Ltd. (上海映相廣告傳媒有限公司), mainly to provide strategic and business planning guidance, professional solutions, operational management advice, and resource introduction in an advisory capacity.

Mr. Liang graduated from Wuhan University of Science and Technology (武漢科技大學) (formerly known as Wuhan Iron and Steel College (武漢鋼鐵學院)) with a focus on mining vehicle engineering, and obtained his master's degree in vehicle operation engineering in July 1997 from Wuhan University of Technology (武漢理工大學) in the PRC.

Ms. He Yihan (何易韓), aged 33, is an executive Director of our Company. She has been the vice president and board secretary of our Company since May 2025 and was further appointed as an executive Director on November 28, 2025. She is primarily responsible for securities affairs, financing and investment activities, investor relations, and overseas strategy of our Group.

Prior to joining our Group, Ms. He served as the assistant director of TMT group at investment banking division of Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601211) and the Main Board of the Stock Exchange (stock code: 2611) and formerly known as Guotai Junan International) from July 2018 to March 2021. She served as the senior analyst at investment banking division of China International Capital Corporation Limited (中國國際金融股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601995) and the Main Board of the Stock Exchange (stock code: 3908)) from March 2021 to June 2021. From November 2021 to December 2023, she served as vice president of TMT group at Huatai Securities Co., Ltd. (華泰證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601688) and the Main Board of the Stock Exchange (stock code: 6886)). From March 2024 to May 2025, she served as the vice president of IMotion Automotive Technology (SuZhou) Co., Ltd. (知行汽車科技(蘇州)股份有限公司) (a company listed on the Main Board of the Stock Exchange (stock code: 1274)), responsible for strategic investment in European.

Ms. He studied at the University of California, Berkeley from 2015 to 2016 (for credit transfer). Subsequently, she obtained her bachelor's degree in econometrics (minor in accounting) from the Pennsylvania State University in the U.S. in May 2016. Afterwards, Ms. He obtained her master's degree in risk management and quantitative analysis from Columbia University in the U.S. in January 2018. She also completed two sections in the WIN Future China-Tsinghua PBC Young Entrepreneurs Program (WIN未來中國-清華五道口青年企業家項目) organized by The PBC School of Finance, Tsinghua University (清華大學五道口金融學院) in the PRC from April 2021 to September 2023.

Non-executive Director

Mr. Dang Jianming (黨建明), aged 62, is a non-executive Director of our Company. He was appointed as a Director in August 2021 and re-designated as a non-executive Director on November 28, 2025. He is primarily responsible for providing professional advice to the Board.

Prior to joining our Group, Mr. Dang obtained senior engineer certificate at Beijing Research Institute of Uranium Geology (核工業北京地質研究院). From January 1995 to December 1999, he served as the senior engineer at WATCHDATA TECHNOLOGIES PTE LTD. (北京握奇數據股份有限公司). From January 2000 to May 2005, he served as the general manager and executive director at Beijing Yizhou Qicheng Information Technology Co., Ltd. (北京移舟啟程信息技術有限公司). From June 2003 to July 2004, he served as the vice general manager at Beijing Aoxing Tianwang Information Technology Co., Ltd. (北京奧星天網信息技術有限公司). From July 2004 to December 2006, he worked at Beijing MTY Information Technology Co., Ltd. (北京夢天遊信息技術有限公司). Afterwards, he served as the vice president from January 2007 to June 2017 and the executive director from October 2016 to June 2017 at Beijing Yesway Information Technology Co., Ltd. (北京九五智駕信息技術股份有限公司) (a company listed on the NEEQ (stock code: 430725)).

Mr. Dang obtained his bachelor's degree in electronic instruments and measurement technology in July 1987 from Changchun College of Geology (長春地質學院) in the PRC, which was merged into Jilin University (吉林大學) in June 2000.

Mr. Wu Ke (吳珂), aged 37, is a non-executive Director of our Company. He was appointed as our non-executive Director on November 28, 2025. He is primarily responsible for providing professional advice to the Board.

Prior to joining our Group, Mr. Wu served as the market analyst at Omni Tech USA, Inc from September 2013 to February 2015. From April 2015 to June 2017, he served as the company project specialist at PT. Royal Industries Indonesia (Singapore/Indonesia). From August 2017 to January 2022, he served as the investment manager and investment director at Wuxi Baoding Jiafeng Private Equity Fund Management Partnership (Limited Partnership) (無錫寶頂嘉豐私募基金管理合夥企業(有限合夥)). From February 2022 to August 2024, he served as the senior investment manager at Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)). From August 2024 to present, he served as the deputy minister of equity investment at Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司).

Mr. Wu obtained his bachelor's degree in international economy and trade on June 30, 2011 from Southeast University (東南大學) in the PRC, and his master's degree in international marketing in May 2013 from Saint Joseph's University in the USA.

Mr. Zhang Weimin (張偉民), aged 56, is a non-executive Director of our Company. He was appointed as a Director in December 2020 and re-designated as a non-executive Director on November 28, 2025. He is primarily responsible for providing professional advice to the Board.

Prior to joining our Group, Mr. Zhang worked at Wuxi Taihu National Tourism Resort Development Corporation) (無錫太湖國家旅遊渡假區發展總公司) from August 1993 to September 1995 where he was primarily responsible for the development of tourism projects and the management of investment enterprises. From October 1995 to May 2002, he worked at Guolian Securities Wuxi Hubin Road Business Department (國聯證券無錫湖濱路營業部) where he was responsible for the management of business halls and market development activities in the marketing department. From June 2002 to December 2003, he worked at Guolian Securities Investment Banking Department (國聯證券投資銀行部) where he was responsible for securities investment and banking operations. From January 2004 to January 2005, he worked at Wuxi Guolian Development (Group) Co., Ltd (無錫市國聯發展(集團)有限公司) where he was primarily engaged in the power investment operation and management. From February 2005 to December 2015, he worked at Wuxi Guolian Environmental Protection Energy Group Co., Ltd (無錫國聯環保能源集團有限公司). From January 2016 to April 2022, he worked at Wuxi Guolian Industrial Investment Co., Ltd (無錫國聯產業投資有限公司). From May 2022 to present, he served as the vice president at Wuxi Innovation Investment Group Co., Ltd (無錫市創新投資集團有限公司).

Mr. Zhang obtained his bachelor's degree in economics and management in July 1993 from Soochow University (蘇州大學) in the PRC.

Independent Non-executive Directors

Ms. Xin Zhu (辛珠), aged 57, was appointed as our independent non-executive Director on November 28, 2025. She is responsible for supervising and providing independent opinion and judgment to the Board.

Prior to joining our Group, Ms. Xin served as the audit officer at Shenzhen Shekou China Certified Public Accountants (深圳蛇口中華會計師事務所) from September 1990 to September 1996. From October 2001 to February 2005, she served as financial director at Shenzhen Jinwei Beer Group (深圳金威啤酒集團). From February 2005 to December 2005, she served as the deputy general manager of the finance department at Guangdong Holdings Limited (廣東粵海控股集團有限公司). From February 2006 to July 2008, she served as the vice president at Hopson Chuangzhan Group (合生創展集團), a company listed on the Main Board of the Stock Exchange (stock code: 0754). From July 2008 to June 2014, she served as the executive vice president at China Aoyuan Group Co., Ltd. (中國奧園集團股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 3883). From July 2014 to March 2015, she served as the chief financial officer at Logan Group Co., Ltd. (龍光集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 3380). From May 2015 to March 2017, she worked at Yihe Real Estate Group Co., Ltd. (頤和地產集團有限公司) From June 2018 to February 2024, she served as the independent non-executive director and chairman of the audit committee at CanSino Biologics AG (康希諾生物股份公司), a company listed on the Main Board of the Stock Exchange (stock code: 6185). From November 2020 to September 2024, she served as independent non-executive director and chairman of the audit committee at Datang Group Holding Company (大唐集團控股公司). From April 2020 to present, she served as the independent non-executive director and chairman of the audit committee at Jianye New Life Co., Ltd (建業新生活有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 9983). From April 2021 to present, she served as the independent non-executive director and chairman of the audit committee at Suxin Better Life Service Co., Ltd (蘇新美好生活服務有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2152).

Ms. Xin obtained a graduation certificate in August 1990 from Chinese Renmin University (中國人民大學) in the PRC, and her master's degree in business administration in 1999 from Auckland Business School, New Zealand. Ms. Xin pursued her MBA degree at the Auckland Institute of Studies in New Zealand from 1996 to 1999, and obtained the degree in 1999. Ms. Xin became a member of the Chinese Institute of Certified Public Accountant of the PRC in February 1996 and a member of the CPA Australia in January 2010.

Mr. Guo Qian (郭謙), aged 61, was appointed as our independent non-executive Director on November 28, 2025. He is responsible for supervising and providing independent opinion and judgment to the Board.

From December 1989 to January 2001, Mr. Guo served as the section chief and factory director at China First Automobile Group Co. Ltd. (中國第一汽車集團有限公司). From January 2001 to October 2004, he served as deputy general manager at BAIC Motor Corporation Limited. (北京汽車股份有限公司), a company listed on the main board of the Stock Exchange (stock code: 1958). From October 2004 to October 2007, he served as the general director of production optimization department at Volkswagen China (大眾汽車中國). He served as a deputy general manager from October 2007 to April 2016, and has been serving as a consultant since November 2019 at Chery Automobile Co., Ltd. (奇瑞汽車股份有限公司), a company listed on the main board of the Stock Exchange (stock code: 9973).

Mr. Guo obtained his bachelor's degree and master's degree in engineering in July 1987 and December 1989 from Tsinghua University (清華大學) in the PRC, respectively.

Ms. Xu Hui (徐輝), aged 51, was appointed as our independent non-executive Director on November 28, 2025. She is responsible for supervising and providing independent opinion and judgment to the Board.

Ms. Xu worked at Lear Corporation, a company listed on the New York Stock Exchange (stock code: LEA) from July 1999 to December 2007. From January 2008 to April 2012, she served as vice president of China and vice president in commercial of Asia at International Automotive Components — IAC (Shanghai) Management Co., Ltd. In April 2012, she joined Infineon Technologies China Co., Ltd (英飛淩科技(中國)有限公司) as the vice president, head of automotive electronics business. In November 2019, she joined Gentherm Inc., a company listed on the NASDAQ (stock code: THRM) as senior vice president and managing director of Asia. In March 2025, she joined u-blox America Inc., the US-based subsidiary of u-blox (a company listed on the SIX Swiss Exchange (stock code: UBXN)), as the chief growth officer. In November 2025, she joined Tenneco Automotive Operating Company, LLC, a leading global designers, manufacturers and marketers of products for original equipment and aftermarket customers, as chief growth officer.

Ms. Xu obtained her bachelor's degree in science, mechanical engineering in June 1998 from Kettering University in the USA, her master's degree in science, mechanical engineering in December 2001 from Oakland University in the USA, and her second master's degree in business administration in September 2004 from Walsh College in the USA.

Save as disclosed above, none of our Directors held any directorship in public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years immediately preceding the date of this document. Save as disclosed herein, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no other matters with respect to the appointment of the Directors that need to be brought to the attention of our Shareholders and there is no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(a) to (v) of the Listing Rules.

SENIOR MANAGEMENT

Mr. Yang Hongze (楊泓澤), for biographical details of Mr. Yang Hongze, see "—Executive Directors" in this section.

Mr. Liang Guofeng (梁國鋒), for biographical details of Mr. Liang Guofeng, see "—Executive Directors" in this section.

Ms. He Yihan (何易韓), for biographical details of Ms. He Yihan, see "—Executive Directors" in this section.

Mr. Li Zhigang (李志剛), aged 47, has been the vice president and chief strategy officer of our Company since February 2022. He is responsible for corporate strategic planning, product planning, and ecosystem cooperation of our Group.

Prior to joining our Group, Mr. Li worked at DIAS Automotive Electronic Systems Co., Ltd. (聯創汽車電子有限公司) from September 2006 to April 2013,which is invested by SAIC Motor Corporation Limited (上海汽車集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600104). From May 2013 to May 2020, he served as a vice dean, responsible for managing intelligent vehicle electronics technology development and core component development for electric vehicles, at Beijing Borgward Automotive Co., Ltd. (北京寶沃汽車股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600166). From June 2020 to September 2021, he served as a chief engineer of research and development at China Evergrande New Energy Vehicle Group Limited (中國恒大新能源汽車集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 00708), responsible for the development of intelligent vehicle electronics technology.

Mr. Li obtained his bachelor's degree in information engineering in July 2003 and his master's degree in telecommunication and information systems in July 2006 from Wuhan University of Technology (武漢理工大學) in the PRC.

Mr. Chen Jianhua (陳健華), aged 41, has been the assistant vice president of our Company since January 2021. Mr. Chen has also held directorship in Wuxi Beice Testing Technology Service Co., Ltd since December 2024.

Prior to joining our Group, Mr. Chen served as the software engineer at Transcosmos Information Creative (China) Co., Ltd. (大宇宙資訊創造(中國)有限公司) from March 2007 to October 2009. From October 2009 to June 2010, he worked at Suzhou Highguard Network Technology Co., Ltd. (蘇州海加網路科技股份有限公司) (a company listed on NEEQ (stock code: 837788)). From July 2010 to October 2015, he served as the senior engineer and systems architect at Harman Holding Limited (哈曼(中國)投資有限公司). From October 2015 to January 2021, he served as the senior product manager and software director at Shanghai O-Film Tech. Co., Ltd. (上海歐菲智慧車聯科技有限公司), a company listed on Shenzhen Stock Exchange (stock code: 002456).

Mr. Chen obtained his bachelor's degree in computer science and technology from Huazhong University of Science and Technology (華中科技大學) in the PRC in June 2007.

JOINT COMPANY SECRETARIES

Ms. He Yihan (何易韓), was appointed as our joint company secretary on November 28, 2025, with effect from the Listing Date. See "—Executive Directors" above for Ms. He Yihan's biography.

Ms. WONG Mei Fung Carrie (黃美鳳) was appointed as a joint company secretary of our Company on November 28, 2025, with effect from the Listing Date. She serves as a manager, Entity Solutions of Computershare Hong Kong Investor Services Limited and has over 20 years of work experience in the field of corporate secretarial and regulatory compliance services.

Ms. Wong holds a degree of Bachelor of Arts (Accounting and Finance) from Edinburgh Napier University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code, Appendix C1 to the Listing Rules, our Company has formed three Board committees, namely the Audit Committee, the Remuneration Committee, and the Nomination Committee.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Ms. Xin Zhu (辛珠), Mr. Guo Qian (郭謙) and Mr. Zhang Weimin (張偉民). Ms. Xin Zhu (辛珠), being the chairperson of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but not limited to, the following:

- reviewing and evaluating the work of external auditors;
- monitoring and making recommendations to internal audit work of our Company;
- reviewing and making recommendations to the financial reports of our Company;
- evaluating the effectiveness of internal control work;

- ensuring coordination between the management, internal audit department and relevant departments and external auditors; and

- performing other duties and responsibilities as assigned by our Board.

Remuneration Committee

We have established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of three Directors, Mr. Guo Qian (郭謙), Ms. Xu Hui (徐輝) and Mr. Dang Jianming (黨建明). Mr. Guo Qian (郭謙) serves as the chairperson of the Remuneration Committee. The primary duties of the Remuneration Committee include, but not limited to, the following:

- reviewing and approving remuneration proposals of members of our senior management in accordance with our Company's policies and objectives as approved by our Board from time to time;

- making recommendations to our Board on our Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policies, including but are not limited to, performance evaluation standards, procedures and evaluation systems;

- conducting the evaluation of the annual performance of all Directors and senior management;

- monitoring compensation payable to all Directors and senior management;

- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and

- performing other duties and responsibilities as assigned by our Board.

Nomination Committee

We have established the Nomination Committee pursuant to Rule 3.27A of the Listing Rules with written terms of reference set out in the Code on Corporate Governance in Appendix C1 to the Listing Rules. The Nomination Committee consists of three Directors, namely, Mr. Yang, Mr. Guo Qian (郭謙) and Ms. Xu Hui (徐輝). Mr. Yang serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but not limited to, the following:

- reviewing and making recommendations to the Board on the composition and number of our Board and senior management with reference to our Company's business activities, the scale of assets and shareholding structure;

- identifying individuals suitably qualified to become a member of our Board and senior management and making recommendations to our Board on the selection of individuals nominated for directorships and senior management;

- reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors;

- accessing and making recommendations to the selection of other senior management appointed by our Board; and

- performing other duties and responsibilities as assigned by our Board.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors and proposed Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors and proposed Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in November 20, 2025, and (ii) understands the requirements under the Stock Exchange Listing Rules that are applicable to him or her as a director of a listed issuer under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interests in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and senior management receive remuneration, including salaries, allowances, and benefits in kind and our contribution to the pension plan on their behalf.

The aggregate amount of remuneration (including salaries and benefits, performance-based bonuses, retirement benefit scheme contributions) for our Directors for the years ended December 31, 2023, 2024 and 2025 was approximately RMB4.1 million, RMB3.7 million and RMB4.3 million, respectively.

For each of the years ended December 31, 2023, 2024 and 2025, there were two, two and two Directors among the five highest paid individuals, respectively. The total emoluments for the remaining individuals among the five highest paid individuals amounted to approximately RMB5.4 million, RMB5.1 million and RMB6.3 million, for the years ended December 31, 2023, 2024 and 2025, respectively.

Save as disclosed above, no other payments have been paid or are payable, in respect of the Track Record Period by our Company to our Directors. For the year ended December 31, 2026, we expect to pay approximately RMB4.5 million in aggregate remuneration to our Directors.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Company. No compensation was paid to, or receivable by, our Directors or past directors for the Track Record Period for the loss of office as director or supervisor or any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will receive recommendation from the Remuneration and Appraisal Committee, which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and senior management as well as the performance of our Group.

CORPORATE GOVERNANCE

The Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability. Our Company intends to comply with all code provisions in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after Listing except for Code Provision C.2.1 of the Corporate Governance Code, which provides that the roles of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual.

The role of the chairman of the Board and the general manager of our Company are currently performed by Mr. Yang. In view of Mr. Yang's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Mr. Yang acting as both the chairman of the Board and the general manager of our Company will provide strong and consistent leadership to our Group and our business development and prospects that Mr. Yang continues to act as both the chairman of the Board and the general manager of our Company after the Listing, and therefore currently do not propose to separate the functions of chairman of the Board and general manager of our Company.

While this would constitute a deviation from Code Provision C.2.1 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by the Board requires approval by at least a majority of the Directors, and the Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Yang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, *inter alia*, that he/she acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman of the Board and general manager is necessary.

Share Incentive Scheme

In order to incentivize our Directors, senior management and other participants for their contribution to our Group and to attract and retain suitable personnel to our Group, we adopted the 2016 Employee Shareholding Scheme, 2025 Employee Shareholding Scheme and Pre-[**REDACTED**] Share Option Scheme. For further details, see the section headed "Appendix VI—Statutory and General Information—D. Share Incentive Schemes" in this document.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the

candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors currently consists of three female Director and six male Directors with a balanced mix of knowledge and skills, including overall business management, engineering, and finance and accounting in addition to industry experience relevant to our Group's operations and business. They obtained degrees in various majors including engineering, economics, and business administration. We have three independent non-executive Directors with different industry backgrounds, representing more than one third of the members of our Board. Furthermore, our Board has a diverse age and gender representation. Taking into account our existing business model and specific needs as well as the different backgrounds of our Directors, the composition of our Board satisfies our board diversity policy.

Our Nomination Committee is responsible for reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors. After the Listing, our Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness, and when necessary, make any revisions that may be required and recommend any such revisions to our Board for consideration and approval. The Nomination Committee will also include in annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

COMPLIANCE ADVISOR

We have appointed Somerley Capital Limited as our Compliance Advisor pursuant to Rules 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;

(c) where we propose to use the [**REDACTED**] of the [**REDACTED**] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and

(d) where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of the appointment will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately upon Listing and assuming the [**REDACTED**] is not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company:

		Immediately following the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)	
Name of Shareholder	**Nature of Interest**	**Number of Shares[1]**	**Approximate percentage of shareholding in total share capital after the [REDACTED] (%)[2]**
Mr. Yang	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interest in controlled corporation[3]	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Chelian Yijia	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Chelian Zhijia	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Beijing Cherongtong	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Mr. Qin Lihong (秦力洪)	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Mr. Chen Mingche (陳明車)	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Lited Group	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Mr. Qin Zhi (秦致)	Interest in controlled corporation[3]	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Wenzhou Xunsheng	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]

SUBSTANTIAL SHAREHOLDERS

		Immediately following the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the Pre-[REDACTED] Share Option Scheme)	
Name of Shareholder	**Nature of Interest**	**Number of Shares[1]**	**Approximate percentage of shareholding in total share capital after the [REDACTED] (%)[2]**
Shenzhen Dezaihou	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Mr. Wu Bin (吳斌)	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Guangdong Dezaihou	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
	Interests held jointly with another person[3]	[**REDACTED**]	[**REDACTED**]
Wuxi Entities[4]	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司) ("Weifu High-Technology")[5]	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
Hubei Weilian Equity Investment Partnership Enterprise (Limited Partnership) (湖北蔚聯股權投資合夥企業(有限合夥)) ("Weilian Investment")[6]	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
NIO Inc.[6]	Interest in controlled corporation[5]	[**REDACTED**]	[**REDACTED**]
Fuzhou Xintou Longqiu Zhixing Zhonghe Venture Capital Partnership (Limited Partnership) (福州新投隆湫智行眾合創業投資合夥企業(有限合夥)) ("Xintou Longqiu")[7]	Beneficial Owner	[**REDACTED**]	[**REDACTED**]
Zhu Wei (朱偉)[7]	Interest in controlled corporation	[**REDACTED**]	[**REDACTED**]
Wingtech Technology Co., Ltd. (聞泰科技股份有限公司) ("Wingtech Technology")[8]	Beneficial Owner	[**REDACTED**]	[**REDACTED**]

Notes:

(1) All interests stated are long position.

(2) The calculation is based on the Share Subdivision is completed, the total number of [**REDACTED**] H Shares to be converted from Unlisted Shares in issue and [**REDACTED**] H Shares to be issued pursuant to the [**REDACTED**], assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(3) Pursuant to the Acting in Concert Agreement, each of Mr. Yang, Chelian Yijia, Chelian Zhijia, Beijing Cherongtong, Mr. Qin Lihong (秦力洪), Mr. Mr. Chen Mingche (陳明車), Lited Group, Mr. Qin Zhi (秦致), Wenzhou Xunsheng, Shenzhen Dezaihou, Mr. Wu Bin (吳斌), Guangdong Dezaihou and one then Shareholder who has ceased to be Shareholder as of the Latest Practicable Date has, confirmed and agreed that, since they became shareholders of the Company, they have acted and will continue to act in concert when exercising their shareholder rights as Shareholders of the Company or their voting power as a member of the Board (as the case may be) until one year after the Listing. In November 2025, Mr. Qin Zhi transferred all his 250,000 Shares in the Company to Zhicheng Automotive, a company wholly owned by Mr. Qin Zhi. Therefore, under the SFO, each of them was deemed to be interested in the Shares held by each other and Mr. Qin Zhi was deemed to be interested in the Shares held by Zhicheng Automotive in our Company. For further details related to the Acting in Concert Agreement, see "History, Development and Corporate Structure" in this document.

Mr. Yang is the general partner of Chelian Yijia and Chelian Zhijia, our Employee Shareholding Platforms. Therefore, under the SFO, Mr. Yang was deemed to be interested in the Shares held by each of Chelian Yijia and Chelian Zhijia in our Company.

(4) Wuxi Entities consists of Jiangsu Youquan The Taihu Lake Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership) (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)) ("Taihu Guolian"), Wuxi Guolian Industrial Collaborative Investment Center (Limited Partnership) (無錫國聯產業協同投資中心(有限合夥)) ("Wuxi Guolian"), Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)) ("Wuxi Shangxian"), Wuxi Shangxing Industrial Investment Fund Partnership (Limited Partnership) (無錫尚行產業投資基金合夥企業(有限合夥)) ("Wuxi Shangxing"), Wuxi Economic Development Zone Xinzhi Venture Capital Partnership (Limited Partnership) (無錫經開區新智創業投資合夥企業(有限合夥)) ("Wuxi Xinzhi"), Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有限合夥)) ("Wuxi Shangwen") and Wuxi Listed Company High Quality Development Fund (Limited Partnership) (無錫市上市公司高質量發展基金(有限合夥)) ("Wuxi High Quality Fund").

Taihu Guolian is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.10% by its general partner, Wuxi Guolian Industrial Investment Private Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 59.90% by Wuxi Guolian Financial Investment Group Co., Ltd. (無錫國聯金融投資集團有限公司) as the limited partner, which was ultimately controlled by Wuxi SASAC; and (iii) approximately 40% by the other two limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wuxi Guolian is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.33% by its general partner, Wuxi Guolian Industrial Investment Private Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 50.00% by Wuxi Taihu Talent Development Fund (Limited Partnership) (無錫太湖人才發展基金(有限合夥)) as the limited partner and it was ultimately controlled by Wuxi SASAC; (iii) approximately 39.67% by Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司) and it was ultimately controlled by Wuxi SASAC; and (iv) approximately 10.00% by one remaining limited partner, an Independent Third Party.

Wuxi Shangxian is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.06% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.94% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi Shangxing is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.10% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.90% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi Xinzhi is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.50% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.50% by four limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party.

Wuxi Shangwen is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) 1% by its general partner, Wuxi Shangxian Private Equity Fund Management Co., Ltd. (無錫尚賢私募基金管理有限公司) and it was ultimately controlled by Wuxi SASAC; (ii) 99% by Wuxi Fengrun Investment Co., Ltd. (無錫豐潤投資有限公司), the limited partner and it was ultimately controlled by Wuxi SASAC.

Wuxi High Quality Fund is a limited partnership established under the laws of the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.04% by its general partner, Wuxi Financial Investment Management Co., Ltd. (無錫金投資本私募基金管理有限公司), and it was ultimately controlled by Wuxi SASAC; (ii) approximately 99.96% by Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司), and it was ultimately controlled by Wuxi SASAC.

(5) Weifu High-Technology is a joint stock limited company established under the laws of the PRC and was listed on the Shenzhen Stock Exchange with stock code 000581 on June 29, 1998.

(6) Weilian Investment is a limited partnership established in the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 0.0063% by its general partner, Hubei Changjiang NIO New Energy Equity Investment Partnership Enterprise (Limited Partnership) (湖北長江蔚來新能源股權投資合夥企業(有限合夥)) ("Changjiang Nio") who has the full discretion over investment decisions regarding assets managed by Weilian Investment and an Independent Third Party; (ii) approximately 99.9937%% by Hubei Yangtze River Weilai New Energy Industry Development Fund Partnership (L.P.) (湖北長江蔚來新能源產業發展基金合夥企業(有限合夥)) ("Weilai New Energy"), the limited partner which is a leading, market-oriented private equity investment firm focusing on investing in mobility, energy, materials and other related sectors, which insists on sustainable investments with a focus on innovations in decarbonization and digitalization and an Independent Third Party. As at the Latest Practicable Date, Weilai New Energy was held as to (i) approximately 2.19% by its general partner, Changjiang Nio, who has the full discretion over investment decisions regarding assets managed by Weilai New Energy and an Independent Third Party; (ii) approximately 97.81% by the remaining nine limited partners and none of which held one-third or more of the partnership interest therein, each an Independent Third Party. As at the Latest Practicable Date, Changjiang Nio was held as to (i) 10.00% by its general partner, Weilai New Energy Wei New Energy Cci Capital Ltd (湖北長江蔚來新能源投資管理有限公司), who has the full discretion over investment decisions regarding assets managed by Changjiang Nio and an Independent Third Party; (ii) 50.00% by XPT (Nanjing) E-Powertrain Technology Co., Ltd. (蔚然(南京)動力科技有限公司), one limited partner, which is wholly owned by NIO Inc., a company listed on the main board of the Stock Exchange (stock code: 9866), on the New York Stock Exchange (stock code: NIO) and on the Singapore Exchange (stock code: NIO), an Independent Third Party; and (iii) 40.00% by the remaining two limited partners and none of which held one-third or more of the partnership interest therein. Therefore, under the SFO, NIO Inc. was deemed to be interested in the Shares held by Weilian Investment in our Company, each an Independent Third Party.

(7) Xintou Longqiu is a limited partnership established under the laws of the PRC. As at the Latest Practicable Date, it was held as to (i) approximately 1% by its general partner, Suzhou Longqiu Private Equity Fund Management Co., Ltd. (蘇州隆湫私募基金管理有限公司), which was ultimately controlled by Zhu Wei (朱偉); (ii) approximately 99% by six limited partners and none of which held one-third or more of the partnership interest therein. Therefore, under the SFO, Zhu Wei, was deemed to be interested in the Shares held by Xintou Longqiu in our Company.

The investment decision committee of Xintou Longqiu (the "Investment Decision Committee") serves as the highest decision-making body for investment projects of Xintou Longqiu. The Investment Decision Committee comprises three members, with two appointed by Longqiu Private Equity and one appointed by Fuzhou Xintou Venture Capital Co., Ltd. Resolutions of the Investment Decision Committee must be approved by a majority of its members. However, the following matters will need to be approved by all members of the Investment Decision Committee: (a) proposed investments involving related-party transactions; (b) cumulative investment in a single project exceeding 5% of the partnership's total committed capital contributions; and (c) proposed investments unrelated to the automotive industry chain.

(8) Wingtech Technology is a joint stock limited company established under the laws of the PRC and is listed on the Shanghai Stock Exchange with stock code 600745 on August 28, 1996.

Saved as disclosed herein, our Directors are not aware of any other person who will, immediately following the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised) and the Conversion of Unlisted Shares into H Shares, have any interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company.

This section presents certain information regarding our share capital before and upon completion of the [**REDACTED**].

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital of our Company was RMB33,637,110, comprising 33,637,110 Shares of nominal value RMB1.00 each.

UPON COMPLETION OF THE SHARE SUBDIVISION AND THE [REDACTED]

Immediately following completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital
		(%)
H Shares converted from Unlisted Shares[(1)]	[**REDACTED**]	[**REDACTED**]
H Shares to be issued under the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	[100.00]

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon Listing, see "History, Development and Corporate Structure—Public Float."

Immediately following completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**] and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme, assuming the [**REDACTED**] is fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital
		(%)
H Shares converted from Unlisted Shares[(1)]	[**REDACTED**]	[**REDACTED**]
H Shares to be issued under the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	[100.00]

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon Listing, see "History, Development and Corporate Structure—Public Float."

SHARE CLASSES

Upon completion of the [**REDACTED**] and conversion of our Unlisted Shares into H Shares, we would have [**REDACTED**] class of Shares: [**REDACTED**].

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai—Hong Kong Stock Connect or the Shenzhen—Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities (such as our certain existing Shareholders the Unlisted Shares held by whom will be converted in to H shares according to the approval of the CSRC), H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC.

Unlisted Shares and H Shares shall rank *pari passu* with each other in all respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

CONVERSION OF UNLISTED SHARES INTO H SHARES

If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Hong Kong Stock Exchange, such conversion, listing and trading will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Hong Kong Stock Exchange.

Register with the CSRC and Full Circulation Application

In accordance with the Overseas Listing Trial Measures and related guidelines, H-share listed companies which apply for the conversion of Unlisted Shares into H shares for listing and circulation on the Hong Kong Stock Exchange shall register with the CSRC by filing materials on key compliance issues. An unlisted domestic joint stock company may apply for "full circulation" when applying for an overseas listing.

We have filed with the CSRC for, and the CSRC has registered the conversion of [**REDACTED**] Unlisted Shares into H Shares on a one-for-one basis upon the completion of the [**REDACTED**] and CSRC issued the filing notice in respect of the [**REDACTED**] dated [●], 2026.

Listing Approval by the Hong Kong Stock Exchange

We have applied to the Listing Committee of the Hong Kong Stock Exchange for the granting of the listing of, and permission to deal in, our H Shares to be issued pursuant to the [**REDACTED**] (including any H Shares which may be issued pursuant to the exercise of the [**REDACTED**]) and the H Shares to be converted from [**REDACTED**] Unlisted Shares on the Hong Kong Stock Exchange, which is subject to the approval by the Hong Kong Stock Exchange.

We will perform the following procedures for the conversion of the relevant Unlisted Shares into H Shares after receiving the approval of the Hong Kong Stock Exchange: (1) giving instructions to our H Share Registrar regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS.

RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

In accordance with Article 141 of the PRC Company Law, the shares issued prior to any listing of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by the Company prior to the [**REDACTED**] will be subject to such statutory restriction on transfer within a period of one year from the Listing. See "History, Development and Corporate Structure—Rights of the Pre-[**REDACTED**] Investors".

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See "Appendix V—Summary of the Articles of Association" in this document.

*You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements as of and for each of the years ended December 31, 2023, 2024 and 2025, and the accompanying notes included in the Accountants' Report set out in Appendix I to this document. Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ("**IFRS Accounting Standards**"), which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not merely rely on the information contained in this section.*

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this document, including the sections headed "Risk Factors" and "Business."

OVERVIEW

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 integrated solutions encompassing hardware platforms, underlying software, application ecosystems, service architectures and optical transmission modules. Our product portfolio includes vehicle computing solutions and zone controller. Under our vehicle computing solutions, we offer OEMs the options of intelligent cockpit domain controllers, integrated advanced driver assistance system and cockpit controller and the Autosee OS software platform. According to Frost & Sullivan, we ranked third in terms of revenue of intelligent cockpit domain controller in China in 2025.

BASIS OF PRESENTATION

Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been adopted by us in the preparation of the consolidated financial information throughout the Track Record Period. Our consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities that are measured at fair value.

FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our business performance and operating results are influenced by general factors affecting our total addressable market. These factors include, among others, overall economic growth in China and globally, the development of smart vehicle technology, raw material costs, regulatory, tax and geopolitical environments. Changes in any of these general factors could affect the demand for our solutions and products and our results of operations. In addition to the general factors mentioned above, we believe our results of operations are more directly affected by the following specific factors.

Our ability to deepen relationships with existing customers and expand our customer base

Our business growth was mainly driven by our ability to deepen our relationships with existing customers and expand our customer base. First, our future growth is dependent on our ability to maintain and deepen relationships with our existing customers. 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 engage deeply with clients from the earliest stages of their product, ensuring our solutions are closely aligned with their vehicle platforms through careful chip platform selection and tailored solution design. 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.

Second, we are committed to identifying, engaging and retaining new customers to broaden our customer base. Leveraging our deep expertise and strong R&D capabilities, we aim to attract industry-leading OEM customers. While we continue to optimize cooperation with existing clients, we are proactively developing new client relationships in both China and overseas markets. As we continue to introduce competitive new solutions and products, promote our brand and expand our sales and service network, we anticipate attracting more OEM customers and achieving further revenue growth in the future.

Our ability to expand and optimize our portfolio of products and solutions

Ongoing progress in research and development is essential for our long-term business growth. Specifically, we will iteratively upgrade our new generation of integrated ADAS and cockpit domain controllers. By implementing versatile chip functionality in conjunction with on-device AI deployment, we strive to make intelligent cockpit and intelligent driving features more accessible and affordable, ultimately delivering a user experience that exceeds industry standards. We are also advancing our central computing platform, harnessing robust computing power to support dynamic allocation and flexible management of system functions.

Additionally, our gross profit margin differs among products sold for different vehicle models, reflecting factors such as production costs, technological innovation, pricing strategy, market demand and competition. Adjustments in our product and revenue mix may also impact total gross profit margin and, in turn, affect other aspects of our business performance.

Our commitment to technology innovation and leadership in product performance and quality

Our financial performance relies heavily on our ability to maintain technology leadership, which is driven by sustained investment in R&D. These R&D efforts underpin our ability to deliver a technology-focused user experience.

Our R&D efforts have been primarily directed toward iteration based on existing chip platforms, development of new products based on new chip platforms, pre-mass production development and adaptation, as well as foundational capability building to support future product upgrades. In 2023, our R&D investment was focused principally on SA8155 domain controllers and related projects. From 2024, we began expanding our R&D pipeline to include SA8255 domain controllers and SA8775 controllers. In 2025, our R&D investment continued to grow, driven by continued iteration of SA8255 domain controllers and the successful launch of the mass production of SA8775 controllers. The continuous strengthening of our in-house R&D capabilities has also provided a foundation for us to pursue cross-platform synergy, optimize our procurement structure, improve R&D investment efficiency and enhance overall profitability going forward. Our R&D expenses amounted to RMB406.6 million, RMB367.7 million and RMB336.9 million in 2023, 2024 and 2025, respectively. We expect our R&D expenses to remain substantial in the future.

We expect to continuously enhance our R&D capabilities, thereby enabling us to provide industry-leading products and solutions that address various needs of our OEM customers. We believe it is essential that we continue to upgrade and optimize our products and solutions as we

successfully implement our R&D roadmap. We also intend to continue to invest heavily in attracting and retaining key talent to strengthen our technological advantages and to support our business growth and drive our overall long-term growth.

Our ability to effectively manage our costs and expenses and enhance operating efficiency

Achieving and sustaining profitability depends in part on our capacity to manage costs and expenses through improved operating leverage and efficiency. In 2023, 2024 and 2025, our cost of revenue amounted to RMB1,894.5 million, RMB2,226.0 million and RMB1,746.2 million, respectively. Our ability to control the costs of raw materials as production volumes increase has had and will continue to have a significant impact on our financial results. We anticipate that as our sales volumes grow, we will be able to reduce average unit costs and achieve economies of scale which should enhance our gross profit margin. We also plan to leverage our in-house production capabilities to improve the efficiency of raw material usage, optimize our cost structure and further strengthen our financial performance.

Our operating efficiency also depends on our capacity to streamline our operations. Maintaining strong control over operating expenses to achieve optimal efficiency is essential to our success. Throughout the Track Record Period, our selling and marketing expenses as a percentage of total revenue remained low. As we grow and scale our business, we expect to benefit from increased operating leverage and realize structural cost savings.

MATERIAL ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Set forth below are discussions of the accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Other material accounting policies, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in detail in note 3 to the Accountants' Report in Appendix I in this document.

Revenue

We recognize revenue from sales of vehicle computing solutions and zone controller solutions when customers accept our products or solutions. Our revenue from these sales may involve variable consideration arrangements, depending on the quantity of smart cockpit components delivered to OEMs or their suppliers. We make our best estimate of the transaction price when variable consideration is involved, but do not include any estimated amounts of variable consideration that are constrained.

Research and Development Expenses

We recognize expenditure on research activities as an expense in the period in which it is incurred. When we cannot recognize an internally generated intangible asset, we record development expenditure in profit or loss in the period incurred.

Government Grants

We do not recognize government grants until there is reasonable assurance that we will comply with the associated conditions and will receive the grants. We recognize government grants related to income as compensation for expenses or losses already incurred, or for immediate financial support with no future related costs, in profit or loss in the period in which they become receivable. Such grants are presented under "other income."

Inventories

We state inventories at the lower of cost and net realizable value. We determine cost of inventories on a weighted average basis. Net realizable value represents the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include both incremental costs directly attributable to the sale and non-incremental costs we must incur to complete the sale.

We recognize the amount of any write-down of inventories to net realizable value, as well as losses of inventories, as an expense in the period in which the write-down or loss occurs. We recognize any reversal of write-down of inventories as a reduction of expense in the period in which the reversal occurs.

Fair Value Measurement of Financial Liabilities at Fair Value Through Profit or Loss (FVTPL)

Our paid-in capital with preferred rights is measured as financial liabilities at FVTPL, determined using the Black-Scholes option pricing model with significant unobservable inputs. We apply judgment and estimation in establishing the relevant inputs. Changes in assumptions relating to these factors could result in material adjustments to the fair value of paid-in capital with preferred rights.

Intangible Assets

We carry intangible assets with finite useful lives, acquired separately, at cost less accumulated amortization and any accumulated impairment losses. We recognize amortization for such intangible assets on a straight-line basis over their estimated useful lives. We review estimated useful life and the amortization method at the end of each period of the Track Record Period and account for any changes in estimate prospectively. Intangible assets with indefinite useful lives that are acquired separately are carried at cost minus any accumulated impairment losses.

Impairment on Property, Plant and Equipment, Right-of-Use Assets, Contract Costs and Intangible Assets

At the end of each period of the Track Record Period, we review the carrying amounts of our property, plant and equipment, right-of-use assets, intangible assets with finite useful lives and contract costs to determine whether any indication of impairment exists. If such an indication is present, we estimate the recoverable amount of the relevant asset to determine the extent of any impairment loss (if any). Recoverable amount is defined as the higher of fair value less costs of disposal and value in use. In assessing value in use, we discount estimated future cash flows to their present value using a pre-tax discount rate reflecting current market assessments of the time value of money and the risks specific to the asset or cash-generating unit, provided such risks have not been reflected in the future cash flows.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

The following table sets forth our consolidated statements of profit or loss and other comprehensive income with line items in absolute amounts and as percentages of our revenue for the years indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*
	(RMB in thousands, except for percentages)					
Revenue	**2,297,665**	**100.0**	**2,655,571**	**100.0**	**2,065,266**	**100.0**
Cost of revenue	(1,894,526)	(82.5)	(2,225,957)	(83.8)	(1,746,172)	(84.5)
Gross profit	**403,139**	**17.5**	**429,614**	**16.2**	**319,094**	**15.5**
Other income	48,199	2.1	37,578	1.4	48,151	2.3
Other gains and losses	(93)	–	5,511	0.2	3,218	0.2
Impairment losses under expected credit loss model, net of reversal	(13,050)	(0.6)	(18,189)	(0.7)	12,404	0.6
Selling and marketing expenses	(31,798)	(1.4)	(51,709)	(1.9)	(55,552)	(2.7)
Administrative expenses	(77,464)	(3.4)	(94,979)	(3.6)	(93,446)	(4.5)
Research and development expenses	(406,584)	(17.7)	(367,664)	(13.8)	(336,857)	(16.3)
Change in fair value of paid-in capital with preferred rights	(92,379)	(4.0)	(157,817)	(5.9)	(428,952)	(20.8)
Share of results of associates	–	–	(2,530)	(0.1)	(3,061)	(0.1)
Finance costs	(31,167)	(1.4)	(32,954)	(1.2)	(23,835)	(1.2)
[**REDACTED**] expense	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Loss before tax	**(201,197)**	**(8.8)**	**(253,139)**	**(9.5)**	**(575,709)**	**(27.9)**
Income tax expense	–	–	–	–	–	–
Exchange differences arising on translation of foreign operations	–	–	–	–	(30)	–
Total comprehensive expense for the year attributable to owners of the Company	**(201,197)**	**(8.8)**	**(253,139)**	**(9.5)**	**(575,739)**	**(27.9)**
Loss per share	**–**	**–**	**–**	**–**	**–**	**–**
Basic and diluted (RMB)	(1.99)	–	(2.48)	–	(3.72)	–

ADJUSTED NET LOSS (NON-IFRS MEASURE)

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by or presented in accordance with IFRS. We believe that such non-IFRS measures facilitate comparisons of operating performance from year to year by eliminating potential impacts of certain items. We believe that such measure provides useful information for investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss (non-IFRS measure) as loss for the year excluding the effects of (i) change in fair value of paid-in capital with preferred rights, which does not arise from our ordinary course of business and is a non-cash fair value change related to our preferred rights capital instruments, which was converted on equity upon the termination of such preferred rights on September 30, 2025; and (ii) [**REDACTED**] expenses, which are one-off expenses related to the [**REDACTED**]. The adjustments have been consistently made during the Track Record Period. The following table sets forth the reconciliation of our loss for the year to adjusted net loss (non-IFRS measure) for the years indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss for the year	(201,197)	(253,139)	(575,709)
Add:			
Change in fair value of paid-in capital with preferred rights	92,379	157,817	428,952
[**REDACTED**] expenses	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Adjusted net loss (non-IFRS measure)	**(108,818)**	**(95,322)**	**(129,884)**

Revenue

We generate revenue from vehicle computing solutions and zone controller solutions. The following table sets forth a breakdown of our revenue by business segments for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Vehicle computing solutions	2,297,665	100.0	2,655,571	100.0	2,010,099	97.3
– *SA8155*	2,283,821	99.4	2,631,008	99.1	1,704,869	82.5
– *SA8255*	–	–	–	–	109,036	5.3
– *SA8775*	–	–	–	–	117,284	5.7
– *Others*[(1)]	13,844	0.6	24,563	0.9	78,910	3.8
Zone controller solutions	–	–	–	–	55,167	2.7
Total	**2,297,665**	**100.0**	**2,655,571**	**100.0**	**2,065,266**	**100.0**

Note:

(1) Primarily representing MTK domain controllers (including MT8675 and MT8676) and SemiDrive X9.

Vehicle computing solutions. We develop and supply vehicle computing solutions that serve as the central computing units for automotive infotainment, human—machine interaction and in-vehicle connectivity. During the Track Record Period, the SA8155 domain controller represented our most mature product with the largest mass production scale. We also successfully achieved mass production of the SA8255 domain controllers and SA8775 controllers. Our product portfolio has progressively evolved from smart cockpit domain controllers to cockpit-driving fusion domain controllers and central computing platforms. Our revenue from vehicle computing solutions increased by 15.6% from RMB2,297.7 million in 2023 to RMB2,655.6 million in 2024, and decreased by 24.3% to RMB2,010.1 million in 2025. For details, see "—Year-to-Year Comparison of Results of Operations" below.

Zone controller solutions. We develop and supply automotive-grade zone controller solutions that serve as the distributed computing and control nodes of the vehicle's electronic and electrical architecture. We did not derive revenue from zone controller solutions in 2023 and 2024. In 2025, we commenced the commercialization of our zone controllers, and achieved a revenue of RMB55.2 million.

Cost of Revenue

Our cost of revenue primarily consists of (i) raw materials, (ii) labor costs and (iii) manufacturing costs. Raw materials represent the largest component of our cost of revenue. Historically, our raw material costs were relatively high due to our reliance on externally sourced PCBAs. As we continue to advance in-house PCBA manufacturing and progressively deepen our manufacturing capabilities, we expect to enhance our bargaining power with our suppliers and

reduce raw material costs through annual pricing negotiations, project-by-project pricing negotiations and supplier management optimization, as well as to improve overall production efficiency. The table below sets forth a breakdown of our cost of revenue by nature for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Raw materials costs	1,858,374	98.1	2,161,581	97.1	1,660,988	95.1
Labor costs	21,112	1.1	42,683	1.9	44,973	2.6
Manufacturing costs	15,040	0.8	21,692	1.0	40,211	2.3
Total	**1,894,526**	**100.0**	**2,225,957**	**100.0**	**1,746,172**	**100.0**

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin by product lines during the Track Record Period:

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit/loss	**Gross Margin**	**Gross Profit/loss**	**Gross Margin**	**Gross Profit/loss**	**Gross Margin**
		%		*%*		*%*
	(RMB in thousands, except for percentages)					
Vehicle computing solutions	**403,139**	**17.5**	**429,614**	**16.2**	**318,286**	**15.8**
– SA8155	401,036	17.6	426,712	16.2	272,341	16.0
–Others[(1)]	2,103	15.2	2,902	11.8	45,945	15.1
Zone controller solutions	**–**	**–**	**–**	**–**	**808**	**1.5**
Total	**403,139**	**17.5**	**429,614**	**16.2**	**319,094**	**15.5**

Note:

(1) Including SA8255, X9, MTK series domain controllers, SA8775 series controllers and others.

Other Income

Our other income primarily consists of value-added tax deductions and incentives, government grants, interest income from bank balances. The following table sets forth a breakdown of the components of our other income for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Value-added tax additional deductions and incentives[(1)]	26,307	54.6	23,976	63.8	32,925	68.4
Government grants	21,145	43.9	9,530	25.4	10,920	22.7
Interest income from bank balances	747	1.5	1,224	3.3	1,366	2.8
Others[(2)]	–	–	2,848	7.6	2,940	6.1

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Total	**48,199**	**100.0**	**37,578**	**100.0**	**48,151**	**100.0**

Note:

(1) Value-added tax additional deduction and incentives represent tax refund from PRC government authorities, which are recognized when payments were received.

(2) Primarily include rental income.

Other Gains and Losses

Our other gains and losses primarily consist of gain or loss on disposal of property, plant and equipment and gain from changes in fair value of financial assets at FVTPL. We incurred other losses of RMB0.1 million for the year ended December 31, 2023 and we recorded other gains of RMB5.5 million and RMB3.2 million for the year ended December 31, 2024 and 2025, respectively.

Impairment Losses Under Expected Credit Loss Model, Net of Reversal

Our impairment losses represent the impairment losses on trade receivables due from certain customers, or reversal of impairment losses if we expect our credit loss to decrease. We incurred impairment losses of RMB13.1 million and RMB18.2 million for the year ended December 31, 2023 and 2024, respectively, and incurred reversal of impairment loss of RMB12.4 million for the year ended December 31, 2025.

Selling and Marketing Expenses

Our selling and marketing expenses consist of (i) employment compensation and benefits for sales and marketing personnel, (ii) business development expenses, (iii) professional service fees, (iv) marketing expenses and (v) others. The following table sets forth a breakdown of our selling and marketing expenses for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employment compensation and benefits	19,239	60.5	25,033	48.4	31,025	55.8
Business development expenses	9,399	29.6	11,788	22.8	6,185	11.1
Professional service fees	1,105	3.5	8,175	15.8	4,963	8.9
Marketing expenses	1,617	5.1	5,480	10.6	11,632	20.9
Others[(1)]	438	1.4	1,233	2.4	1,747	3.1
Total	**31,798**	**100.0**	**51,709**	**100.0**	**55,552**	**100.0**

Note:

(1) Primarily include office expenses and utilities.

Administrative Expenses

Our administrative expenses consist of (i) employment compensation and benefits for administrative personnel, (ii) depreciations and amortizations, (iii) professional service fees, (iv) office expenses and (v) others. The following table sets forth a breakdown of our administrative expenses for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employment compensation and benefits	51,765	66.8	50,363	53.0	56,266	60.2
Depreciations and amortizations	6,855	8.8	14,678	15.5	12,390	13.3
Professional service fees	9,853	12.7	19,818	20.9	15,824	16.9
Office expenses	3,882	5.0	8,276	8.7	7,152	7.7
Others[(1)]	5,109	6.6	1,844	1.9	1,814	1.9
Total	**77,464**	**100.0**	**94,979**	**100.0**	**93,446**	**100.0**

Note:

(1) Primarily include utilities.

Research and Development Expenses

Our research and development expenses primarily consist of (i) employment compensation and benefits for research and development personnel, (ii) technical service fees, (iii) materials and consumables, (iv) depreciations and amortizations and (viii) others. The following table sets forth a breakdown of our research and development expenses for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Employment compensation and benefits	148,763	36.6	191,628	52.1	182,616	54.2
Technical service fees[(1)]	226,209	55.6	139,565	38.0	113,933	33.8
Materials and consumables	13,869	3.4	19,000	5.2	17,518	5.2
Depreciations and amortizations	9,740	2.4	10,956	3.0	14,168	4.2
Others[(2)]	8,003	2.0	6,515	1.8	8,622	2.6
Total	**406,584**	**100.0**	**367,664**	**100.0**	**336,857**	**100.0**

Notes:

(1) Our technical service providers assist us in our research and development activities, particularly in the development of specialized algorithms and software for intelligent cockpit. Regarding the commercial terms, such technical services are typically provided on either a project basis or a personnel basis. Under the project-based model, we make installment payments according to agreed project milestones. Under the personnel-based model, we make payments based on the number of research and development personnel involved and their respective service periods. Our technical service providers are primarily Independent Third Parties, including several leading software and hardware developers with expertise in the automobile industry. Occasionally, they introduce us to potential customers, mainly Chinese or international OEMs with whom they have established business relationships. Our technical service providers also include Bosch, which is currently one of our shareholders. Our business collaboration with Bosch commenced before Bosch's equity investment in us. We engaged Bosch as a technical service provider because of its

strong research and development capabilities, which are supplemental to our existing R&D capabilities. Bosch subsequently made an equity investment in us in recognition of the smooth and effective collaboration between the parties. See "Business—Our Suppliers—Our Relationship with Bosch" for further details.

(2) Primarily include travel expenses, office expenses and utilities.

Change in Fair Value of Paid-in Capital with Preferred Rights

In 2023, 2024 and 2025, we recorded changes in fair value of paid-in capital with preferred rights of RMB92.4 million, RMB157.8 million and RMB429.0 million, respectively. Changes in fair value of paid-in capital with preferred rights are associated with the increase in our valuation.

Share of Results of Associates

In 2023, 2024 and 2025, we recorded share of results of associates of nil, RMB2.5 million and RMB3.1 million, respectively, which primarily represented our share of losses of an investee.

Finance Costs

Our finance costs primarily consist of (i) interests on lease liabilities and (ii) interests on bank borrowings. The following table sets forth a breakdown of our finance costs for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Interests on lease liabilities	2,712	8.7	1,823	5.5	216	0.9
Interests on bank borrowings	28,455	91.3	31,131	94.5	23,619	99.1
Total	**31,167**	**100.0**	**32,954**	**100.0**	**23,835**	**100.0**

[REDACTED] Expense

We recorded [**REDACTED**] expenses of [**REDACTED**] in 2025, which represented the expenses we incurred in preparation for this [**REDACTED**]. We did not incur [**REDACTED**] expenses in 2023 or 2024.

Loss Before Tax

As a result of the foregoing, in 2023, 2024, and 2025, we recorded loss before tax of RMB201.2 million, RMB253.1 million and RMB575.7 million, respectively.

Income Tax Expense

The statutory tax rate of our PRC subsidiaries was 25% during the Track Record Period. We were eligible for several preferential tax treatments or deductions, for example, the preferential tax rate of 15% for "High and New Technology Enterprise." Taking into account the effect of such preferential tax treatments and deductions, our income tax expense was nil during the Track Record Period.

Loss for the Year

As a result of the foregoing, our net loss in 2023, 2024 and 2025 was RMB201.2 million, RMB253.1 million and RMB575.7 million, respectively. For an analysis of the factors contributing to our historical net losses, see "Business—Business Sustainability and Path to Profitability—Factors Contributing to Historical Net Losses" for details.

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to the Year Ended December 31, 2024

Revenue

Our revenue decreased by 22.2% from RMB2,655.6 million in 2024 to RMB2,065.3 million in 2025.

- Revenue from vehicle computing solutions decreased from RMB2,655.6 million in 2024 to RMB2,010.1 million in 2025. This decline was primarily driven by a decrease in sales volume of SA8155 domain controllers from 798.1 thousand units to 563.1 thousand units. In particular, one major OEM customer decided to develop domain controllers based on a new chip platform that did not align with our strategic product development roadmap, as this platform was not expected to achieve economies of scale. We therefore decided to scale back our cooperation with this OEM customer, which resulted in a reduction in orders. In addition, the vehicle model of another OEM customer that adopted our solutions entered the late stage of its product life cycle, which weakened market demand and led to a further decline in order volumes. Consequently, revenue decreased correspondingly. Notwithstanding the above, SA8155 domain controllers continued to demonstrate sustained market demand and commercial viability. Certain of our other OEM customers awarded us new design wins or increased their order volumes in 2025. Revenue attributable to our OEM customers other than the two customers mentioned above grew by approximately 31.0% from 2024 to 2025.

  The decrease in revenue from SA8155 domain controllers was partially offset by the revenue growth from our new products. We had been actively developing new product lines and expanding our customer base. In the second half of 2025, we began the commercialization of SA8255 domain controllers and SA8775 controllers, and recorded revenue of RMB109.0 million and RMB117.3 million, respectively, representing 5.3% and 5.7% of our total revenue in 2025, respectively. Although these new products were mainly launched in the second half of 2025 and had not yet reached a significant revenue scale in 2025, we expect them to become increasingly significant contributors to our revenue mix and to act as key drivers of our long-term growth.

- Revenue from zone controller solutions increased from nil in 2024 to RMB55.2 million in 2025. Our zone controller solutions were commercialized in May 2025 and we achieved a sales volume of 59.2 thousand units this year. By leveraging our existing customer base, strengthening cooperation with key OEM customers and expanding the application scenarios for our products, we expect a further increase in revenue from our zone controller solutions in the future.

Cost of Revenue

Our cost of revenue decreased by 21.6% from RMB2,226.0 million in 2024 to RMB1,746.2 million in 2025, primarily driven by the decrease in sales volume of SA8155 domain controllers. Raw material costs decreased by 23.2% from RMB2,161.6 million in 2024 to RMB1,661.0 million in 2025, which was in line with our decreased sales volume. The decrease in raw material costs was also driven by (i) the commencement of our in-house development of PCBAs, which improved our cost structure by reducing our external procurement of PCBAs, and (ii) our proactive supplier management, including multiple rounds of price negotiations, which enabled us to secure lower procurement price.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased from RMB429.6 million in 2024 to RMB319.1 million in 2025.

Our gross profit margin decreased from 16.2% in 2024 to 15.5% in 2025.

- Gross profit margin of vehicle computing solutions decreased from 16.2% in 2024 to 15.8% in 2025. Specifically, (i) the gross profit margin for SA8155 domain controllers decreased slightly from 16.2% in 2024 to 16.0% in 2025. Although we continued to implement cost control measures and optimize our supply chain, intense industry competition put pressure on the selling price of SA8155 domain controllers. This led to a slight decline in our gross profit margin for SA8155 domain controllers, although it still remained among the leading levels in the industry, according to Frost & Sullivan; (ii) we recorded revenue from intelligent domain controllers based on other SoC platforms in 2025, which, in some cases such as MTK, had a relatively low gross profit margin. MTK domain controllers were developed for one of the leading Chinese OEMs with which we had not previously cooperated. This business helps us further expand our customer base and strengthen our key-account strategy. In addition, we have observed that various Chinese OEMs are adopting domain controllers based on MTK-series chip platforms, which are expected to maintain a certain market share in the future and therefore present solid business prospects, according to Frost & Sullivan.

- We recorded a gross profit margin of 1.5% for zone controller solutions in 2025. As this is a relatively new business line, we incurred substantive upfront costs for the production of zone controller solutions. Our production volume during this year was relatively low, and we had not yet realized economies of scale, resulting in a low gross profit margin for this year.

Other Income

Our other income increased by 28.1% from RMB37.6 million in 2024 to RMB48.2 million in 2025, primarily due to an increase in additional deductions and incentives for value-added tax in relation to Wuxi City's higher tax refund for advanced manufacturing enterprises.

Other Gains and Losses

We recorded other gains of RMB5.5 million and RMB3.2 million in 2024 and 2025, respectively. In 2024, we disposed certain production lines and equipments in accordance with our business needs, which generated gains of RMB4.9 million. In 2025, we recorded gain from changes in fair value of financial assets at FVTPL of RMB3.5 million, which represented gains from wealth management products.

Impairment Losses Under Expected Credit Loss Model, Net of Reversal

Our recorded impairment losses of RMB18.2 million in 2024 and net reversal of impairment losses of RMB12.4 million in 2025, respectively. We recorded impairment losses in 2024 in relation to the trade receivables from an OEM which faced operating difficulties in 2024. We recorded net reversal of impairment losses in 2025 primarily because our trade receivables decreased in line with the decline in sales, which resulted in a corresponding reduction in the allowance of impairment losses on trade receivables measured under the expected credit loss model.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 7.4% from RMB51.7 million in 2024 to RMB55.6 million in 2025, primarily due to (i) an increase of RMB6.2 million in marketing expenses, as we advanced our internationalization strategy by actively participating in major international auto shows (*e.g.*, autoshows in the United States, Germany and Japan) to engage with international customers and showcase our technologies, and (ii) an increase of RMB6.0 million in employee compensation and benefits, as we built an international-focused team through a combination of internal redeployment and external recruitment to explore demands from international customers. These increases were partially offset by a decrease in business development expenses of RMB5.6 million, as we strengthened budgetary controls, refined expense management and exercised more stringent control over business entertainment expenses.

Administrative Expenses

Our administrative expenses decreased by 1.6% from RMB95.0 million in 2024 to RMB93.4 million in 2025, primarily because our professional service fees decreased by 20.2% from RMB19.8 million in 2024 to RMB15.8 million in 2025, as we engaged various professional services in support of our financing activities (*e.g.*, the Series-D financing) and digital transformation in 2024. In addition, our headhunting expenses in 2025 decreased significantly as we improved cost management and operational efficiency.

Research and Development Expenses

Our research and development expenses decreased by 8.4% from RMB367.7 million in 2024 to RMB336.9 million in 2025. Because our SA8155 domain controllers had entered a more mature stage of their lifecycle, research and development expenses for these products decreased by approximately RMB95.7 million. At the same time, we reallocated research and development resources to our high-growth SA8255 domain controllers and SA8775 controllers, increasing combined research and development expenses for these two new products by approximately RMB62.8 million, in order to accelerate their commercialization and strengthen our core competitiveness in the future. Meanwhile, we increased our R&D expenditure in the in-house design of hardware and underlying software, which enhanced synergies across chip platforms and improved R&D efficiency.

Change in Fair Value of Paid-in Capital with Preferred Rights

Our change in fair value of paid-in capital with preferred rights increased significantly from RMB157.8 million in 2024 to RMB429.0 million in 2025. This change reflected the fair value adjustments that were recognized on our paid-in capital with preferred rights as our valuation increased. Under the applicable accounting standards, paid-in capital with preferred rights is classified as financial liabilities, and is carrying amounts has to be remeasured as valuation rises. As a result, the higher our valuation was, the larger the corresponding fair value loss on such paid-in capital with preferred rights. The preferred rights attached to such paid-in capital were terminated on September 30, 2025. For further details, see Note 32 to the Accountant's Report set out in Appendix I to this document.

Share of Results of Associates

Our share of results of associates was RMB2.5 million in 2024 and RMB3.1 million in 2025, which primarily represented our share of losses of an investee.

Finance Costs

Our finance costs decreased from RMB33.0 million in 2024 to RMB23.8 million in 2025, primarily because we enhanced our cash flow management and proactively communicated with our suppliers, who became increasingly willing to accept the endorsement of bills receivables. As a result, we reduced the discounting of bills receivables (that is, the transfer of bills receivables to banks for cash), leading to a corresponding decrease in related finance costs.

[**REDACTED**] ***Expense***

We recorded [**REDACTED**] expenses of nil in 2024 and [**REDACTED**] in 2025, which represented the expense we incurred in preparation for this [**REDACTED**].

Loss Before Tax

As a result of the foregoing, our loss before tax increased significantly from RMB253.1 million in 2024 to RMB575.7 million in 2025.

Income Tax Expense

We did not incur income tax expense in 2024 and 2025.

Loss for the Year

As a result of the foregoing, our loss for the year increased significantly from RMB253.1 million in 2024 to RMB575.7 million in 2025.

Year Ended December 31, 2024 Compared to the Year Ended December 31, 2023

Revenue

Our revenue increased by 15.6% from RMB2,297.7 million in 2023 to RMB2,655.6 million in 2024. This growth was primarily driven by the increase in the sales volume of SA8155 domain controllers from 623.8 thousand units in 2023 to 798.1 thousand units in 2024. The increase in sales of SA8155 domain controllers reflected the quality and competitiveness of our products as well as our ability to secure design-wins with leading Chinese OEMs. As the market for intelligent cockpit solutions continued to expand, our prior investments in the SA8155 domain controllers and key OEM customers enabled us to capture this growth.

Cost of Revenue

Our cost of revenue increased by 17.5% from RMB1,894.5 million in 2023 to RMB2,226.0 million in 2024, primarily driven by an increase in our raw material costs in line with our increased sales volume.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased from RMB403.1 million in 2023 to RMB429.6 million in 2024.

Our gross profit margin slightly decreased from 17.5% in 2023 to 16.2% in 2024. The decrease in our gross profit margin was primarily due to a reduction in the average selling price of SA8155 domain controllers. While we increased the sales volume of our SA8155 domain controllers from 623.8 thousand units in 2023 to 798.1 thousand units in 2024, we reduced our average selling price from RMB3,661 in 2023 to RMB3,296 in 2024 because certain OEMs faced intensified industry competition and passed the pricing pressure onto their suppliers.

Other Income

Our other income decreased by 22.0% from RMB48.2 million in 2023 to RMB37.6 million in 2024, primarily because of a decrease in the amount of government grants that we received, which were one-off incentives provided by local governments to reward our support and contribution for the development of local economies.

Other Gains and Losses

We recorded other losses of RMB0.1 million in 2023 and other gains of RMB5.5 million in 2024. Our other gains in 2024 primarily comprised gain on disposal of certain production lines and equipment in accordance with our business needs.

Impairment Losses Under Expected Credit Loss Model, Net of Reversal

Our impairment losses increased by 38.9% from RMB13.1 million in 2023 to RMB18.2 million in 2024, primarily due to an increase in the impairment losses in relation to the trade receivables from an OEM which faced operating difficulties in 2024.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 62.6% from RMB31.8 million in 2023 to RMB51.7 million in 2024, primarily due to (i) an increase in business development expenses from RMB9.4 million in 2023 to RMB11.8 million in 2024 as we increased our business development efforts to acquire new OEM customers; (ii) an increase in professional service fees from RMB1.1 million in 2023 to RMB8.2 million in 2024 as we engaged certain management consulting services to support our overseas expansion strategies (*e.g.*, expansion to the Japanese market); and (iii) an increase in marketing expenses from RMB1.6 million in 2023 to RMB5.5 million in 2024 as we expanded our marketing initiatives (*e.g.*, increased participations in auto shows and industry forums).

Administrative Expenses

Our administrative expenses increased by 22.6% from RMB77.5 million in 2023 to RMB95.0 million in 2024, which was primarily due to (i) an increase in professional service fees from RMB9.9 million in 2023 to RMB19.8 million in 2024 as we engaged management consulting services to assist us in improving our operational efficiency, optimizing our corporate governance structure, streamlining and standardizing our business workflows and enhancing our internal management systems, and (ii) an increase in depreciations and amortizations from RMB6.9 million in 2023 to RMB14.7 million in 2024, as we relocated to a new office and recorded higher depreciation of fixed assets and higher amortization for renovation costs.

Research and Development Expenses

Our research and development expenses decreased by 9.6% from RMB406.6 million in 2023 to RMB367.7 million in 2024. We enhanced our in-house R&D capabilities by expanding our R&D team, leading to an overall increase in employment compensation and benefits for our R&D personnel from RMB148.8 million in 2023 to RMB191.6 million in 2024 and a decrease in technical service fees from RMB226.2 million in 2023 to RMB139.6 million in 2024. We focused on improving the efficiency of our R&D activities and were able to grow our revenue while reducing overall R&D expenses. For example, leveraging the growth of our R&D team, we handled short-term software development and testing support substantially in-house, which enabled us to conduct software development and testing more efficiently and respond to customers' tailor-made requests in a more timely and effective manner.

Change in Fair Value of Paid-in Capital with Preferred Rights

Our change in fair value of paid-in capital with preferred rights increased significantly from RMB92.4 million in 2023 to RMB157.8 million in 2024, primarily driven by the addition of new investors and changes in our valuation. For further details of the identity and background of these investors and the principal terms of their investments, see "History, Development and Corporate Structure—Pre-[**REDACTED**] Investments" and Note 32 to the Accountant's Report set out in Appendix I to this document.

Share of Results of Associates

Our share of results of associates was nil in 2023 and RMB2.5 million in 2024, which primarily represented our share of losses of an investee.

Finance Costs

Our finance costs remained relatively stable at RMB31.2 million and RMB33.0 million in 2023 and 2024, respectively. Our finance costs primarily comprise interests on lease liabilities and interests on bank borrowings, both of which remained relatively stable at 2023 and 2024.

[**REDACTED**] ***Expense***

We did not incur [**REDACTED**] expense in 2023 and 2024.

Loss Before Tax

As a result of the foregoing, our loss before tax increased by 25.8% from RMB201.2 million in 2023 to RMB253.1 million in 2024.

Income Tax Expense

We did not incur income tax expense in 2023 and 2024.

Loss for the Year

As a result of the foregoing, our net loss increased by 25.8% from RMB201.2 million in 2023 to RMB253.1 million in 2024.

DISCUSSION OF CERTAIN KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth a summary of our consolidated statement of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
ASSETS			
Non-current assets			
Property, plant and equipment	137,242	155,570	158,470
Right-of-use assets	10,320	7,905	15,579
Intangible assets	16,237	20,512	88,253
Interest in associates	–	12,470	9,409
Restricted cash	–	–	210,000
Prepayment, deposits and other receivables	8,874	66,314	70,374

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	**172,673**	**262,771**	**552,085**
Current assets			
Inventories	315,907	110,753	254,024
Trade receivables	1,158,588	1,153,489	782,800
Notes receivables	424,232	785,378	285,472
Contract costs	64,839	4,644	46,025
Prepayments, deposits and other receivables	13,488	27,852	120,415
Amounts due from related parties	1,217	11,269	12,431
Financial assets at fair value through profit or loss	–	–	75,001
Restricted cash	33,316	111,251	12
Cash and cash equivalents	75,654	185,454	320,435
Total current assets	**2,087,241**	**2,390,090**	**1,896,615**
Total assets	**2,259,914**	**2,652,861**	**2,448,700**
LIABILITIES			
Current liabilities			
Trade and notes payables	237,494	208,398	890,620
Borrowings	911,014	1,298,264	949,897
Accrued expense and other payables	165,399	162,990	203,449
Amounts due to related parties	1,443,275	1,219,563	10,330
Lease liabilities	2,136	2,696	3,361
Contract liabilities	794	3	197
Total current liabilities	**2,760,112**	**2,891,914**	**2,057,854**
Net Current Liabilities	**(672,871)**	**(501,824)**	**(161,239)**
Total Assets less Current Liabilities	**(500,198)**	**(239,053)**	**390,846**
Non-current liabilities			
Borrowings	69,208	–	200,000
Lease liabilities	4,274	2,092	8,778
Paid-in capital with preferred rights	1,099,021	1,684,695	–
Total non-current liabilities	**1,172,503**	**1,686,787**	**208,778**
Net (liabilities)/assets	**(1,672,701)**	**(1,925,840)**	**182,068**
EQUITY			
Share capital	–	–	33,637
Paid-in capital	25,478	29,442	–
Reserves	(1,698,179)	(1,955,282)	148,431
Total Equity	**(1,672,701)**	**(1,925,840)**	**182,068**

Property, Plant and Equipment

Our property, plant and equipment primarily consist of building, machinery, furniture and equipment, leasehold improvements and construction in progress. Our property, plant and equipment increased by 13.4% from RMB137.2 million as of December 31, 2023 to RMB155.6 million as of December 31, 2024, primarily attributable to an increase in construction in progress. Our property, plant and equipment remained relatively stable at RMB155.6 million as of December 31, 2024 and RMB158.5 million as of December 31, 2025.

Inventories

Our inventories consist of (i) raw materials; (ii) work-in-progress, and (iii) finished goods. Raw materials primarily consist of materials for production and research and development. Work-in-progress is partially completed goods that are still in the production process. Finished goods are products ready for transit at our production plants and products delivered to customers without acceptance. The following table sets forth a breakdown of our inventories as of the dates indicated and turnover days of our inventories for the years indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Raw materials	12,264	17,296	71,826
Work-in-progress	174,978	28,301	89,937
Finished goods	128,665	65,156	92,261
Total	**315,907**	**110,753**	**254,024**

	For the Year Ended December 31,		
	2023	2024	2025
Inventory turnover days[(1)]	43	35	38

Note:

(1) Inventory turnover days are calculated by dividing the average balance of inventories for the relevant period by cost of revenue for the relevant period and multiplying by 365 days for the full-year period.

The table below sets forth in the aging analysis of our inventories based on goods received date as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Within 6 months	309,631	92,320	243,040
6 to 12 months	6,276	18,433	5,094
Over 1 year	–	–	5,890
Total	**315,907**	**110,753**	**254,024**

Our inventories decreased from RMB315.9 million as of December 31, 2023 to RMB110.8 million as of December 31, 2024, which was primarily driven by decreases in work-in-progress and finished goods. The decrease in work-in-progress was due to the fact that we ramped up our production toward the end of 2023 to ensure that we could meet the increased purchase volume from OEMs ahead of the Chinese New Year. The decrease in finished goods reflected our efforts to accelerate customer's acceptance of our goods, which reduced the level of finished products held on hand.

Our inventories increased from RMB110.8 million as of December 31, 2024 to RMB254.0 million as of December 31, 2025, which was primarily driven by an increase in raw materials and work-in-progress. The increase in raw materials was mainly attributable to our stronger needs for raw material management. In light of our assessment of potential raw material price increases and uncertainties in the supply chain, we arranged centralized procurement in the second half of 2025 and proactively increased our safety stock levels. Our work-in-progress increased primarily because, first, as we increased the proportion of self-produced components, the number of production steps and the length of production cycles both increased, which led to a higher volume

of goods at various stages of production. Second, certain customers received a surge of indicative orders toward the end of the year. To support their subsequent stocking plans, we scaled up production at the end of 2025, which resulted in an increase in work-in-progress as well as finished goods.

Our inventory turnover days decreased from 43 days in 2023 to 35 days in 2024 primarily because our cost of revenue increased during 2024, whereas our inventories decreased attributable to reasons discussed above. Our inventory turnover days increased from 35 days in 2024 to 38 days in 2025 primarily due to the increase in our inventory balance as of the end of 2025, reflecting our decision to maintain a higher level of safety stock in light of raw material price volatility and supply chain uncertainties.

As of April 30, 2026, RMB209.3 million, or 82.4%, of our inventories as of December 31, 2025 had been subsequently sold or utilized.

Trade Receivables

Our trade receivables primarily consist of outstanding amounts due from our customers for products we have sold in the ordinary course of our business. The credit period generally ranges from 60 days to 90 days. Trade receivables are generally settled in accordance with the terms of the respective contracts.

The following table sets forth the aging analysis of our trade receivables based on revenue recognition date, as of the dates indicated of our trade receivables for the periods indicated.

	As of December 31,		
	2023	2024	2025
		(RMB'000)	
Within 90 days	1,145,443	1,146,515	756,354
91-180 days	13,133	3,595	25,417
181-365 days	–	456	605
1 to 2 years	12	2,923	424
Total	**1,158,588**	**1,153,489**	**782,800**

Our trade receivables decreased from RMB1,158.6 million as of December 31, 2023 to RMB1,153.5 million as of December 31, 2024, and further decreased to RMB782.8 million as of December 31, 2025. This overall downward trend was primarily driven by our strengthened receivables management and a continued improvement in our customer mix. In particular, our customer base has shifted toward a higher proportion of industry-leading OEMs, which generally observe shorter payment cycles and stronger payment disciplines, resulting in faster turnover of our trade receivables. The more pronounced decrease in 2025 was further attributable to a decline in our revenue scale in 2025 over the same period. As a result, our outstanding trade receivables as of December 31, 2025 were substantially lower compared to prior year-ends, reflecting both improved collection efficiency and reduced new receivables generation.

The following table sets forth turnover days of our trade receivables for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Trade receivables turnover days[(1)]	108	159	171

Note:

(1) Trade receivables turnover days are calculated by dividing the average balance of trade receivables for the relevant period by the total revenue for the relevant period and multiplying by 365 days for the full-year period.

Our trade receivables turnover days were 108 days, 159 days and 171 days in 2023, 2024 and 2025, respectively. Our trade receivables turnover days in 2023 were shorter because our revenue increased significantly to RMB2,297.7 million in 2023 during this period, whereas the average balance of our trade receivables in 2023 was relatively low, which was mainly affected by the significantly lower opening balance (*i.e.* we recorded trade receivables of RMB197.1 million as of December 31, 2022). Our trade receivables turnover days increased to 159 days in 2024, primarily because our revenue in 2024 was more concentrated in the second half of 2024 than the first half of 2024 (*i.e.* our revenue was RMB1,046.7 million and RMB1,608.9 million in the first and second half of 2024, respectively), resulting in a higher balance of trade receivables as of December 31, 2024. Our trade receivables turnover days slightly increased to 171 days in 2025, primarily because the decrease in our revenue outpaced the decrease in our trade receivables balance. In 2025, we were gradually collecting trade receivables generated during the sales peak in the second half of 2024, while our revenue for the year declined by a comparatively larger magnitude. As a result, although the absolute amount of our trade receivables decreased and our collection efforts remained effective, the lower revenue in 2025 led to a modest increase in our trade receivables turnover days.

We have made periodic assessments on recoverability based on historical settlement records and adjust the assessments according to forward-looking information. We review our trade receivables balance and follow up with customers with past due trade receivables on a monthly basis. We do not hold any collateral or other credit enhancements over our trade receivable balances. Trade receivables are non-interest-bearing.

Our Directors consider that there is no material recoverability issue with respect to the outstanding trade receivables and that our impairment provision was adequate in light of the prevailing circumstances as of the Latest Practicable Date, based on (i) our periodic assessment to closely monitor our credit exposure and identify significant increases in credit risks and, where applicable, make timely allowance for expected credit losses, (ii) the stringent internal measures we have taken to enhance the management and collection of trade receivables, and (iii) the reliability and track record of settlement from our customers, which are mainly established companies well-known in the industry.

As of April 30, 2026, 68.9% of our trade receivables as of December 31, 2025 had been settled subsequently.

Notes Receivables

Our notes receivables represent bank acceptance notes and commercial acceptance notes, all aged less than six months, which amounted to RMB424.2 million, RMB785.4 million and RMB285.5 million as of December 31, 2023, 2024 and 2025, respectively. The fluctuations of notes receivables during the Track Record Period was primarily due to the fluctuations in sales to certain OEM customers during the relevant years, where the notes were the main settlement method. Certain of our notes receivables were transferred to banks for cash (*i.e.* discounting) or transferred to our suppliers as payment (*i.e.* endorsing). See note 22 to the Accountants' Report set out in Appendix I in this document for details. Excluding notes receivables that were discounted or endorsed, the remaining notes receivables would be RMB18.4 million, RMB101.2 million and RMB134.6 million as of December 31, 2023, 2024 and 2025, respectively.

As of April 30, 2026, RMB157.3 million, or 55.1%, of our notes receivables as of December 31, 2025 had been settled subsequently.

Financial Assets at FVTPL

Our financial assets at fair value through profit or loss ("FVTPL") represent our investments in wealth management products issued by financial institutions. Our financial assets at FVTPL were nil as of December 31, 2023 and 2024, and amounted to RMB75.0 million as of December 31, 2025.

The fair value measurement of these financial assets is categorized as level 2 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs. We use the discounted cash flow valuation method. Namely, cash flows are estimated based on contractual terms of the wealth management products and discounted at a rate that reflects the credit risk of the counterparties.

During the Track Record Period, we purchased and redeemed wealth management products in accordance with our treasury management objective to improve returns on our available capital. We manage and evaluate the performance of investments on a fair value basis in accordance with our risk management and investment strategy.

As part of our investment strategy, we will continue to use our cash surplus to purchase low-risk wealth management products. Our finance department is responsible for proposing, analyzing and evaluating potential investment in wealth management products and other financial assets. Before purchasing any wealth management products, our finance department shall obtain the relevant approvals in accordance with our relevant internal procedures. Upon approvals, our finance department is responsible for purchasing such wealth management products and reviewing the performance of relevant wealth management products on a monthly basis. Our senior management team has extensive experience in corporate finance and investment management, which enables them to effectively assess the risks and returns of wealth management products and other investment projects and to implement our investment strategies in a prudent and disciplined manner. Our investment strategy related to financial products focuses on minimizing the financial risks by reasonably and conservatively matching the maturities or disposals of the portfolio to anticipated operating cash needs, while generating desirable investment returns for the benefits of our shareholders. We undertake to comply with the requirements and obligations under Chapter 14 of the Listing Rules for investments in financial assets measured at fair value through profit or loss and any acquisitions, disposals and other transactions involving such assets after the Listing.

Among the investments we made in the Track Record Period, none fell within the Board's review scope and all were approved by head of the finance department in accordance with our internal policies.

Cash and Cash Equivalents

Our cash and cash equivalents primarily represent cash at banks. Our cash and cash equivalents amounted to RMB75.7 million as of December 31, 2023 and RMB185.5 million as of December 31, 2024. The increase in cash and cash equivalents was primarily attributable to the proceeds from our financing activities and increases in bank borrowings. Our cash and cash equivalents increased from RMB185.5 million as of December 31, 2024 to RMB320.4 million as of December 31, 2025, mainly in relation to the proceeds we obtained from Pre-[**REDACTED**] financing.

Trade and Notes Payables

Our trade and notes payables are primarily payables incurred for the purchase of raw materials. The following table sets forth our trade and notes payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Trade payables	149,383	191,199	890,437
Notes payables	88,111	17,199	183
Total	**237,494**	**208,398**	**890,620**

Trade Payables

Trade payables primarily represent amounts due to third parties for the procurement of raw materials. During the Track Record Period, our suppliers generally granted us credit periods of 90 days upon receipt of the VAT invoices.

The following table sets forth the aging analysis of our trade payables based on purchase date as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Within 90 days	136,168	178,979	883,710
90-180 days	2,799	3,464	1,057
181-365 days	9,978	1,373	1,517
1-2 years	181	6,983	2,987
Over 2 years	257	400	1,166
Total	**149,383**	**191,199**	**890,437**

Our trade payables increased significantly from RMB149.4 million as of December 31, 2023 to RMB191.2 million as of December 31, 2024, as we purchased more raw materials for the production of vehicle computing solutions, which corresponded with our significantly increased sales volume. Our trade payables increased from RMB191.2 million as of December 31, 2024 to RMB890.4 million as of December 31, 2025, primarily because Bosch ceased to be our related party as of December 31, 2025, and the relevant amounts due to Bosch of RMB575.2 million (which were previously categorized as amounts due to related parties) were re-categorized as trade payables. See "—Amounts due to Related Parties" below for detail.

As of April 30, 2026, RMB736.0 million, or 82.7%, of our trade payables as of December 31, 2025 had been settled subsequently.

Notes Payables

Our notes payables represent bank acceptance notes and commercial acceptance notes issued to suppliers. Our notes payables decreased significantly by 80.5% from RMB88.1 million as of December 31, 2023 to RMB17.2 million as of December 31, 2024, and further decreased to RMB0.2 million as of December 31, 2025. We substantially reduced our use of commercial acceptance notes in line with industry practice and accelerated our payment settlement with suppliers.

Accrued Expense and Other Payables

Our accrued expense and other payables primarily consist of (i) payroll payables; (ii) other taxes payables; (iii) accrued expenses, primarily represented service fee payables to third-party agencies; (iv) warranty provisions arising from our product warranty for customers and (v) other payables. The following table sets forth our accrued expenses and other payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Payroll payables	45,525	45,229	60,589
Accrued expenses	42,808	42,010	33,327
Warranty provisions	19,406	23,308	27,803

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Other taxes payables	4,474	5,109	8,000
Other payables[(1)]	53,186	47,334	69,295
Accrued [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	**165,399**	**162,990**	**203,449**

Note:

(1) including payables arising from the ordinary business and payables to OEMs as they made advanced payment in connection with the joint R&D projects.

Our accrued expense and other payables remained relatively stable at RMB165.4 million as of December 31, 2023 and RMB163.0 million as of December 31, 2024. Our accrued expense and other payables increased from RMB163.0 million as of December 31, 2024 to RMB203.4 million as of December 31, 2025, primarily due to (i) an increase in payroll payables, in line with the increase in the number of employees resulting from our expanding business and production lines and (ii) an increase in other payables arising from a note payable of RMB23.7 million, which was mainly attributable to notes received from customers that were endorsed to suppliers for settlement.

Amounts Due to Related Parties

As of December 31, 2023 and 2024, the amounts due to related parties primarily represented the amounts due to Bosch. The amounts due to Bosch represented our payables to Bosch for the procurement of PCBAs and related services, and was trade in nature. As of December 31, 2025, Bosch ceased to be our related party and the relevant amounts due to Bosch was re-categorized as trade payables. See "—Trade payables" above for details. We also recorded certain amounts due to related parties which were non-trade in nature. The following table sets forth our amounts due to related parties by nature as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Amounts due to related parties (trade nature)			
Bosch[(1)]	1,424,984	1,201,322	–
Wingtech Technology Co., Ltd.	151	151	–
Weifu Smart Sensing (Wuxi) Technology Co., Ltd. ("Weifu")	–	450	–
Turing Display	–	–	793
Subtotal	1,425,135	1,201,923	793
Amounts due to related parties (non-trade nature)			
Chelian Yijia[(2)]	500	–	–
Chelian Zhijia[(3)]	17,640	17,640	9,537
Subtotal	18,140	17,640	9,537
Total	**1,443,275**	**1,219,563**	**10,330**

Notes:

(1) Represented our payables to Bosch for the procurement of PCBAs and related services. Bosch was our related party as of December 31, 2023 and 2024 and ceased to be our related party as of December 31, 2025.

(2) Chelian Yijia is one of our Employee Shareholding Platforms and a member of our Single Largest Group of Shareholders. We incurred amounts due to Chelian Yijia because we received consideration on behalf of Chelian Yijia for grant of restricted shares to our employees, and had settled such amounts as of December 31, 2023.

(3) Chelian Zhijia is one of our Employee Shareholding Platforms and a member of our Single Largest Group of Shareholders. We incurred amounts due to Chelian Zhijia because we received consideration on behalf of Chelian Zhijia for grant of restricted shares to our employees, and had settled such amounts as of January 31, 2026.

Our amounts due to related parties decreased from RMB1,443.3 million as of December 31, 2023, to RMB1,219.6 million as of December 31, 2024, primarily because we accelerated the settlement of our payables in line with industry practice. Specifically, in 2024, several leading OEMs publicly committed to shortening their payment cycles to suppliers and the China Association of Automobile Manufacturers issued an industry initiative calling on wider industry participants to promptly settle payables to suppliers. In response to these sector-wide developments, we proactively reduced our payment cycles to Bosch, which led to a corresponding decrease in our outstanding amounts due to related parties as of December 31, 2024. In addition, our amounts due to related parties as of December 31, 2023 was higher than the normal level because we ramped up our production toward the end of 2023 to ensure that we could meet the increased purchase volume from OEMs ahead of the Chinese New Year, which led to higher procurement from Bosch.

Our amounts due to related parties further decreased to RMB10.3 million as of December 31, 2025, primarily because Bosch was no longer our related party as of December 31, 2025 and the relevant amounts due to Bosch was re-categorized as trade payables. In addition, we accelerated the settlement of our amounts due to Bosch in 2025. As a result, our amounts due to Bosch decreased from RMB1,201.3 million as of December 31, 2024 (categorized as amounts due to related parties) to RMB575.2 million as of December 31, 2025 (categorized as trade payables).

The following table sets forth the aging analysis of our amounts due to related parties—trade nature based on purchase date as of the dates indicated:

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within 90 days	1,424,984	1,201,772	793
90-180 days	–	–	–
181-365 days	–	–	–
Over 1 year	151	151	–
Total	**1,425,135**	**1,201,923**	**793**

The following table sets forth the turnover days for our amounts due to related parties—trade nature, as well as the overall turnover days for our trade-nature payables (taking into account both amounts due to related parties—trade nature and trade payables), for the years indicated:

	For the Year Ended December 31,		
	2023	2024	2025
Turnover days for amounts due to related parties—trade nature[(1)]	216	247	238[(4)]
Turnover days for trade payables[(1)(2)]	244	217	242[(4)]
Overall turnover days for trade-nature payables[(1)(3)]	218	243	239

Notes:

(1) The turnover days are calculated by dividing the average balance of relevant payables for the relevant period by the cost of revenue for the relevant year and multiplying by 365 days.

(2) See "—Trade and notes payables—Trade payables" above for details.

(3) Calculated by taking into account both amounts due to related parties—trade nature and trade payables.

(4) Bosch was our related party as of December 31, 2023 and 2024, and ceased to be our related party as of December 31, 2025. The relevant amounts due to Bosch was re-categorized as trade payables. To maintain consistency in the calculation of turnover days, amounts due to Bosch is included in the amounts due to related parties.

The turnover days for amounts due to related parties did not differ materially from those for amounts due to other third parties. Our Directors confirm that transactions with Bosch during the Track Record Period were conducted at arm's length and on normal commercial terms.

As of April 30, 2026, all of our amounts due to related parties as of December 31, 2025 had been subsequently settled.

Contract Liabilities

Our contract liabilities primarily represent advance payment from our customers for the sales of our products. We recorded contract liabilities of RMB0.8 million, RMB3,000 and RMB0.2 million as of December 31, 2023, 2024 and 2025, respectively.

Paid-in Capital with Preferred Rights

Our paid-in capital with preferred rights is ordinary shares issued to Pre-[**REDACTED**] investors, which conferred certain preferred rights upon such Pre-[**REDACTED**] Investors. We recorded paid-in capital with preferred rights of RMB1,099.0 million, RMB1,684.7 million and nil as of December 31, 2023, 2024 and 2025, respectively. The fluctuations were associated with the issuance of new paid-in capital with preferred rights and the increase in our valuation. Paid-in capital with preferred Rights was unsecured and unguaranteed. The fair value change of the paid-in capital with preferred rights was charged to profit or loss for the year. As of December 31, 2023 and 2024, the paid-in capital with preferred rights was classified as non-current liability, as the redemption rights were not triggered. On September 30, 2025, shareholders of the paid-in capital with preferred rights agreed to terminate certain preferred rights, including the redemption right, liquidation right, anti-dilutive right and performance commitment. As a result, the paid-in capital with preferred rights was reclassified from liability to equity. See Note 32 to the Accountants' Report in Appendix I for details.

The measurement of the fair value of our paid-in capital with preferred rights involves the exercise of professional judgment and the use of certain bases, assumptions and unobservable inputs such as expected probabilities of different events which, by their nature, are subjective and uncertain. Please also see Note 39 to the Accountants' Report in Appendix I to this document for more information about the fair value measurement of the Level 3 valuations.

KEY FINANCIAL RATIOS

The following table sets forth the key financial ratios for the years/periods and as of the dates indicated:

	For the Year Ended/As of December 31,		
	2023	2024	2025
Gross profit margin (%)[1]	17.5	16.2	15.5
Current ratio[2]	0.76	0.83	0.92
Quick ratio[3]	0.64	0.79	0.80

Notes:

(1) Gross profit margin equals gross profit divided by revenues for the year/period and multiplied by 100%.

(2) Current ratio is calculated as total current assets divided by total current liabilities at the end of the year/period.

(3) Quick ratio is calculated as current assets less inventories divided by current liabilities at the end of the year/period.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period and up to the Latest Practicable Date, we funded our cash requirements principally from revenue from sales of products, bank borrowings and proceeds received from Pre-[**REDACTED**] Investments. We had cash and cash equivalents of RMB75.7 million, RMB185.5 million and RMB320.4 million as of December 31, 2023, 2024 and 2025, respectively. Going forward, we believe that our liquidity requirements will be satisfied by using a combination of revenue from sales of products and rendering of services, funds raised from the capital markets from time to time and the [**REDACTED**] received from the [**REDACTED**].

Current Assets/Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			*(unaudited)*
Current assets				
Inventories	315,907	110,753	254,024	348,724
Trade receivables	1,158,588	1,153,489	782,800	789,162
Notes receivables	424,232	785,378	285,472	228,509
Contract costs	64,839	4,644	46,025	31,526
Prepayments, deposits and other receivables	13,488	27,852	120,415	222,841
Amounts due from related parties	1,217	11,269	12,431	13,806
Financial assets at fair value through profit or loss	–	–	75,001	8,542
Restricted cash	33,316	111,251	12	12
Cash and cash equivalents	75,654	185,454	320,435	196,139
Total current assets	**2,087,241**	**2,390,090**	**1,896,615**	**1,839,261**
Current Liabilities				
Trade and notes payables	237,494	208,398	890,620	650,222
Borrowings	911,014	1,298,264	949,897	1,241,628
Accrued expense and other payables	165,399	162,990	203,449	181,342
Amounts due to related parties	1,443,275	1,219,563	10,330	10,902
Lease liabilities	2,136	2,696	3,361	2,242
Contract liabilities	794	3	197	12,954
Total current liabilities	**2,760,112**	**2,891,914**	**2,057,854**	**2,099,290**
Net current liabilities	**(672,871)**	**(501,824)**	**(161,239)**	**(260,029)**

Net Current Liabilities as of December 31, 2023, 2024 and 2025 and April 30, 2026

As of December 31, 2023, 2024 and 2025 and April 30, 2026, we incurred net current liabilities of RMB672.9 million, RMB501.8 million, RMB161.2 million and RMB260.0 million, respectively. We were in a net current liabilities position as of December 31, 2023, 2024 and 2025 and April 30, 2026, primarily because we were historically loss-making. See "—Description of

major components of our results of operations—Loss for the year" above and "Business—Business Sustainability and Path to Profitability—Factors Contributing to Historical Net Losses" for details. In addition, we incurred substantial short-term borrowings to support our business operations.

Please see below for a detailed analysis of the reasons for the fluctuations in our net current liabilities:

Our net current liabilities decreased from RMB672.9 million as of December 31, 2023 to RMB501.8 million as of December 31, 2024, primarily due to (i) a decrease of RMB223.7 million in amounts due to related parties, primarily because we accelerated the settlement of our payables in line with industry practice. Specifically, in 2024, several leading OEMs publicly committed to shortening their payment cycles to suppliers and the China Association of Automobile Manufacturers issued an industry initiative calling on wider industry participants to promptly settle payables to suppliers. See "—Discussion of Certain Key Items of Consolidated Statements of Financial Positions—Amounts due to Related Parties" above for details; (ii) an increase of RMB361.1 million in notes receivables, which was primarily due to the increase in sales to certain OEM customers during the relevant years, where the notes were the main settlement method; and (iii) an increase of RMB109.8 million in cash and cash equivalents, which was primarily attributable to the proceeds from our Series D financing and increases in bank borrowings, partially offset by (i) an increase of RMB387.3 million in borrowing in line with our increased financing activities and (ii) a decrease of RMB205.2 million in inventories, because we ramped up our production toward the end of 2023 to ensure that we could meet the increased purchase volume from OEMs ahead of the Chinese New Year, leading to higher inventory levels in 2023.

Our net current liabilities decreased from RMB501.8 million as of December 31, 2024 to RMB161.2 million as of December 31, 2025, primarily due to (i) a decrease of RMB626.1 million of our amounts due to Bosch from RMB1,201.3 million as of December 31, 2024 (categorized as amounts due to related parties) to RMB575.2 million as of December 31, 2025 (categorized as trade payables), reflecting that we accelerated the settlement of our payables to Bosch; (ii) a decrease in borrowings (current portion) of RMB348.4 million as we optimized our capital structure; and (iii) an increase of RMB135.0 million in cash and cash equivalents as we obtained proceeds from Pre-[**REDACTED**] financing of RMB570.0 million.

Our net current liabilities increased from RMB161.2 million as of December 31, 2025 to RMB260.0 million as of April 30, 2026, primarily due to (i) an increase of RMB291.7 million in borrowings (current portion) as we increased our bank borrowings to expand our business; (ii) a decrease of RMB124.3 million in cash and cash equivalents primarily due to settlement of trade payables arising from procurement of raw materials and components; (iii) a decrease of RMB66.5 million in financial assets at FVTPL due to redemption of certain short-term wealth management products, partially offset by a decrease of RMB240.4 million in trade and notes payables due to the settlement for payables arising from procurement as disclosed above.

Net Liabilities as of December 31, 2023 and 2024 and Net Assets as of December 31, 2025

As of December 31, 2023 and 2024, we incurred net liabilities of RMB1,672.7 million and RMB1,925.8 million, respectively. As of December 31, 2025, we recorded net assets of RMB182.1 million as of December 31, 2025. In addition to the reasons described above for our net current liabilities position, we were also in a net liabilities position as of December 31, 2023 and 2024 because we recognized significant amounts of paid-in capital with preferred rights of RMB1,099.0 million and RMB1,684.7 million, respectively. Excluding the impact of paid-in capital with preferred rights, our net liabilities as of December 31, 2023 and 2024 would have been RMB573.7 million and RMB241.1 million, respectively.

Please see below for a detailed analysis of the reasons for the fluctuations in our net assets/liabilities:

Our net liabilities increased from RMB1,672.7 million as of December 31, 2023 to RMB1,925.8 million as of December 31, 2024, primarily due to an increase of RMB585.7 million in paid-in capital with preferred rights. Excluding the impact of paid-in capital with preferred rights, our net liabilities would have decreased from RMB573.7 million as of December 31, 2023 to RMB241.1 million as of December 31, 2024, which was primarily attributable to: (i) a decrease of RMB223.7 million in amounts due to related parties, primarily because we accelerated the settlement of our payables in line with industry practice; (ii) an increase of RMB361.1 million in notes receivables, which was primarily due to the increase in sales to certain OEM customers during the relevant years, where the notes were the main settlement method; and (iii) an increase of RMB109.8 million in cash and cash equivalents, which was primarily attributable to the proceeds from our Series D financing and increases in bank borrowings.

Our net position improved significantly, turning from net liabilities of RMB1,925.8 million as of December 31, 2024 to net assets of RMB182.1 million as of December 31, 2025, primarily due to: (i) a decrease of RMB1,684.7 million in paid-in capital with preferred rights resulting from the termination of such preferred rights on September 30, 2025. Paid-in capital with preferred rights were subsequently converted from liabilities to equity; (ii) an increase of RMB135.0 million in cash and cash equivalents as we obtained proceeds from Pre-[**REDACTED**] financing of RMB570.0 million.

Cash Flows

The following table sets forth our cash flows for the years indicated:

	For the Year Ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Operating cash flows before changes in working capital	(37,545)	(12,301)	(99,012)
Changes in working capital	(660,172)	(999,982)	(774,507)
Interest received	747	1,224	1,366
Net cash used in operating activities	(696,970)	(1,011,059)	(872,153)
Net cash (used in)/generated from investing activities	(108,517)	(200,175)	(251,493)
Net cash generated from financing activities	836,474	1,321,034	1,258,627
Net increase/(decrease) in cash and cash equivalents	**30,987**	**109,800**	**134,981**
Cash and cash equivalents at the beginning of the year/period	44,667	75,654	185,454
Cash and cash equivalents at the end of year/period	**75,654**	**185,454**	**320,435**

Net Cash Used in Operating Activities

For the year ended December 31, 2023, 2024 and 2025, we incurred net cash used in operating activities of RMB697.0 million, RMB1,011.1 million and RMB872.2 million, respectively. Such an operating cash outflow was mainly due to our net losses throughout the Track Record Period. See "—Description of major components of our results of operations—Loss for the Year" above and "Business—Business Sustainability and Path to Profitability—Factors Contributing to Historical Net Losses" for details.

In addition, our operating cash outflow position was also attributable to the significant amount of notes receivable we received. As of December 31, 2023, 2024 and 2025, we recorded notes receivables of RMB424.2 million, RMB785.4 million and RMB285.5 million, respectively. To proactively manage our capital resources and cash flows, we transferred certain of our notes receivables to banks for cash (*i.e.* discounting) or to our suppliers as payment (*i.e.* endorsing) on a full recourse basis. See note 22 to the Accountants' Report set out in Appendix I in this document for details. These discounting and endorsing arrangements were undertaken solely as part of our financing activities to enhance our working capital and were not related to our operating activities. The table below demonstrates our net cash used in/generated from operating activities and financing activities after excluding the impact of settlements of notes receivables.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash used in operating activities	(696,970)	(1,011,059)	(872,153)
Add: net settlement of notes receivables discounted to banks	535,884	664,977	274,126
Net cash (used in)/generated from operating activities excluding net settlement of notes discounted to banks	**(161,086)**	**(346,082)**	**(598,027)**
Net cash used in/generated from financing activities	836,474	1,321,034	1,258,627
Minus: net settlement of notes receivables discounted to banks	535,884	664,977	274,126
Net cash (used in)/generated from financing activities excluding net settlement of notes discounted to banks	**300,590**	**656,057**	**984,501**

Please see below for a detailed analysis of the reasons for the fluctuations in our net cash used in operating activities during each year of the Track Record Period:

For the year ended December 31, 2023, our net cash used in operating activities was RMB697.0 million. Excluding the impact of the settlement of notes receivables, our net cash used in operating activities would have been RMB161.1 million for this year. Our loss before tax was RMB201.2 million for the same period. The difference between our loss before tax and our net cash used in operating activities was primarily attributable to certain non-operating items, primarily including (i) fair value change of the paid-in capital with preferred rights of RMB92.4 million, which was primarily associated with the increase in our valuation; (ii) depreciation of property, plant and equipment of RMB16.2 million, which was attributable to the depreciation of our properties and equipment, and (iii) finance costs of RMB31.2 million, which represented interests on lease liabilities and interests on bank borrowings; and changes in certain working capital items, primarily including (i) an increase in trade receivables of RMB1,011.4 million, which was in line with the significant increase in the sales volume of our vehicle computing solutions, (ii) an increase in notes receivables of RMB406.3 million, which was primarily due to the increase in sales to certain OEM customers, where the notes were the main settlement method, and (iii) an increase in inventories of RMB188.6 million as we ramped up our production toward the end of 2023, partially offset by an increase in amount due to related parties of RMB823.7 million, as we accelerated the settlement of such payables in line with industry practice.

For the year ended December 31, 2024, our net cash used in operating activities was RMB1,011.1 million. Excluding the impact of the settlement of notes receivables, our net cash used in operating activities would have been RMB346.1 million for this year. Our loss before tax was RMB253.1 million for the same period. The difference between our loss before tax and our net cash

used in operating activities was primarily attributable to certain non-operating items, primarily including (i) fair value change of the paid-in capital with preferred rights of RMB157.8 million, which was primarily associated with the increase in our valuation; (ii) depreciation of property, plant and equipment of RMB27.5 million, which was attributable to the depreciation of our properties and equipment; and (iii) finance costs of RMB33.0 million, which represented interests on lease liabilities and interests on bank borrowings; and changes in certain working capital items, primarily including (i) an increase in notes receivables of RMB752.1 million, which was primarily due to the increase in sales to certain OEM customers, where the notes were the main settlement method and (ii) a decrease in amount due to related parties of RMB223.7 million, as we accelerated the settlement of such payables in line with industry practice, partially offset by a decrease in inventories of RMB205.9 million, as we did not ramp up our production towards the end of 2024 as we did in the previous year.

For the year ended December 31, 2025, our net cash used in operating activities was RMB872.2 million. Excluding the impact of the settlement of notes receivables, our net cash used in operating activities would have been RMB598.0 million for this year. Our loss before tax was RMB637.8 million for the same year. The difference between our loss before tax and our net cash used in operating activities was primarily attributable to certain non-operating items, primarily including (i) depreciation of property, plant and equipment of RMB27.8 million and (ii) gain on fair value change of the paid-in capital with preferred rights of RMB429.0 million, which was primarily associated with the increase in our valuation and changes in certain working capital items, primarily including (i) an increase of RMB425.7 million in notes receivables and (ii) a decrease of RMB1,210.0 million in amount due to related parties because Bosch ceased to be our related party and the relevant amount was re-categorized under trade payables, partially offset by (i) an increase of RMB756.9 million in trade payable.

We plan to enhance our cash flow position and manage any liquidity risks through a combination of cost discipline, growth initiatives and prudent financial management:

- First, we will diversify our revenue sources and increase economies of scale. We will continue to invest in the research and development as well as the sales and marketing of our new products, namely SA8225, MT8675 and MT8676 domain controllers, SA8775 controllers and zone controllers. Specifically, we obtained design-wins for various products, demonstrating that they are becoming increasingly significant contributors to our revenue mix and key drivers of our long-term growth. See "Summary—Recent Development" for details;

- Second, we will strengthen cost control and improve efficiency across our operations. This includes negotiating more favorable pricing with key suppliers, optimizing production planning and implementing targeted cost reduction initiatives for specific product platforms and projects. In addition, we aim to reinforce project cost management and accelerate cash conversion from contracts. By refining project budgeting, aligning delivery and billing milestones and closely tracking execution costs, we seek to narrow the gap between accounting profit and cash generation and improve overall project returns;

- Third, we will expand and optimize our funding sources. In addition to cash generated from operations, we will continue to work with various financial institutions to secure and maintain substantial credit lines, which provide us with flexibility to respond to changes in order intake, customer payment patterns and market conditions. In particular, we will increase the proportion of medium- to long-term borrowings and optimize our capital structure so that funding tenor better matches our project cash flow profile; and

- Fourth, we will monitor our working capital on a regular basis to enable timely operational adjustments. We will continue to review the aging and balances of receivables and payables as well as inventory levels on a monthly basis and, based on these trends, refine our procurement pace, production schedules and sales strategies.

Net Cash (Used in)/Generated from Investing Activities

For the year ended December 31, 2023, our net cash used in investing activities was RMB108.5 million, primarily due to purchase of property, plant and equipment of RMB77.4 million, partially offset by proceeds from disposals of property, plant and equipment of RMB2.0 million.

For the year ended December 31, 2024, our net cash used in investing activities was RMB200.2 million, primarily due to (i) purchase of financial assets at FVTPL of RMB1,342.6 million, and (ii) placement of restricted cash of RMB110.0 million, partially offset by proceed on disposal of financial assets at FVTPL of RMB1,343.3 million.

For the year ended December 31, 2025, our net cash used in investing activities was RMB251.5 million, primarily due to purchase of financial assets at FVTPL of RMB5,001.2 million, partially offset by proceeds on disposal of financial assets at FVTPL of RMB4,929.8 million.

Net Cash Generated from Financing Activities

For the year ended December 31, 2023, our net cash generated from financing activities was RMB836.5 million, primarily due to proceeds from borrowings of RMB1,271.2 million, partially offset by repayment of borrowings of RMB455.7 million.

For the year ended December 31, 2024, our net cash generated from financing activities was RMB1,321.0 million, primarily due to proceeds from issuance of paid-in capital with preferred rights of RMB427.9 million and proceeds from borrowings of RMB1,805.3 million, partially offset by repayment of bank borrowings of RMB877.3 million.

For the year ended December 31, 2025, our net cash generated from financing activities was RMB1,258.6 million, primarily due to proceeds from issuance of share capital of RMB570.0 million and proceeds from borrowings of RMB1,799.9 million, partially offset by repayment of borrowings of RMB1,082.3 million.

INDEBTEDNESS

	As of December 31,			As of April 30,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current liabilities				
Borrowings	911,014	1,298,264	949,897	1,241,628
Lease liabilities	2,136	2,696	3,361	2,242
Amounts due to related parties (non-trade nature)	18,140	17,640	9,537	10,902
Non-current liabilities				
Borrowings	69,208	–	200,000	200,000
Lease liabilities	4,274	2,092	8,778	7,673
Paid-in capital with preferred rights	1,099,021	1,684,695	–	–
Total indebtedness	**2,103,793**	**3,005,387**	**1,171,573**	**1,462,445**

Borrowings

Our borrowings were primarily used to finance our increased working capital requirements driven by our business expansion during the Track Record Period. As of April 30, 2026, we had committed unutilized bank facilities of RMB510.0 million. The followings table sets forth our bank borrowings as of the dates indicated:

	As of December 31,			As of April 30, 2026
	2023	2024	2025	
				(unaudited)
		(RMB in thousands)		
Borrowings				
Bank borrowings – unsecured and unguaranteed	–	150,044	–	200,000
Bank borrowings – secured	431,828	771,848	200,000	200,000
Bank borrowings – guaranteed	394,113	376,372	949,897	1,041,628
Other borrowings	154,281	–	–	–
Total borrowings	**980,222**	**1,298,264**	**1,149,897**	**1,441,628**

Lease Liabilities

Our lease liabilities are in relation to properties that we lease primarily for our offices and production facilities. As of December 31, 2023, 2024 and 2025 and April 30, 2026, we had a total of current and non-current lease liabilities of RMB6.4 million, RMB4.8 million, RMB12.1 million and RMB9.9 million. The fluctuations in our lease liabilities during the Track Record Period were attributable to our lease of offices and production facilities to support our business expansion and the expiration of such leases. Lease liabilities is unsecured and unguaranteed.

Indebtedness Statement

During the Track Record Period and as of the Latest Practicable Date, none of our creditors of the indebtedness described above had claimed default against us to the best of our knowledge. Our Directors also confirm that we did not experience difficulty in obtaining borrowings, default in payment on borrowings, payables to related parties, lessors, financial institutions or investors during the Track Record Period and up to the Latest Practicable Date.

Save as disclosed above, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of April 30, 2026.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025 and April 30, 2026, we did not have any material contingent liabilities, guarantees of any litigations or claims of material importance, pending or threatened against any member of our Company. Our Directors have confirmed that there had not been any material change in the contingent liabilities of our Company since April 30, 2026 and up to the Latest Practicable Date.

CAPITAL EXPENDITURES

Our capital expenditures in 2023, 2024 and 2025 were RMB77.4 million, RMB66.4 million and RMB35.0 million, respectively, primarily represented purchase of property, plant and equipment. We intend to fund our future capital expenditures with our existing cash balance,

revenue from sales of products, bank borrowings and [**REDACTED**] from the [**REDACTED**]. See the section headed "Future Plans and Use of [**REDACTED**]" for more details. We may reallocate the fund to be utilized on capital expenditures based on our ongoing business needs.

CONTRACTUAL OBLIGATIONS

Capital Commitments

As of December 31, 2023, 2024 and 2025, we had capital commitments contracted, but not yet provided, of RMB11.8 million, RMB129.0 million and RMB83.6 million, respectively. Such capital commitments reflected the capital expenditure we contracted for but not provided on acquisition of long-term assets.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

Our amounts due to related parties (trade nature) as of December 31, 2023 and 2024 primarily represented our payables to Bosch, which was our related party as of December 31, 2023 and 2024 and ceased to be our related party as of December 31, 2025. See "Discussion of Certain Key Items of Consolidated Statements of Financial Position—Amounts Due to Related Parties." We also incurred amounts due to related parties (non-trade nature). We recorded amounts due to Chelian Zhijia (one of our Employee Shareholding Platforms and a member of our Single Largest Group of Shareholders) of RMB17.6 million, RMB17.6 million and RMB9.5 million as of December 31, 2023, 2024 and 2025. We received consideration on behalf of Chelian Zhijia for grant of restricted shares to our employees, and had settled such amounts as of January 31, 2026. See note 42 to the Accountants' Report set out in Appendix I in this document for details. In addition, as of December 31, 2025, RMB949.9 million of our bank borrowings were guaranteed by Mr. Yang, and we expect to settle such amounts before Listing. See note 30 to the Accountants' Report set out in Appendix I in this document for details. Our Directors confirm that each of these related party transactions were entered into in our ordinary course of business and conducted at arm's length with normal commercial terms.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market risks including credit risk and liquidity risk in the normal course of our business. We manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner. For details of the risks to which we are exposed, see note 3 to the Accountants' Report set out in Appendix I in this document.

DIVIDENDS

We did not declare or pay dividends on our Shares during and after the Track Record Period. We do not have any formal dividend policy or pre-determined dividend payout ratio. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including our earnings and financial condition, operating requirements, capital requirements and any other conditions that our Directors may deem relevant. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that it is required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As advised by our PRC Legal Adviser, our Company may not declare and

pay dividends before making up for the accumulated losses and setting aside the required reserve fund in accordance with the PRC laws and regulations. There is no assurance that dividends of such amount or any amount will be declared or distributed each year or in any year.

WORKING CAPITAL CONFIRMATION

We had negative operating cash flow of RMB697.0 million, RMB1,011.1 million and RMB872.2 million in 2023, 2024 and 2025, respectively. Negative operating cash flows may pose certain risks for our operations, including risks related to our working capital sufficiency. See "Risk Factors—Risks Relating to Our Business and Industry—We incurred net loss and net operating cash outflows during the Track Record Period."

We plan to adopt various measures to increase profitability. See "Business—Business Sustainability and Path to Profitability." Despite that we recorded operating cash outflow during the Track Record Period, we further replenished our working capital through bank borrowings and Pre-[**REDACTED**] financing after the Track Record Period. Taking into account the financial resources available to us, including our cash and cash equivalents on hand, unutilized bank facilities, internally generated funds and the estimated [**REDACTED**] from the [**REDACTED**], our Directors are of the view that we have sufficient working capital to meet our present needs and for the next 12 months from the date of this document. Our Directors confirm that we had no material defaults in payment of trade and non-trade payables and borrowings, or breaches of covenants for the borrowings during the Track Record Period and up to the date of the document. After making reasonable inquiries of our management about our working capital, nothing material has come to the attention of the Joint Sponsors that would cast doubt on the views of our Directors.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

UNAUDITED [REDACTED] STATEMENT OF ADJUSTED CONSOLIDATED TANGIBLE ASSETS

See Unaudited [**REDACTED**] Financial Information in Appendix II to this document for details.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, save as disclosed in "Summary—Recent Developments," up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, which is the end date of the periods reported on in the condensed consolidated financial statements included in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the and the condensed consolidated financial statements included in Appendix I to this document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

For a detailed description of our future plans, see "Business — Our Growth Strategies."

USE OF [REDACTED]

Assuming that the [**REDACTED**] is not exercised, after deducting the [**REDACTED**] commissions and other estimated [**REDACTED**] expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**]), we estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**]. We intend to use the [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

(i) Approximately [50.0]% (or HK$[**REDACTED**]) will be used for the research and development of vehicle computing solutions and zone controllers, of which:

(a) approximately [31.0]% (or HK$[**REDACTED**]) will be allocated to the development of vehicle computing solutions. Specifically,

- approximately [12.0]% (or HK$[**REDACTED**]) will be allocated to integrated ADAS and cockpit controller solutions enabling dynamic compute sharing and functional convergence between intelligent cockpit and intelligent driving domains. We plan to use these [**REDACTED**] mainly to (i) recruit and retain research and development personnel dedicated to these integrated controller solutions, (ii) pay software copyright and licensing fees for development tools and third-party software, and (iii) fund testing and validation activities for our integrated platforms. We expect that these investments will enhance the performance, stability and scalability of our integrated ADAS and cockpit controller solutions and better support the mass production programs of our OEM customers. At the same time, we will continue to position our products around a central computing control architecture, under which advanced intelligent driving and intelligent cockpit functionalities are hosted on a unified computing platform, in order to align with the industry trend towards more centralized vehicle electronic and electrical architectures. We expect our solutions based on a central computing control architecture to secure design win in 2028 and commence mass production in 2029. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030;

	2026	2027	2028	2029	2030
Planned Use of [REDACTED] *(RMB in thousands)*					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Software copyrights	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Testing and validation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned R&D headcount *(numbers)*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- approximately [11.0]% (or HK$[**REDACTED**]) will be used for the development of intelligent cockpit domain controller solutions based on cost-efficient SoC platforms to broaden product coverage and address diverse intelligent upgrade needs across vehicle segments. We plan to use these proceeds mainly to (i) recruit and retain research and development personnel dedicated to these intelligent cockpit domain controller solutions, (ii) pay software copyright and licensing fees for development tools and third-party

software, and (iii) fund testing and validation activities for our intelligent cockpit platforms. We expect that these investments will help us enhance the functionality, cost-effectiveness and scalability of our intelligent cockpit domain controller solutions and better serve customers across different vehicle models and price segments. We expect that this solution will secure design win by 2027 and commence mass production in 2028. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030;

	2026	2027	2028	2029	2030
Planned Use of [REDACTED] *(RMB in thousands)*					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Software copyrights	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Testing and validation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned R&D headcount *(numbers)*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- approximately [8.0]% (or HK$[**REDACTED**]) will be allocated to high-performance intelligent cockpit domain controller solutions focusing on premium and personalized vehicle models. We plan to use these proceeds mainly to (i) recruit and retain research and development personnel dedicated to these high-performance intelligent cockpit domain controller solutions, (ii) pay software copyright and licensing fees for development tools and third-party software, and (iii) fund testing and validation activities for our high-performance intelligent cockpit platforms. We expect that these investments will help us enhance the computing performance, user experience and feature richness of our intelligent cockpit domain controller solutions for premium and personalized vehicle models and strengthen our position in this market segment. We expect our high-performance intelligent cockpit domain controller solutions to secure new customer design win in 2027 and achieve mass production for new projects in 2028. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030; and

	2026	2027	2028	2029	2030
Planned Use of [REDACTED] *(RMB in thousands)*					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Software copyrights	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Testing and validation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned R&D headcount *(numbers)*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(b) approximately [11.0]% (or HK$[**REDACTED**]) will be allocated to AI capability enhancement, focusing on AI engineering and product capabilities, data processing platforms and AI Agent products integrating cloud-edge collaboration for personalized and real-time user experiences. We plan to use these [**REDACTED**] mainly to (i) recruit and retain research and development personnel specializing in technology platformization, project delivery, data analysis and vertical model and application for our core automotive application scenarios development, and (ii) fund hardware procurement for development equipment and AI Box hardware. In particular, we plan to enhance our development capabilities relating to our vertical

models and AI Box products, including the procurement of GPUs and cloud computing resources for model training, as well as electronic components and hardware development costs for our AI Box products and other development equipment. We expect that these investments will enable us to improve our vertical model capabilities, development efficiency and hardware–software integration, thereby supporting the upgrade and optimization of our product portfolio. Our AI Box products are expected to secure design win in the first half of 2027 and commence mass production in the second half of 2027. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030;

	2026	2027	2028	2029	2030
Planned Use of [REDACTED]					
(RMB in thousands)					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Development equipment	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
AI box hardware	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned R&D headcount					
(numbers)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(c) approximately [8.0]% (or HK$[**REDACTED**]) will be used for the development of next-generation zone controller to enhance distributed data processing, signal control and power distribution capabilities across vehicle regions, supporting safe, efficient and coordinated intelligent-vehicle operation. We plan to use these [**REDACTED**] mainly to (i) recruit and retain research and development personnel dedicated to these zone controller solutions, (ii) pay software copyright and licensing fees for development tools and third-party software, and (iii) fund testing and validation activities for our next-generation zone controller platforms. We expect that these investments will help us improve the level of integration, safety and reliability of our zone controller solutions and better support the electrification and intelligent upgrade of vehicle electronic and electrical architectures. We expect our next-generation zone controller products to secure design win in 2028 and commence mass production in 2029. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030;

	2026	2027	2028	2029	2030
Planned Use of [REDACTED]					
(RMB in thousands)					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Software copyrights	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Testing and validation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned R&D headcount					
(numbers)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(ii) Approximately [23.0]% (or HK$[**REDACTED**]) will be used to strengthen our internationalization capabilities, of which:

(a) approximately [12.0]% (or HK$[**REDACTED**]) will be allocated to establishing a localized R&D center in Romania and recruiting experienced local technical personnel to improve solution localization and customer collaboration. We plan to establish dedicated software development and testing teams at this center, each led by a local team head and supported by a mix of senior, mid-level and junior engineers. This center is expected to serve as our key research and development and technical support hub in Europe, enabling closer collaboration with local OEM

customers, faster response to their project needs and more tailored intelligent cockpit and intelligent driving solutions for the European market. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the five years ending December 31, 2030; and

	2026	2027	2028	2029	2030
Planned Use of [REDACTED] *(RMB in thousands)*					
R&D personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Software copyrights	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operation and others	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned headcount *(numbers)*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(b) approximately [11.0]% (or HK$[**REDACTED**]) will be allocated to building a global sales and operations platform to integrate sales, technical support and service workflows and support sustainable international business expansion. We plan to prioritize the build-out of our sales and operations teams in Europe, East Asia and Southeast Asia, and to strengthen our brand awareness and customer acquisition capabilities in these regions through participation in local industry exhibitions, customer visits and targeted marketing activities. We expect to secure design wins by the end of 2027, with mass production scheduled to commence in 2028. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the four years ending December 31, 2029.

	2026	2027	2028	2029
Planned Use of [REDACTED] *(RMB in thousands)*				
Personnel	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Operation	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Marketing	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Planned headcount *(numbers)*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(iii) Approximately [17.0]% (or HK$[**REDACTED**]) will be used to enhance our production capabilities, of which:

(a) approximately [10.0]% (or HK$[**REDACTED**]) will be allocated to the construction of new smart manufacturing facilities to support scalable mass production, supply chain agility and cost competitiveness for domestic OEM customers. We plan to invest in our Wuxi and Wuhu production facilities to improve our manufacturing footprint and enhance our automation and large-scale production capabilities, so as to better support mass production and delivery for upcoming customer projects. We expect to complete the expansion of our Wuxi production line and the capital investment in our Wuhu plant by 2027. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the two years ending December 31, 2027; and

	2026	2027
Planned Use of [REDACTED] *(RMB in thousands)*		
Personnel	[**REDACTED**]	[**REDACTED**]
Equipment	[**REDACTED**]	[**REDACTED**]
Properties	[**REDACTED**]	[**REDACTED**]

	2026	2027
Others	[**REDACTED**]	[**REDACTED**]
Planned headcount *(numbers)*	[**REDACTED**]	[**REDACTED**]

(b) approximately [7.0]% (or HK$[**REDACTED**]) will be allocated to construction of overseas production facilities and related talent recruitment to reinforce global capacity layout, strengthen localized delivery, mitigate cross-border supply chain risks and enhance global customer penetration. These efforts will support our deeper integration into the European industrial value chain and strengthen our regional competitiveness. Taking into account local market demand and the pace of our business development in Europe, we intend to roll out our capacity deployment and manufacturing capabilities in phases. We expect construction to be completed by 2027 and mass production to commence in 2028. The table below sets out our planned use of [**REDACTED**] by purpose and the corresponding planned headcount over the two years ending December 31, 2027.

	2026	2027
Planned Use of [REDACTED] *(RMB in thousands)*		
Personnel	[**REDACTED**]	[**REDACTED**]
Equipment	[**REDACTED**]	[**REDACTED**]
Properties	[**REDACTED**]	[**REDACTED**]
Others	[**REDACTED**]	[**REDACTED**]
Planned headcount *(numbers)*	[**REDACTED**]	[**REDACTED**]

(iv) Approximately [10.0]% (or HK$[**REDACTED**]) will be used for working capital and other general corporate purposes.

If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the high end of the indicative [**REDACTED**] range, the [**REDACTED**] from the [**REDACTED**] will increase to approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per Share, being the low end of the indicative [**REDACTED**] range, the [**REDACTED**] from the [**REDACTED**] will decrease to approximately HK$[**REDACTED**].

The additional [**REDACTED**] that we would receive if the [**REDACTED**] were exercised in full would be: (i) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the [**REDACTED**] of the indicative [**REDACTED**] range); (ii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range); and (iii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the minimum [**REDACTED**] of the indicative [**REDACTED**] range).

To the extent that the [**REDACTED**] from the [**REDACTED**] are either more or less than expected, we will adjust our allocation of the [**REDACTED**] for the above purposes on a pro rata basis.

To the extent that the [**REDACTED**] of the [**REDACTED**] are not immediately used for the above purposes, we will only deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules. We will issue an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**] in accordance with the Listing Rules.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

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[**REDACTED**]

[**REDACTED**]

[REDACTED]

[**REDACTED**]

[REDACTED]

[**REDACTED**]

The following is the text of a report set out on pages [I-1] to I-[58], received from the Company's reporting accountants, [Deloitte Touche Tohmatsu], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF WUXI AUTOLINK INTELLIGENCE TECH CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND HAITONG INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of Wuxi Autolink Intelligence Tech Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages [I-3] to [I-58], which comprises the consolidated statements of financial position of the Group as at December 31, 2023, 2024 and 2025, the statements of financial position of the Company as at December 31, 2023, 2024 and 2025 and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2025 (the "Track Record Period") and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages [I-3] to [I-58] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the "document") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company (the "Directors") are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 1.2 to the Historical Financial Information, and for such internal control as the Directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 1.2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Group's financial position as at December 31, 2023, 2024 and 2025, of the Company's financial position as at December 31, 2023, 2024 and 2025, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 1.2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page [I-3] have been made.

Dividends

We refer to Note 14 to the Historical Financial Information which states that no dividend was declared or paid by the Company in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong
[Date]

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the "IASB") and were audited by us in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*5*	2,297,665	2,655,571	2,065,266
Cost of revenue		(1,894,526)	(2,225,957)	(1,746,172)
Gross profit		403,139	429,614	319,094
Other income	*6*	48,199	37,578	48,151
Other gains and losses	*7*	(93)	5,511	3,218
Impairment losses under expected credit loss model, net of reversal	*8*	(13,050)	(18,189)	12,404
Selling and marketing expenses		(31,798)	(51,709)	(55,552)
Administrative expenses		(77,464)	(94,979)	(93,446)
Research and development expenses		(406,584)	(367,664)	(336,857)
Changes in fair value of paid-in capital with preferred rights		(92,379)	(157,817)	(428,952)
Share of results of associates		–	(2,530)	(3,061)
Finance costs	*9*	(31,167)	(32,954)	(23,835)
[**REDACTED**] expense		[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Loss before tax		(201,197)	(253,139)	(575,709)
Income tax expense	*10*	–	–	–
Loss for the year attributable to owners of the Company	*11*	(201,197)	(253,139)	(575,709)
Other comprehensive expense				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations		–	–	(30)
Total comprehensive expense for the year attributable to owners of the Company		(201,197)	(253,139)	(575,739)
Loss per share				
Basic and diluted (RMB)	*15*	(1.99)	(2.48)	(3.72)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current Assets				
Property, plant and equipment	*16*	137,242	155,570	158,470
Right-of-use assets	*17*	10,320	7,905	15,579
Intangible assets	*18*	16,237	20,512	88,253
Interest in associates		–	12,470	9,409
Restricted cash	*25*	–	–	210,000
Prepayments, deposits and other receivables	*24*	8,874	66,314	70,374
		172,673	262,771	552,085
Current Assets				
Inventories	*19*	315,907	110,753	254,024
Trade receivables	*20*	1,158,588	1,153,489	782,800
Notes receivables	*22*	424,232	785,378	285,472
Contract costs	*23*	64,839	4,644	46,025
Prepayments, deposits and other receivables	*24*	13,488	27,852	120,415
Financial assets at fair value through profit or loss ("FVTPL")	*26*	–	–	75,001
Amounts due from related parties	*42*	1,217	11,269	12,431
Restricted cash	*25*	33,316	111,251	12
Cash and cash equivalents	*25*	75,654	185,454	320,435
		2,087,241	2,390,090	1,896,615
Current Liabilities				
Trade and notes payables	*27*	237,494	208,398	890,620
Accrued expenses and other payables	*28*	165,399	162,990	203,449
Amounts due to related parties	*42*	1,443,275	1,219,563	10,330
Lease liabilities	*29*	2,136	2,696	3,361
Borrowings	*30*	911,014	1,298,264	949,897
Contract liabilities	*31*	794	3	197
		2,760,112	2,891,914	2,057,854
Net Current Liabilities		(672,871)	(501,824)	(161,239)
Total Assets less Current Liabilities		(500,198)	(239,053)	390,846
Non-current Liabilities				
Borrowings	*30*	69,208	–	200,000
Lease liabilities	*29*	4,274	2,092	8,778
Paid-in capital with preferred rights	*32*	1,099,021	1,684,695	–
		1,172,503	1,686,787	208,778
Net (Liabilities) Assets		(1,672,701)	(1,925,840)	182,068
EQUITY				
Share capital	*33*	–	–	33,637
Paid-in capital	*33*	25,478	29,442	–
Reserves	*34*	(1,698,179)	(1,955,282)	148,431
Total (Deficits) Equity		(1,672,701)	(1,925,840)	182,068

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current Assets				
Property, plant and equipment	*16*	116,744	135,034	139,606
Right-of-use assets	*17*	790	321	9,940
Intangible assets	*18*	16,237	20,512	88,253
Interest in associates		–	12,470	9,409
Investment in subsidiaries	*43*	32,589	120,089	121,957
Restricted cash	*25*	–	–	210,000
Prepayment deposits and other receivables	*24*	7,959	65,404	69,446
		174,319	353,830	648,611
Current Assets				
Inventories	*19*	315,907	110,753	254,024
Trade receivables	*20*	1,158,588	1,153,489	782,800
Notes receivables	*22*	424,232	785,378	285,472
Contract Costs	*23*	64,839	4,644	46,025
Prepayments, deposits and other receivables	*24*	12,323	27,029	118,925
Financial assets at fair value through profit or loss	*26*	–	–	75,001
Amounts due from related parties	*42*	1,217	10,690	12,431
Amounts due from subsidiaries	*42*	155,890	120,003	166,689
Restricted Cash	*25*	33,316	111,251	12
Cash and cash equivalents	*25*	73,490	179,876	309,338
		2,239,802	2,503,113	2,050,717
Current Liabilities				
Trade and notes payables	*27*	237,235	206,540	889,340
Accrued expenses and other payables	*28*	138,145	136,195	152,842
Amounts due to related parties	*42*	1,443,124	1,218,962	10,330
Amounts due to subsidiaries	*42*	892	180,373	88,128
Lease liabilities	*29*	777	327	1,163
Borrowings	*30*	911,014	1,198,264	949,897
Contract liabilities	*31*	794	3	197
		2,731,981	2,940,664	2,091,897
Net Current Liabilities		(492,179)	(437,551)	(41,180)
Total Assets less Current Liabilities		(317,860)	(83,721)	607,431
Non-current Liabilities				
Borrowings	*30*	69,208	–	200,000
Lease liabilities	*29*	56	–	8,778
Paid-in capital with preferred rights	*32*	1,099,021	1,684,695	–
		1,168,285	1,684,695	208,778
Net (Liabilities) Assets		(1,486,145)	(1,768,416)	398,653
EQUITY				
Share capital	*33*	–	–	33,637
Paid-in capital	*33*	25,478	29,442	–
Reserves	*34*	(1,511,623)	(1,797,858)	365,016
Total (Deficits) Equity		(1,486,145)	(1,768,416)	398,653

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital	Paid-in capital	Share premium	Other reserve	Translation reserve	Accumulated deficit	Total
	RMB'000 (Note 33)	*RMB'000 (Note 33)*	*RMB'000 (Note 34)*	*RMB'000 (Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	–	23,263	–	(19,395)	–	(1,477,049)	(1,473,181)
Issuance of paid-in capital *(Note 33)*	–	1,677	–	–	–	–	1,677
Issue of new paid-in capital with preferred rights	–	538	52,462	–	–	–	53,000
Recognition of paid-in capital with preferred rights *(Note 32)*	–	–	(52,462)	(538)	–	–	(53,000)
Loss for the year	–	–	–	–	–	(201,197)	(201,197)
As at December 31, 2023	–	25,478	–	(19,933)	–	(1,678,246)	(1,672,701)
Issue of new paid-in capital with preferred rights	–	3,964	423,893	–	–	–	427,857
Recognition of paid-in capital with preferred rights *(Note 32)*	–	–	(423,893)	(3,964)	–	–	(427,857)
Loss for the year	–	–	–	–	–	(253,139)	(253,139)
As at December 31, 2024	–	29,442	–	(23,897)	–	(1,931,385)	(1,925,840)
Loss for the year	–	–	–	–	–	(575,709)	(575,709)
Other comprehensive expense for the year	–	–	–	–	(30)	–	(30)
Total comprehensive expense for the year	–	–	–	–	(30)	(575,709)	(575,739)
Conversion into a joint stock company *(Note 33)*	29,442	(29,442)	–	–	–	–	–
Derecognition of paid-in capital with preferred rights *(Note 32)*	–	–	2,089,750	23,897	–	–	2,113,647
Issue of shares *(Note 33)*	4,195	–	565,805	–	–	–	570,000
As at December 31, 2025	33,637	–	2,655,555	–	(30)	(2,507,094)	182,068

Note:

At each balance sheet date, the amount of other reserve represent paid-in capital with preferred rights recognized as financial liabilities.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the years ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
OPERATING ACTIVITIES			
Loss before tax	(201,197)	(253,139)	(575,709)
Adjustments for:			
Depreciation of property, plant and equipment	16,164	27,469	27,833
Depreciation of right-of-use assets	2,860	2,734	2,266
Amortization of intangible assets	1,993	2,620	4,467
Write-down on inventories	6,093	2,142	2,076
Impairment losses recognized under expected credit loss model, net of reversal	13,050	18,189	(12,404)
Fair value change of the paid-in capital with preferred rights	92,379	157,817	428,952
Gain from changes in fair value of financial assets at FVTPL	–	(713)	(3,535)
Share of results of associates	–	2,530	3,061
(Gain)/loss on disposal of property, plant and equipment	(54)	(4,904)	146
Finance costs	31,167	32,954	23,835
Operating cash flows before movements in working capital	(37,545)	(12,301)	(99,012)
(Increase)/decrease in trade receivables	(1,011,442)	(232,139)	383,093
Increase in notes receivables	(406,290)	(752,126)	(425,742)
(Increase)/decrease in inventories	(188,633)	205,903	(140,494)
(Increase)/decrease in contract costs	(53,219)	60,195	(41,381)
Decrease/(increase) in prepayments, deposits and other receivables	20,015	(15,755)	(139,663)
Increase in amount due from related parties	(1,152)	(10,052)	(369)
Increase/(decrease) in amount due to related parties	823,740	(223,712)	(1,210,026)
Increase/(decrease) in trade and notes payable	132,929	(29,096)	756,896
Increase/(decrease) in accrued expenses and other payables	47,349	(2,409)	42,985
(Decrease)/increase in contract liabilities	(23,469)	(791)	194
Cash used in operations	(697,717)	(1,012,283)	(873,519)
Interest received	747	1,224	1,366
NET CASH USED IN OPERATING ACTIVITIES	(696,970)	(1,011,059)	(872,153)
INVESTING ACTIVITIES			
Withdrawal of restricted cash	87	32,075	111,251
Placement of restricted cash	(26,132)	(110,010)	(210,012)
Purchase of financial assets at FVTPL	–	(1,342,610)	(5,001,220)
Proceed on disposal of financial assets at FVTPL	–	1,343,323	4,929,754
Purchase of property, plant and equipment	(77,393)	(66,418)	(35,011)
Proceeds from disposal of property, plant and equipment	1,969	5,383	973
Purchase of intangible assets	(7,048)	(6,918)	(32,228)
Prepayments for intangible assets	–	(40,000)	(15,000)
Acquisition of investment in an associate	–	(15,000)	–

	For the years ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
NET CASH USED IN INVESTING ACTIVITIES	(108,517)	(200,175)	(251,493)
FINANCING ACTIVITIES			
Proceeds from borrowings	1,271,180	1,805,336	1,799,893
Repayment of borrowings	(455,742)	(877,251)	(1,082,286)
Proceeds from issuance of paid-in capital	1,676	–	–
Proceeds from issuance of ordinary shares	–	–	570,000
Repayments of lease liabilities	(2,733)	(1,941)	(2,589)
Proceeds from issuance of paid-in capital with preferred rights	53,000	427,857	–
Interest paid	(30,907)	(32,967)	(23,835)
Issue costs paid	–	–	(2,556)
NET CASH FROM FINANCING ACTIVITIES	836,474	1,321,034	1,258,627
NET INCREASE IN CASH AND CASH EQUIVALENTS	30,987	109,800	134,981
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	44,667	75,654	185,454
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	75,654	185,454	320,435

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION AND BASIS OF PREPARATION OF THE HISTORICAL FINANCIAL INFORMATION

1.1 General Information

The Company was established as a company with limited liability in Wuxi on August 8, 2014, under the Company Law of the People's Republic of China (the "PRC"). On November 18, 2025, the Company was converted into a joint stock company with limited liability under the company law of PRC. The founder of the Company is Mr. Yang Hongze (the "Founder"), who is also the director and chief executive officer of the Company. The address of the registered office and the principal place of business is disclosed in the section headed "Corporate Information" in the document.

The Company and its subsidiaries (the "Group") are principally engaged in the provision of vehicle computing solutions products (as defined in the document) in the PRC.

The Historical Financial Information is presented in RMB, which is also the functional currency of the Company and its subsidiaries in the PRC. The functional currencies of the Company's other oversea subsidiaries are their respective local currencies.

The statutory financial statements of the Company for the years ended December 31, 2023, and 2024 were prepared in accordance with Chinese Accounting Standards for Business Enterprises ("CASBE") issued by the Ministry of Finance of the PRC and were audited by Pan-China Certified Public Accountants LLP, a certified public accountant registered in the PRC. No audited statutory financial statements of the company were available for the year ended December 31, 2025.

1.2 Basis of Preparation of the Historical Financial Information

The Historical Financial Information has been prepared based on the accounting policies which conform with IFRS Accounting Standards. In addition, the Historical Financial Information include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance (the "Companies Ordinance").

During the Track Record Period the Group recorded net loss of RMB201,197,000, RMB253,139,000 and RMB575,709,000 for the years ended December 31, 2023, 2024 and 2025, respectively. The net loss primarily arise from the changes in fair value of paid-in capital with preferred rights (the "Paid-in Capital with Preferred Rights"). The net loss without changes in fair value of paid-in capital with preferred rights would be RMB108,818,000, RMB95,322,000 and RMB146,757,000 for the years ended December 31, 2023, 2024 and 2025, respectively. As of December 31, 2025, the Group recorded net current liability of RMB161,239,000. In view of continuing loss and net current liability position, the Group has performed a working capital forecast for the next twelve months from May 29, 2026, taking into account the financial resources available to the Group, including cash and cash equivalents on hand, banking facilities available to the Group, the board of directors of the Company (the "Directors") believe that the Group will have sufficient cash resources to satisfy its future working capital in the next twelve months from May 29, 2026. Based on the judgments of the Directors, the assessment and the period covered have taken into account all relevant information, including any anticipated events or conditions, in assessing the use of the going concern basis in preparing the Historical Financial Information. Accordingly, the Directors consider that it is appropriate that the Historical Financial Information is prepared on a going concern basis.

2. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on or January 1, 2025, throughout the Track Record Period.

New and Revised IFRS Accounting Standards in issue but not yet effective

[At the date of this report], the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Amendments to IFRS Accounting Standards . . .	*Annual Improvements to IFRS Accounting Standards — Volume 112*
IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[3]

1. Effective for annual periods beginning on or after a date to be determined.

2. Effective for annual periods beginning on or after January 1, 2026.

3. Effective for annual periods beginning on or after January 1, 2027.

Except for the amendments to IFRS Accounting Standards mentioned below, the Directors anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

Impacts on application of IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provides disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 *Financial Instruments Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted.

The application of the new standard is not expected to have significant impact on the financial performance and position of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group's management-defined performance measures will be disclosed in a separate note to the consolidated financial statements. The Group currently presents interest received in operating activities, they will be classified in the investing activities, on the consolidated statement of cash flows.

3. MATERIAL ACCOUNTING POLICY INFORMATION

For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users.

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

3.1 Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries of the Group controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.2 Investment in subsidiaries

Investment in subsidiaries are stated in the statements of financial position of the Company at cost less identified impairment loss, if any.

3.3 Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in Note 5.

3.4 Research and development expenses

Expenditure on research activities is recognized as an expense in the period in which it is incurred. When no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

3.5 Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

3.6 Employee benefits

Retirement benefit costs

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries. Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

Short-term employee benefits

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognized as an expense unless another IFRS Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

3.7 Share-based payments

Equity-settled share-based payment transactions

Shares granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

3.8 Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the combined financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

3.9 Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Other than construction in progress as described below, property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.10 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3.11 Impairment on property, plant and equipment, right-of-use assets, contract costs and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, intangible assets with finite useful lives and contract costs to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. An impairment loss is recognised immediately in profit or loss.

3.12 Cash and cash equivalents

For the purposes of the consolidated statements of financial position and the consolidated statements of cash flows, cash and cash equivalents consist of:

(a) cash, which comprises of cash on hand; and

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less) highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.13 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories are determined on a weighted average method. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write- down of inventories is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

3.14 Contract costs

The Group incurs costs to fulfill a contract for vehicle computing solutions. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant standards, failing which it recognizes an asset for these costs only if they meet all of the following criteria.

(a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;

(b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) the costs are expected to be recovered.

The asset is subsequently recognized to profit or loss at a point in time when vehicle computing solutions are accepted by the customers.

3.15 Provision

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sales of vehicle computing solutions products used in cars are recognized at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Group's obligation.

3.16 Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss "FVTPL") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in wealth management products issued by banks are classified as financial assets at FVTPL as the principal amount and expected returns of these wealth management products are not guaranteed, and the contractual terms does not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(i) Amortized cost and interest income

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or designated as fair value through other comprehensive income ("FVTOCI") are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets and other items subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade receivables, notes receivables, deposits and other receivables, amounts due from related parties and subsidiaries, restricted cash, and cash and cash equivalents), which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant financial instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The Group always recognizes lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 60 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognized in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

The Group measures ECL on a collective basis for portfolios of financial instruments that share similar economic risk characteristics. Lifetime ECL for trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward- looking macroeconomic information. The Group measures ECL on an individual basis for credit impaired trade receivables.

The grouping is regularly reviewed by the management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortized cost of the financial asset.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, and notes receivables where the corresponding adjustment is recognized through a loss allowance account.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained profits upon derecognition of the financial liability.

Financial liabilities at amortized cost

Financial liabilities including trade and notes payables, other payables, borrowings and amounts due to related parties and subsidiaries are subsequently measured at amortized cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, canceled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Modification of financial liabilities

When the contractual terms of financial liabilities are modified, such as extending the tenure, change in redemption price, the revised terms would result in a substantial modification from the original terms, after taking into account all relevant facts and circumstances including qualitative factors, such modification is accounted for as derecognition of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of financial liability and the fair value of the financial liabilities with modified terms is recognised in changes in fair value of financial liabilities.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement of financial liabilities at FVTPL

As at December 31, 2023, 2024 and 2025, the Group's Paid-in Capital with Preferred Rights amounting to RMB1,099,021,000, RMB1,684,695,000 and nil respectively, are measured as financial liabilities at FVTPL, which is determined using Black-Scholes option pricing model with significant unobservable inputs used. Judgement and estimation are required in establishing the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of the Paid-in Capital with Preferred Rights. Details of the financial liabilities at FVTPL are disclosed in Note 39.

5. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Types of revenue line:			
Vehicle computing solutions	2,297,665	2,655,571	2,010,099
Zone controller solutions	–	–	55,167
	2,297,665	2,655,571	2,065,266
Timing of revenue recognition:			
At a point in time	2,297,665	2,655,571	2,065,266

(ii) Performance obligations for contracts with customers and revenue recognition policies

The Group sells intelligent cockpit domain controllers and solutions to original equipment manufacturers which designs, develops and manufactures vehicles ("OEMs") and tier-1 supplier of OEMs ("Supplier of OEMs") in connection with their production of passenger vehicles ("Tier-1 Supplier").

Revenue from intelligent cockpit domain controllers and solutions are recognized at a point in time when the products or solutions are accepted by the customers.

Revenue from intelligent cockpit solutions may involve variable consideration arrangement, which depends on the quantity of intelligent cockpit components delivered to OEMs or to Supplier of OEMs. Management makes the best estimate of the transaction price with variable consideration, which would not include any estimated amounts of variable consideration that are constrained.

Sales-related warranties are not sold separately and serve as an assurance that the products sold comply with agreed-upon specifications. The Group accounts for these warranties in accordance with IAS 37, "Provisions, Contingent Liabilities, and Contingent Assets." The warranty provision is based on historical experience and management's best estimate and is updated at each reporting period.

As all performance obligations under the contracts are expected to be completed within one year. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(iii) Segment information

Information reported to the chief executive officer of the Company, who is identified as the chief operating decision maker ("CODM") of the Company, in order to allocate resources and to assess performance, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is reviewed by the CODM. Accordingly, no operating segment information is presented.

(iv) Geographical information

No geographic information is presented as the non-current assets are all located in the PRC and revenue of the Group are all derived from its activities in the PRC. Accordingly, no operating segment information is presented.

(v) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer A	1,355,606	1,557,485	542,558
Customer B	*	538,403	631,325
Customer C	*	*	447,577
Customer F	415,807	*	*
Customer E	392,030	*	*
	2,163,443	2,095,888	1,621,460

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the respective year.

6. OTHER INCOME

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants *(Note i)*	21,145	9,530	10,920
Value-added tax additional deduction and incentives *(Note ii)*	26,307	23,976	32,925
Interest income from bank balances	747	1,224	1,366
Others	–	2,848	2,940
	48,199	37,578	48,151

Notes:

i. The government grants mainly represent incentives provided by local government authorities in the PRC to reward the Group's support and contribution for the development of local economies. Government grants are recognized as other income when the amount is received and the attached conditions satisfied.

ii. Value-added tax additional deduction and incentives represent tax refund from PRC government authorities, which are recognised when the amount is received.

7. OTHER GAINS AND LOSSES

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Gain/(loss) on disposal of property, plant and equipment	54	4,904	(146)
Gain from changes in fair value of financial assets at FVTPL	–	713	3,535
Others	(147)	(106)	(171)
	(93)	5,511	3,218

8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Impairment losses recognized on:			
– Trade receivables	13,050	18,189	(12,404)

Details of impairment assessment are set out in Note 38.

9. FINANCE COSTS

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interests on lease liabilities	2,712	1,823	216
Interests on borrowings	28,455	31,131	23,619
	31,167	32,954	23,835

10. INCOME TAX EXPENSE

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current tax	–	–	–
Deferred tax *(Note 21)*	–	–	–
	–	–	–
	–	–	–
	–	–	–

Under the Law of the PRC on enterprise income tax (the "EIT Law") and implementation regulation of the EIT Law, the statutory tax rate of the PRC subsidiaries is 25% during the Track Record Period.

The Company and its subsidiaries operating in the PRC are eligible for certain tax concessions. Under the EIT Law effective on January 1, 2008, the "High and New Technology Enterprise" (the "HNTE") status of qualifying entities is valid for three years and qualifying entities can re-apply for an additional three years provided their business operations continue to qualify for the HNTE status. The Company was qualified as HNTE in 2021 and renewed its HNTE in 2024 and was entitled to a preferential tax rate of 15% from 2021 to 2026. Shanghai Autolink Information Technology Co., Ltd. ("Shanghai Autolink") was qualified as HNTE in 2023 and was entitled to a preferential tax rate of 15% from 2023 to 2025.

According to a policy promulgated by the State Tax Bureau of the PRC and effective from 2018 onwards, enterprises engaged in Research and development ("R&D") activities are entitled to claim an additional tax deduction amounting to 75% of the qualified R&D expenses incurred in determining its tax assessable profits for that year ("Super Deduction"). Starting from January 2021, the Super Deduction ratio increased to 100% for manufacturing industry. Starting from October 1, 2022, the Super Deduction ratio was increased to 100% for other industries. The companies, Shanghai Autolink and Shenzhen Autolink Information Technology Co., Ltd. were entitled to Super Deduction during the Track Record Period.

Certain subsidiaries of the Group that are subject to "small and thin-profit enterprises" were entitled to a preferential tax rate of 20% under the EIT Law. For the years ended December 31, 2023, 2024 and 2025, the qualifying group entities enjoyed 75% reduction on annual taxable income.

The income tax expense for the Track Record Period can be reconciled to the loss before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before tax	(201,197)	(253,139)	(575,709)
Tax at the statutory rate of 25%	(50,299)	(63,285)	(143,927)
Tax effect of differences in preferential tax rate	20,597	25,007	57,889
Tax effect of expenses not deductible for tax purposes	14,347	25,227	65,714
Tax effect of Super Deduction	(23,951)	(26,114)	(27,324)
Tax effect of deductible temporary differences not recognized	7,830	2,920	–
Utilisation of deductible temporary differences previously not recognised	–	–	(2,835)
Tax effect of tax losses not recognized	31,479	36,370	50,535
Utilisation of tax losses previously not recognised	(3)	(125)	(52)
Income tax expense for the year	–	–	–

11. LOSS FOR THE YEAR

The Group's loss for the year during the Track Record Period has been arrived at after charging:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Staff costs (including Directors' emoluments as set out in Note 12):			
Salaries and other benefits	208,502	221,234	270,698
Performance-based bonuses	23,716	25,527	36,501
Retirement benefit scheme contributions	21,946	23,645	28,571
Total staff costs	254,164	270,406	335,770
Capitalized in inventory and contract costs	(31,837)	(7,895)	(40,780)
	222,327	262,511	294,990
Depreciation of property, plant and equipment	18,961	30,337	32,666
Depreciation of right-of-use assets	2,860	2,734	2,266
Amortization of intangible assets	2,020	2,643	4,487
Total depreciation and amortization	23,841	35,714	39,419
Capitalized in Inventory and contract costs	(2,824)	(2,891)	(4,853)
	21,017	32,823	34,566
[**REDACTED**] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Auditor's remunerations	232	683	225
Cost of inventories recognised as an expense (including write-down of inventories amounting to RMB6,093,000, RMB2,142,000, and RMB2,076,000 for the year ended December 31, 2023, 2024 and 2025)	1,864,394	2,129,094	1,640,205

12. EMOLUMENTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

The emoluments paid or payable to the Directors, Supervisors and chief executive of the Company by entities comprising the Group during the Track Record Period, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, are as follows:

	For the year ended December 31, 2023			
	Salaries and other benefits	Performance-based bonuses	Retirement benefit scheme contributions	Total
	RMB'000	*RMB'000 (Note ii)*	*RMB'000*	*RMB'000*
Directors ***(Note i):***				
The Founder *(Note iii)*	809	660	46	1,515
Mr. Dang Jianming *(Note x)*	332	660	62	1,054
Mr. Liang Guofeng *(Note xii)*	827	660	68	1,555
Mr. Ma Deji *(Note xiv)*	–	–	–	–
Mr. Qin Zhi *(Note iv)*	–	–	–	–
Mr. Xie Guosheng *(Note v)*	–	–	–	–
Mr. Jiang Sheng *(Note vi)*	–	–	–	–
Mr. Yu Ning *(Note xv)*	–	–	–	–
Mr. Zhang Weimin *(Note vii)*	–	–	–	–
Mr. Liu Jinjun *(Note viii)*	–	–	–	–
Mr. Xu Daquan *(Note ix)*	–	–	–	–
Mr. Cai Chengwei *(Note xi)*	–	–	–	–
Supervisors ***(Note i):***	–	–	–	–
Mr. Zhang Xiaodong *(Note xvi)*	499	118	46	663
Mr. Ni Jianqiang *(Note xvii)*	–	–	–	–
Total	2,467	2,098	222	4,787

	For the year ended December 31, 2024			
	Salaries and other benefits	Performance-based bonuses	Retirement benefit scheme contributions	Total
	RMB'000	*RMB'000 (Note ii)*	*RMB'000*	*RMB'000*
Directors ***(Note i):***				
The Founder	783	748	46	1,577
Mr. Dang Jianming	472	–	38	510
Mr. Liang Guofeng	799	698	71	1,568
Mr. Qin Zhi	–	–	–	–
Mr. Xie Guosheng	–	–	–	–
Mr. Jiang Sheng	–	–	–	–
Mr. Yu Ning	–	–	–	–
Mr. Zhang Weimin	–	–	–	–
Mr. Liu Jinjun	–	–	–	–
Mr. Xu Daquan	–	–	–	–
Mr. Cai Chengwei	–	–	–	–
Supervisors ***(Note i):***				
Mr. Zhang Xiaodong	491	–	46	537
Mr. Ni Jianqiang	–	–	–	–
Total	2,545	1,446	201	4,192

	For the year ended December 31, 2025			
	Salaries and other benefits	Performance-based bonuses	Retirement benefit scheme contributions	Total
	RMB'000	*RMB'000 (Note ii)*	*RMB'000*	*RMB'000*
Directors ***(Note i):***				
The Founder	1,024	880	46	1,950
Mr. Liang Guofeng	1,032	970	72	2,074
Ms. He Yihan *(Note xviii)*	140	175	5	320
Mr. Dang Jianming	–	–	–	–
Mr. Zhang Weimin	–	–	–	–
Mr. Wu Ke *(Note xix)*	–	–	–	–
Mr. Qin Zhi *(Note iv)*	–	–	–	–
Mr. Xie Guosheng *(Note v)*	–	–	–	–
Mr. Jiang Sheng *(Note vi)*	–	–	–	–
Mr. Liu Jinjun *(Note viii)*	–	–	–	–
Mr. Xu Daquan *(Note ix)*	–	–	–	–
Mr. Cai Chengwei *(Note xi)*	–	–	–	–
Mr. Xie Lei *(Note xiii)*	–	–	–	–
Mr. Yu Ning *(Note xv)*	–	–	–	–
Supervisors ***(Note i):***				
Mr. Zhang Xiaodong *(Note xvi)*	461	–	38	499
Mr. Ni Jianqiang *(Note xvii)*	–	–	–	–
Total	2,657	2,025	161	4,843

Notes:

i. The Directors and supervisors' emoluments shown above were paid for their services in connection with the management of the affairs of the Company and the Group. The Directors and supervisors with no emoluments shown above were appointed by other shareholdings.

ii. Performance-based bonuses were determined based on the individual's performance.

iii. The Founder has been appointed as chief executive officer of the Company since April 8, 2016.

iv. Mr. Qin Zhi has been appointed as a director of the board since July 12, 2017 and resigned on November 28, 2025.

v. Mr. Xie Guosheng has been appointed as a director of the board since January 14, 2020 and resigned on September 13, 2025.

vi. Mr. Jiang Sheng has been appointed as a director of the board since December 25, 2020 and resigned on November 10, 2025.

vii. Mr. Zhang Weimin has been appointed as a director of the board since December 25, 2020.

viii. Mr. Liu Jinjun has been appointed as a director of the board since June 18, 2021 and resigned on November 10, 2025.

ix. Mr. Xu Daquan has been appointed as a director of the board in August 18, 2021 and resigned on November 10, 2025.

x. Mr. Dang Jianming has been appointed as a director of the board since August 18, 2021.

xi. Mr. Cai Chengwei has been appointed as a director of the board since December 29, 2022 and resigned on September 13, 2025.

xii. Mr. Liang Guofeng has been appointed as a director of the board since May 16, 2023.

xiii. Mr. Xie Lei has been appointed as a director of the board since June 9, 2025 and resigned on September 13, 2025.

xiv. Mr. Ma Deji has been appointed as a director of the board since November 4, 2016 and resigned on May 16, 2023.

xv. Mr. Yu Ning has been appointed as a director of the board since December 25, 2020 and resigned on June 9, 2025.

xvi. Mr. Zhang Xiaodong has been appointed as a supervisor of the Company since December 28, 2020 and resigned on November 10, 2025.

xvii. Mr. Ni Jianqiang has been appointed as a supervisor of the Company since December 25, 2020 and resigned on June 9, 2025.

xviii. Ms. He Yihan has been appointed as a director of the board since November 28, 2025.

xix. Mr. Wu Ke has been appointed as a director of the board since November 10, 2025.

During the Track Record Period, certain directors and supervisors were granted restricted share awards, details of the restricted share plans are set out in Note 35.

None of the directors, supervisors or the Founder waived or agreed to waive any emoluments during the Track Record Period.

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the Track Record Period included two, two and two directors for the years ended December 31, 2023, 2024 and 2025, respectively, details of whose remuneration are set out in Note 12. Details of the remuneration for the remaining three, three and three individuals who are not directors of the Company for the Track Record Period were as follows:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other benefits	3,337	3,455	4,044
Performance-based bonuses	1,898	1,391	2,089
Retirement benefit scheme contributions	204	212	180
	5,439	5,058	6,313

The number of the highest paid employees who are not the Directors whose remuneration fell within the following bands is as follows:

	For the year ended December 31,		
	2023	2024	2025
	No. of employees	*No. of employees*	*No. of employees*
HKD1,000,001 to HKD1,500,000	1	1	–
HKD1,500,001 to HKD2,000,000	1	1	–
HKD2,000,001 to HKD2,500,000	–	–	3
HKD2,500,001 to HKD3,000,000	1	1	–
Total	3	3	3

During the Track Record Period, no emoluments were paid by the Group to any of the Directors or Supervisors or the five highest paid individuals as an inducement to join or upon joining the Group.

During the Track Record Period, certain five highest paid employees were granted restricted share awards, details of the restricted shares plans are set out in Note 35.

14. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the Track Record Period, nor have any dividends been proposed since the end of the Track Record Period.

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss:			
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share:	(201,197)	(253,139)	(575,709)
Number of shares:			
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	101,329,840	102,064,730	154,841,107

On November 18, 2025, the Company was converted into a joint stock company with limited liability under the company law of the PRC. Paid-in capital of RMB29,442,000 were converted into 29,442,000 ordinary shares of the Company at RMB1.00 each. For the purpose of calculating loss per share, the weighted average number of shares were calculated as if the conversion were completed prior to the Track Record Period at RMB1.00 paid-in capital for one ordinary share. The weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the share division of 1 to 10 shares to be completed prior to the Listing.

Basic loss per share is calculated by dividing the loss by the weighted average number of ordinary shares outstanding during the Track Record Period. As the Group incurred net losses for the years ended 31 December 2023, 2024 and 2025, the diluted potential ordinary shares were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive. Accordingly, dilutive loss per share for the years ended 31 December 2023, 2024 and 2025 are the same as basic loss per share of the respective years.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Building	Machinery	Furniture and equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST						
At January 1, 2023	22,942	45,472	17,184	14,913	6,775	107,286
Additions	–	1,853	14,805	1,162	51,523	69,343
Transfers	–	43,201	1,915	–	(45,116)	–
Disposals	–	(719)	(1,635)	–	–	(2,354)
At December 31, 2023	22,942	89,807	32,269	16,075	13,182	174,275
Additions	–	1,374	13,279	180	34,311	49,144
Transfers	–	8,640	16,103	12,258	(37,001)	–
Disposals	–	(13)	(2,570)	–	–	(2,583)
At December 31, 2024	22,942	99,808	59,081	28,513	10,492	220,836
Additions	–	1,403	12,216	2,560	20,506	36,685
Transfers	–	8,959	6,771	274	(16,004)	–
Disposals	–	(75)	(2,448)	–	–	(2,523)
At December 31, 2025	22,942	110,095	75,620	31,347	14,994	254,998
DEPRECIATION						
At January 1, 2023	(2,390)	(3,987)	(6,783)	(5,351)	–	(18,511)
Charge for the year	(1,196)	(6,192)	(6,273)	(5,300)	–	(18,961)
Eliminated on disposals	–	–	439	–	–	439
At December 31, 2023	(3,586)	(10,179)	(12,617)	(10,651)	–	(37,033)
Charge for the year	(1,196)	(10,683)	(11,805)	(6,653)	–	(30,337)
Eliminated on disposals	–	6	2,098	–	–	2,104
At December 31, 2024	(4,782)	(20,856)	(22,324)	(17,304)	–	(65,266)
Charge for the year	(1,181)	(10,663)	(17,253)	(3,569)	–	(32,666)
Eliminated on disposals	–	75	1,329	–	–	1,404
At December 31, 2025	(5,963)	(31,444)	(38,248)	(20,873)	–	(96,528)

	Building	Machinery	Furniture and equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
CARRYING AMOUNT						
At December 31, 2023	19,356	79,628	19,652	5,424	13,182	137,242
At December 31, 2024	18,160	78,952	36,757	11,209	10,492	155,570
At December 31, 2025	16,979	78,651	37,372	10,474	14,994	158,470

The Company

	Machinery	Furniture and equipment	Leasehold improvements	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST					
At January 1, 2023	45,472	15,849	13,258	6,775	81,354
Additions	1,853	14,115	1,162	51,121	68,251
Transfers	43,201	1,915	–	(45,116)	–
Disposals	(719)	(606)	–	–	(1,325)
At December 31, 2023	89,807	31,273	14,420	12,780	148,280
Additions	1,374	12,036	180	33,919	47,509
Transfers	8,640	15,979	11,588	(36,207)	–
Disposals	(13)	(2,413)	–	–	(2,426)
At December 31, 2024	99,808	56,875	26,188	10,492	193,363
Additions	1,403	12,093	2,527	20,506	36,529
Transfers	8,959	6,771	274	(16,004)	–
Disposals	(75)	(2,363)	–	–	(2,438)
At December 31, 2025	110,095	73,376	28,989	14,994	227,454
DEPRECIATION					
At January 1, 2023	(3,987)	(6,441)	(4,345)	–	(14,773)
Charge for the year	(6,192)	(6,084)	(4,697)	–	(16,973)
Eliminated on disposals	–	210	–	–	210
At December 31, 2023	(10,179)	(12,315)	(9,042)	–	(31,536)
Charge for the year	(10,683)	(11,443)	(6,619)	–	(28,745)
Eliminated on disposals	6	1,946	–	–	1,952
At December 31, 2024	(20,856)	(21,812)	(15,661)	–	(58,329)
Charge for the year	(11,516)	(15,872)	(3,453)	–	(30,841)
Eliminated on disposals	75	1,247	–	–	1,322
At December 31, 2025	(32,297)	(36,437)	(19,114)	–	(87,848)
CARRYING AMOUNT					
At December 31, 2023	79,628	18,958	5,378	12,780	116,744
At December 31, 2024	78,952	35,063	10,527	10,492	135,034
At December 31, 2025	77,798	36,939	9,875	14,994	139,606

Note:

The above items of property, plant and equipment, after taking into account the residual value, are depreciated on a straight-line basis at the following rates per annum:

Building	4.85%
Machinery	9.70%
Furniture and equipment	19.40%-32.33%
Leasehold improvements	Over the shorter of term of the relevant leases or 20.00%-33.33%

The Company has pledged building with carrying amounts of RMB19,356,000, nil and nil as at December 31, 2023, 2024 and 2025, respectively, to secure certain borrowings – secured (Note 30). The Company has pledged machinery with carrying amounts of RMB35,150,000, nil and nil as at December 31, 2023, 2024 and 2025 to secure certain borrowings from other financial institutions — secured (Note 30).

17. RIGHT-OF-USE ASSETS

The Group

	Leased properties	Leasehold land	Total
	RMB'000	*RMB'000*	*RMB'000*
As at December 31, 2023			
Carrying amount	6,184	4,136	10,320
As at December 31, 2024			
Carrying amount	3,865	4,040	7,905
As at December 31, 2025			
Carrying amount	11,635	3,944	15,579
For the year ended December 31, 2023			
Depreciation charge	(2,764)	(96)	(2,860)
For the year ended December 31, 2024			
Depreciation charge	(2,638)	(96)	(2,734)
For the year ended December 31, 2025			
Depreciation charge	(2,170)	(96)	(2,266)

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Expense relating to short-term lease	2,185	4,325	4,257
Total cash outflow for leases	7,630	8,089	7,062
Additions to leased properties	6,187	319	9,940

The Company

	Leased properties
	RMB'000
As at December 31, 2023	
Carrying amount	790
As at December 31, 2024	
Carrying amount	321
As at December 31, 2025	
Carrying amount	9,940
For the year ended December 31, 2023	
Depreciation charge	(858)
For the year ended December 31, 2024	
Depreciation charge	(788)
For the year ended December 31, 2025	
Depreciation charge	(321)

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Expense relating to short-term lease	814	3,205	1,621
Total cash outflow for leases	4,258	2,408	1,955
Additions to leased properties	639	319	9,940

During the Track Record Period, the Group leases various office space, production lines, land and warehouses for its operations. Lease contracts are entered into for fixed terms of 1 to 4 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group regularly entered into short-term leases for office space. During the Track Record Period, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expenses disclosed above.

Lease liabilities of the Group amount to RMB6,410,000, RMB4,788,000 and RMB12,139,000 are recognized with related right-of-use assets of RMB10,320,000, RMB7,905,000 and RMB15,579,000 as at December 31, 2023, 2024 and 2025, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased properties may not be used as security for borrowing purposes.

The Group and the Company has pledged leasehold land with carrying amounts of RMB4,136,000, nil and nil as at December 31, 2023, 2024 and 2025, respectively, to secure certain borrowings — secured (Note 30).

18. INTANGIBLE ASSETS

The Group and the Company

	Software	Technology know-how	Total
	RMB'000	*RMB'000*	*RMB'000*
COST			
At January 1, 2023	15,854	–	15,854
Additions	7,048	–	7,048
At December 31, 2023	22,902	–	22,902
Additions	6,918	–	6,918
At December 31, 2024	29,820	–	29,820
Additions	7,134	65,094	72,228
At December 31, 2025	36,954	65,094	102,048
AMORTIZATION			
At January 1, 2023	(4,645)	–	(4,645)
Charge for the year	(2,020)	–	(2,020)
At December 31, 2023	(6,665)	–	(6,665)
Charge for the year	(2,643)	–	(2,643)
At December 31, 2024	(9,308)	–	(9,308)
Charge for the year	(3,402)	(1,085)	(4,487)
At December 31, 2025	(12,710)	(1,085)	(13,795)
CARRYING AMOUNT			
At December 31, 2023	16,237	–	16,237
At December 31, 2024	20,512	–	20,512
At December 31, 2025	24,244	64,009	88,253

The above items of intangible assets were software and technology know-how purchased from third parties. All intangible assets have finite useful lives and are amortized on a straight-line basis at the following rates per annum:

Software	10%-20%
Technology know-how	20%

19. INVENTORIES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	12,264	17,296	71,826
Work-in-progress	174,978	28,301	89,937
Finished goods	128,665	65,156	92,261
	315,907	110,753	254,024

20. TRADE RECEIVABLES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	1,178,508	1,191,598	808,505
Less: allowance for ECL	(19,920)	(38,109)	(25,705)
	1,158,588	1,153,489	782,800

The Group entered a factoring arrangement with trade receivables amounting to RMB135,640,000, nil and nil as of December 31, 2023, 2024 and 2025, respectively that were transferred to other financial institutions on a full recourse basis. As the Group and the Company have not transferred significant risks and rewards, it continues to recognize the full carrying amount and has recognised the cash received on the transfer as a collateralized borrowings in Note 30.

The Group generally grants credit period between 60 to 90 days which are agreed with each of its customers. The extension of credit period to the customers may be granted on a discretionary basis by considering customer type, the current credit worthiness and the customer's financial condition and payment history with the Group. As at December 31, 2023, 2024 and 2025, out of the past due balances, RMB13,145,000, RMB6,974,000 and RMB26,446,000 have been past due 90 days or more and are not considered as in default by considering the background of the debtors and historical payment arrangement.

The following is an aged analysis of trade receivables, net of allowance for credit losses presented based on the invoice dates.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	1,145,443	1,146,515	756,354
91 – 180 days	13,133	3,595	25,417
181 – 365 days	–	456	605
1 – 2 years	12	2,923	424
	1,158,588	1,153,489	782,800

Details of impairment assessment of trade receivables are set out in Note 38.

As at January 1, 2023, trade receivables of the Group, net of allowance for ECL, amounted to RMB197,129,000. As at January 1, 2023, trade receivables of the Company, net of allowance for ECL, amounted to RMB196,614,000.

21. DEFERRED TAX ASSETS/LIABILITIES

The following are the deferred tax assets (liabilities) recognized and movements thereon during the Track Record Period:

	Right-of-use assets	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	(589)	589	–
(Charge) credit to profit or loss *(Note 10)*	(339)	339	–
At December 31, 2023	(928)	928	–
Credit (charge) to profit or loss *(Note 10)*	348	(348)	–

	Right-of-use assets	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At December 31, 2024	(580)	580	–
(Charge) credit to profit or loss *(Note 10)*	(1,165)	1,165	–
At December 31, 2025	(1,745)	1,745	–

As at December 31, 2023, 2024 and 2025, the Group had unused tax losses of RMB1,032,238,000, RMB1,142,165,000 and RMB1,398,348,000 respectively, available for offset against future taxable profits. None of the unused tax losses were recognized as deferred tax assets as at December 31, 2023, 2024 and 2025 due to the unpredictability of future taxable income.

As at December 31, 2023, 2024 and 2025, the Group had deductible temporary differences of RMB192,656,000, RMB210,502,000 and RMB198,891,000, respectively. Of these, RMB186,472,000, RMB206,637,000 and RMB187,255,000 were not recognized as deferred tax assets as at December 31, 2023, 2024 and 2025 as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilized.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
2024	130,183	–	–
2025	83,654	83,654	–
2026	96,188	93,714	93,067
2027	29,616	29,616	29,616
2028	400	400	–
2029	–	91	91
2030	29,997	29,997	35,954
2031	65,786	65,786	65,786
2032	386,727	386,727	386,727
2033	209,687	209,687	209,687
2034	–	242,493	242,493
2035	–	–	334,927
Total	1,032,238	1,142,165	1,398,348

22. NOTES RECEIVABLES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Notes receivables	424,232	785,378	285,472

Notes received are held by the Group for settlement of trade receivables, of which certain notes were further discounted/endorsed by the Group. The Group continues to recognize their full carrying amounts at the end of each year. All notes received by the Group are with a maturity period of less than one year.

The following were the Group's financial assets as at December 31, 2023, 2024 and 2025 that were transferred to banks or suppliers by discounting/endorsing on a full recourse basis. As the Group has not transferred significant risks and rewards for the endorsed notes, it continues to recognize the full carrying amount and has recognized the cash received on the transfer as a secured borrowing (note 30). These financial assets are carried at amortized cost in the consolidated statements of financial position.

As at December 31, 2023

	Notes discounted to bank with full recourse	Notes endorsed to suppliers with full recourse	Total
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of transferred assets	393,842	11,970	405,812
Carrying amount of associated liabilities	(390,980)	(11,970)	(402,950)
Net position	2,862	–	2,862

As at December 31, 2024

	Notes discounted to bank with full recourse	Notes endorsed to suppliers with full recourse	Total
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of transferred assets	592,987	91,214	684,201
Carrying amount of associated liabilities	(590,469)	(91,214)	(681,683)
Net position	2,518	–	2,518

As at December 31, 2025

	Notes discounted to bank with full recourse	Notes endorsed to suppliers with full recourse	Total
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount of transferred assets	–	150,889	150,889
Carrying amount of associated liabilities	–	(150,889)	(150,889)
Net position	–	–	–

23. CONTRACT COSTS

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Costs to fulfill contracts	64,839	4,644	46,025
	64,839	4,644	46,025

Costs to fulfill contracts mainly comprise the cost incurred directly related to an existing contract that will be used to satisfy performance obligations in the future.

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepaid for purchase of property, plant and equipment, intangible assets and long-term prepaid expenses	8,050	65,324	68,719
Prepayments to suppliers and service providers	7,125	18,130	30,949
Recoverable value-added tax	4,714	7,785	83,428
Rental and other deposits	2,195	1,989	3,768
Deferred issue cost	–	–	2,843
Others	278	938	1,082
	22,362	94,166	190,789
Analyzed as:			
Non-current	8,874	66,314	70,374
Current	13,488	27,852	120,415
	22,362	94,166	190,789

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepaid for purchase of property, plant and equipment, intangible assets and long-term prepaid expenses	7,924	65,324	68,719
Prepayments to suppliers and service providers	6,365	17,816	30,545
Recoverable value-added tax	4,569	7,600	83,125
Rental and other deposits	1,374	952	2,208
Deferred issue cost	–	–	2,843
Others	50	741	931
	20,282	92,433	188,371
Analyzed as:			
Non-current	7,959	65,404	69,446
Current	12,323	27,029	118,925
	20,282	92,433	188,371

25. CASH AND CASH EQUIVALENTS/RESTRICTED CASH

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents *(Note i)*	75,654	185,454	320,435
Restricted cash	33,316	111,251	210,012
	108,970	296,705	530,447
Analyzed as:			
Non-current			
Restricted cash *(Note iii)*	–	–	210,000
Current			
Restricted cash *(Note ii)*	33,316	111,251	12
Cash and cash equivalents	75,654	185,454	320,435
	108,970	296,705	530,447

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents *(note i)*	73,490	179,876	309,338
Restricted cash *(note ii)*	33,316	111,251	210,012
	106,806	291,127	519,350
Analyzed as:			
Non-current			
Restricted cash *(Note iii)*	–	–	210,000
Current			
Restricted cash *(Note ii)*	33,316	111,251	12
Cash and cash equivalents	73,490	179,876	309,338
	106,806	291,127	519,350

Notes:

i. Cash and cash equivalents of the Group and the Company comprise bank balances, short-term deposits with maturities of less than three months and cash on hand. Bank balances carried interest at prevailing market rates based on daily bank deposit rate during the Track Record Period. As at December 31, 2023, 2024 and 2025, the interest rate of these bank deposits ranged from 0.20% to 1.30%, from 0.10% to 1.05% and from 0.05% to 1.05% per annum, respectively.

ii. Restricted cash represents amounts placed in designated bank accounts for issuance of bank notes to suppliers and to intra-group entities. As of December 31, 2023, 2024 and 2025, the interest rate of these restricted cash ranged from 0.20% to 1.40%, from 0.10% to 1.50% and 0.05% per annum, respectively. Since all bank notes to suppliers are within six months, the restricted cash would be released within six months. Therefore, the restricted cash are classified as current assets.

iii. Restricted cash represents two-year term bank deposit pledged for a two-year term bank borrowing (note 30). As of December 31, 2025, the interest rate of the pledge bank deposit is 1.20% per annum. Since the pledge is for a period of two years, the pledged bank deposit is classified as non-current asset.

26. FINANCIAL ASSETS AT FVTPL

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wealth management products	–	–	75,001
	–	–	75,001

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analyzed as:			
Current	–	–	75,001
	–	–	75,001

Note: Wealth management products are purchased from various banks for cash management purpose, the expected rate of return are based on return of underlying investments which are mainly debt in nature.

27. TRADE AND NOTES PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Note ii)*
Trade payables	149,383	191,199	890,437
Notes payables *(Note i)*	88,111	17,199	183
	237,494	208,398	890,620

Trade payables are with the average credit term of 90 days.

An aged analysis of the Group's trade payables, as at the end of the reporting period, based on the invoice date, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	136,168	178,979	883,710
90-180 days	2,799	3,464	1,057
181-365 days	9,978	1,373	1,517
1-2 years	181	6,983	2,987
Over 2 years	257	400	1,166
	149,383	191,199	890,437

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000 (Note ii)*
Trade payables	149,124	189,341	889,157
Notes payables *(Note i)*	88,111	17,199	183
	237,235	206,540	889,340

Trade payables are with the average credit term of 90 days.

An aged analysis of the Company's trade payables, as at the end of the reporting period, based on the invoice date, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	135,922	177,210	882,609
90 – 180 days	2,799	3,375	1,057
181 – 365 days	9,978	1,373	1,515
1 – 2 years	168	6,983	2,965
Over 2 years	257	400	1,011
	149,124	189,341	889,157

Notes:

i. These relate to trade payables in which the Group has issued Bank Notes to the relevant suppliers for settlement of trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the notes. The Group continues to recognise these trade payables as the Group are obliged to make payments to the relevant bank banks on due dates of the bank notes, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these notes by the Group are included within operating cash flows based on the nature of the arrangements.

ii. As detailed in Note 42, as of December 31, 2025 Bosch Automotive Components (Suzhou) Co., Ltd. ("Bosch") is no longer a related party of the Company. Amount due to Bosch is reclassified from amount due to related parties to trade payable.

28. ACCRUED EXPENSES AND OTHER PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll payables	45,525	45,229	60,589
Accrued expenses	42,808	42,010	33,327
Warranty provision *(Note)*	19,406	23,308	27,803
Other taxes payables	4,474	5,109	8,000
Other payables	53,186	47,334	69,295
Accrued [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
	165,399	162,990	203,449

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other payables	50,160	47,104	65,595
Payroll payables	23,909	21,888	20,698
Warranty provision *(Note)*	19,405	23,308	27,803
Accrued expenses	42,808	41,987	33,327

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Accrued [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
Other taxes payables	1,863	1,908	984
	138,145	136,195	152,842

Note:

The warranty provision represents management's best estimate of the Group's liability under two to four years or 50,000 to 100,000 kilometers assurance-type warranty granted on vehicle computing solutions products, based on prior experience and industry averages for defective vehicle computing solutions products.

29. LEASE LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payables:			
Within one year	2,136	2,696	3,361
Within a period of more than one year but not exceeding two years	2,319	2,092	4,490
Within a period of more than two years but not exceeding five years	1,955	–	4,288
	6,410	4,788	12,139
Less: Amounts due for settlement within 12 months are shown under current liabilities	(2,136)	(2,696)	(3,361)
Amounts due for settlement after 12 months are shown under non-current liabilities	4,274	2,092	8,778

During the Track Record Period, the weighted average incremental borrowing rates applied to lease liabilities range from 2.14% to 6.84%.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payables:			
Within one year	777	327	1,163
Within a period of more than one year but not exceeding two years	56	–	4,490
Within a period of more than two years but not exceeding five years	–	–	4,288
	833	327	9,941
Less: Amounts due for settlement within 12 months are shown under current liabilities	(777)	(327)	(1,163)
Amounts due for settlement after 12 months are shown under non-current liabilities	56	–	8,778

During the Track Record Period, the weighted average incremental borrowing rates applied to lease liabilities range from 2.14% to 6.84%.

30. BORROWINGS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings – unsecured and unguaranteed	–	150,044	–
Bank borrowings – secured *(Note i)*	431,828	771,848	200,000
Bank borrowings – guaranteed *(Note ii)*	394,113	376,372	949,897
Borrowing from other financial institutions – secured *(Note iii)*	154,281	–	–
	980,222	1,298,264	1,149,897
Bank borrowings:			
Due within 12 months are shown under current liabilities	765,885	1,298,264	949,897
Due for settlement more than 1 year but not exceeding 2 years are shown under non-current liabilities	60,056	–	200,000
	825,941	1,298,264	1,149,897
Borrowing from other financial institutions:			
Due within 12 months are shown under current liabilities	145,129	–	–
Due for settlement more than 1 year but not exceeding 2 years are shown under non-current liabilities	9,152	–	–
	154,281	–	–
	980,222	1,298,264	1,149,897

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	As at December 31,		
	2023	2024	2025
Borrowings – fixed rate	1.05%-8.00%	0.45%-7.00%	2.11%-3.30%

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings – unsecured and unguaranteed	–	50,044	–
Bank borrowings – secured *(Note i)*	431,828	771,848	200,000
Bank borrowings – guaranteed *(Note ii)*	394,113	376,372	949,897
Borrowings from other financial institutions – secured *(Note iii)*	154,281	–	–
	980,222	1,198,264	1,149,897
Bank borrowings:			
Due within 12 months are shown under current liabilities	765,885	1,198,264	949,897
Due for settlement more than 1 year but not exceeding 2 years are shown under non-current liabilities	60,056	–	200,000
	825,941	1,198,264	1,149,897
Borrowing from other financial institutions:			
Due within 12 months are shown under current liabilities	145,129	–	–

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Due for settlement more than 1 year but not exceeding 2 years are shown under non-current liabilities	9,152	–	–
	154,281	–	–
	980,222	1,198,264	1,149,897

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Company's borrowings are as follows:

	As at December 31,		
	2023	2024	2025
Borrowings – fixed rate	1.05%-8.00%	0.45%-7.00%	2.11%-3.30%

Note i: Secured bank borrowings include liabilities arising from notes receivable discounted to banks on a full recourse basis. As the Group has not transferred the significant risks and rewards of the financial assets, the Group continues to recognize the full carrying amount and has recognized the cash received on the transfer as a collateralized borrowing (Note 22). Secured bank borrowings also include liabilities secured by building pledges (Note 16), leasehold land pledges (Note 17) and term deposit (Note 25).

Note ii: Amount represents bank loans guaranteed by the Founder.

Note iii: Amount represents borrowings from other financial institutions, including mortgage loan secured by machinery pledges (Note 16) and liabilities arising from accounts receivable factoring based on a full recourse basis (Note 20).

31. CONTRACT LIABILITIES

The Group and the Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Vehicle computing solutions	794	3	197

As at January 1, 2023, contract liabilities of the Group and the Company amounted to RMB24,263,000.

The following table shows how much of the Group's revenue recognized relates to carried-forward contract liabilities.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognized that was included in the contract liabilities at beginning of the year	23,470	791	3

32. PAID-IN CAPITAL WITH PREFERRED RIGHTS

The Group and the Company

Since the date of incorporation, the Company has completed several rounds of financing through issuing the Paid-in capital with Preferred Rights. On September 30, 2025, shareholders of the Paid-in Capital with Preferred Rights have agreed to terminate certain preferred rights, including: redemption right, liquidation right, anti-dilutive right and performance commitment, as a result, the Paid-in Capital with Preferred Rights is reclassified from liability to equity.

Details of outstanding the Paid-in capital with Preferred Rights as at September 30, 2025 before termination of preferred rights are set out below:

Series	Date of issuance	Subscription price per RMB1.00 of paid-in capital	Amount of paid-in capital	Total consideration
		RMB	*RMB'000*	*RMB'000*
Series A	August 17, 2016	25.00	2,000	50,000
Series B	May 25, 2017-July 24, 2017	48.53	4,368	212,000
Series B+	September 9, 2020-October 16, 2020	44.79	3,349	150,000
Series C	June 18, 2021	54.06	2,063	111,500
Series C1	September 13, 2021	81.82	1,222	100,000
Series C2	August 11, 2022	83.87	393	32,930
Series C2-1	September 16, 2022	89.64	1,053	94,400
Series C2-2	December 28, 2022-January 5, 2023	98.45	284	28,000
Series C2-3	February 27, 2023	98.45	102	10,000
Series C2-4	March 23, 2023	98.45	437	43,000
Series D1	September 13, 2024-December 18, 2024	107.94	2,713	292,857
Series D2	October 31, 2024-November 27, 2024	107.94	1,251	135,000
Total			19,235	1,259,687

Terms of the Paid-in capital with Preferred Rights are as follows:

(i) Performance commitment

As at December 31, 2024, for Series B+, C and D investors, if the Group's audited accumulated net profit under the Chinese Accounting Standards for Business Enterprises (the "CASBE") for the three years ended December 31, 2025 less than RMB210,000,000, the Group shall issue paid-in capital (the "Compensation Shares") to the above investors as calculated using the following formula.

As at December 31, 2023, for Series B+ and C investors, if the Group's audited accumulated net profit under the CASBE for the three years ended December 31, 2024 less than RMB240,000,000, the Group shall issue paid-in capital (the "Compensation Shares") to the above investors as calculated using the following formula.

The Compensation Shares = the less of (1) (1-net profit under the CASBE/RMB300,000,000)*amount of paid-in capital held by the above investors; or (2) 20% of the paid-in capital held by the above investors.

(ii) Redemption rights

As at December 31, 2024, for Series B, B+, C and D investors, the Company shall redeem the Paid-in Capital with Preferred Rights if (i) the Company has not submitted [**REDACTED**] application and accepted by the respective stock exchange by June 30, 2025 and completed [**REDACTED**] by December 31, 2026, (ii) accumulated net profit of the Group for the three years ended December 31, 2025 is less than RMB210,000,000, and (iii) other adverse change or events as specified in the shareholder agreement.

As at December 31, 2023, for Series B, B+ and C investors, the Company shall redeem the Paid-in Capital with Preferred Rights if (i) the Company has not submitted [**REDACTED**] application and accepted by the respective stock exchange by June 30, 2024 and completed [**REDACTED**] by December 31, 2025, (ii) accumulated net profit of the Group for the three years ended December 31, 2024 is less than RMB210,000,000, and (iii) other adverse change or events as specified in the shareholder agreement.

The price at which a Paid-in Capital with Preferred Rights to be redeemed (the "Redemption Price") shall be equal to:

Redemption Price =IP*(1+R*T)-D, where

IP = the investment amount of the investors;

R = 8%;

T = a fraction, the numerator of which is the number of calendar days between the date on which the Paid-in Capital with Preferred Rights required to be redeemed are acquired and the date on which such Preferred Shares required to be redeemed is redeemed and such Redemption Price is paid and the denominator of which is 365; and

D = all declared but unpaid dividends on the Preferred Shares required to be redeemed up to the date of redemption (if any).

(iii) Liquidation preferences

In the event of any liquidation, dissolution, winding up of the Company or deemed disposal events as specified in the shareholder agreement (the each an "Liquidation Event") occurs, either voluntary or involuntary, the holders of the series of the Paid-in Capital with Preferred Rights shall entitle liquidation proceeds in the following sequences: (1) first to holders of the series D, (2) second to series C, (3) third to series B+, (4) fourth to the series B and (5) fifth to series A. After the all series of the liquidation amount have been paid as set forth above, any remaining funds or assets of the Company legally available for distribution to shareholders shall be distributed on a pro rata, pair passu basis among the all holders of paid-in capital.

The liquidation amount of each series of Preferred Shares is calculated as below:

Liquidation amount = IP*150%+D, where

IP = the investment amount of the investors;

D = all declared but unpaid dividends, proportionally adjusted for share subdivisions, share dividends, reorganizations, reclassifications, consolidations or mergers; and

T = a fraction, the numerator of which is the number of calendar days between the date of investment and the date the Redemption Price is paid and the denominator of which is 365.

(iv) Anti-dilutive rights

If any new investors with per paid-in capital investment amount less than any existing investors prior to such new investors, the Company shall issue additional paid-in capital to the existing investor for nil consideration, which enable the existing investor to have an then effective per paid-in capital investment amount equal to the new investor.

Presentation and classification

The Company elected to designate the Paid-in Capital with Preferred Rights as financial liabilities at FVTPL. The Group has used the Black-Scholes option model to determine the fair value of the Paid-in capital with Preferred Rights as at the dates of issuance and at the end of December 31, 2023 and 2024. The fair value change of the Paid-in Capital with Preferred Rights is charged to profit or loss for the year, except for the portion attributable to credit risk change which shall be charged/credited to other comprehensive income, if any.

As at December 31, 2023 and 2024, the performance commitment rights were not yet triggered as the measurement date were not reached. However, based on the Group's performance, it is probable that the performance commitment will be triggered on the future measurement date, as a result, the fair value of the Paid-in Capital with Preferred Right has incorporated the fair value of the compensation for performance commitment.

As at December 31, 2023 and 2024, the Paid-in Capital with Preferred Rights are classified as non-current liability, as the redemption rights were not triggered.

The fair value was determined by the Directors with reference to valuation reports carried out by an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited address at Room 2201, Digital 01 Building, No. 12, Guanghua Road, Chaoyang District, Beijing.

The movement of the Paid-in capital with Preferred Rights is set out below:

	Paid-up Capital
	RMB'000
At January 1, 2023	953,642
Recognition	53,000
Change in fair value	92,379
At December 31, 2023	1,099,021
Recognition	427,857
Change in fair value	157,817
At December 31, 2024	1,684,695
Change in fair value	428,952
Derecognition of Paid-in capital with Preferred Rights	(2,113,647)
At December 31, 2025	–

Key valuation assumptions used in Black-Scholes option pricing model and equity allocation model to determine the fair value of the Paid-in Capital with Preferred Rights are as follows:

	As at December 31,		As at September 30,
	2023	2024	2025
The equity value of the Company (RMB'000)	1,696,000	2,508,000	3,428,000
Risk-free interest rate	2.21%	1.14%	1.40%
Volatility rate	48.07%	46.17%	44.28%
Possibilities under liquidation scenario	30.00%	25.00%	10.00%
Possibilities under [**REDACTED**] scenario	40.00%	50.00%	80.00%
Possibilities under redemption scenario	30.00%	25.00%	10.00%

	As at December 31,		As at September 30,
	2023	2024	2025
Possibilities of compensation on performance commitment	95.00%	95.00%	10.00%

The Group estimate the risk-free interest rate based on Chinese Government Bond with maturity life close to the redemption/liquidation date as at valuation date.

Volatility was estimated based on annualized standard deviation of daily stock price return of comparable companies for a period from the respective valuation date and with similar span as time to expiration.

33. PAID-IN CAPITAL

The Group and the Company

Share capital

A summary of movements in the Company's share capital is as follows:

	Number of ordinary shares	Share capital
		RMB'000
Issued and fully paid		
As at 1 January2025	–	–
Issue of ordinary shares upon conversion into a joint stock company of RMB1 each *(Note i)*	29,441,672	29,442
Issue of shares *(Note ii)*	4,195,438	4,195
As at December 31, 2025	33,637,110	33,637

Paid-in capital

A summary of movements in the Company's paid-in capital is as follows:

	Paid-in capital
	RMB'000
Issued and fully paid	
As at January 1, 2023	23,263
Issuance of paid-in capital	1,677
Issuance of Paid-in Capital with Preferred Rights	538
As at December 31, 2023	25,478
Issuance of Paid-in Capital with Preferred Rights	3,964
As at December 31, 2024	29,442
Conversion into a joint stock company *(Note i)*	(29,442)
As at December 31, 2025	–

Notes:

i. On November 18, 2025, the Company was converted into a joint stock company with limited liability under the company law of the PRC. Paid-in capital of RMB29,442,000 were converted into 29,442,000 ordinary shares of the Company at RMB1 each.

ii. On November 28, 2025, the Company issued 4,195,438 ordinary shares to third party investors for a total consideration of RMB570,000,000.

34. RESERVES OF THE COMPANY

	Attributable to owners of the Company			
	Other reserve	Share Premium	Accumulated deficit	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	(19,395)	–	(1,265,138)	(1,284,533)
Issue of new paid-in capital with preferred rights	–	52,462	–	52,462
Recognition of paid-in capital with preferred rights	(538)	(52,462)	–	(53,000)
Loss for the year	–	–	(226,552)	(226,552)
As at December 31, 2023	(19,933)	–	(1,491,690)	(1,511,623)
Issue of new paid-in capital with preferred rights	–	423,893	–	423,893
Recognition of paid-in capital with preferred rights	(3,964)	(423,893)	–	(427,857)
Loss for the year	–	–	(282,271)	(282,271)
As at December 31, 2024	(23,897)	–	(1,773,961)	(1,797,858)
Loss for the year	–	–	(516,578)	(516,578)
Issue of shares	–	565,805	–	565,805
Derecognition of Paid-in capital with Preferred Rights	23,897	2,089,750	–	2,113,647
As at December 31, 2025	–	2,655,555	(2,290,539)	365,016

35. SHARE-BASED PAYMENT TRANSACTIONS

The Group and the Company

(i) Restricted Shares

In December 2016, the Company adopted the first employee share-based compensation plan (the "Employee Share Plan I", as amended in November 2025), and the Company can grant up to 2,000,000 restricted shares to its employees. In August 2023, the Company adopt the second employee share-based compensation plan (the "Employee Share Plan II", as amended in November 2025), and the Company can grant up to 1,676,473 restricted shares to its employees. The Employee Share Plan I and Employee Share Plan II were operated through two limited liability partnership (Wuxi Chelian Zhijia Investment Management Partnership Enterprise ("Chelian Zhijia") and Wuxi Chelian Yijia Investment Management Partnership Enterprise ("Chelian Yijia")) which were established and designated as share incentive platforms to hold the shares reserved for the Employee Share Plan I and the Employee Share Plan II as the ultimate beneficial owners. The Group has no control over the two limited liability partnerships.

Restricted shares granted under the Employee Share Plan I and the Employee Share Plan II shall vest on the first anniversary after the successful [**REDACTED**] of the Company, and employee shall remain employment with the Company. If the employment terminated before vesting of the restricted shares, the limited partnership of the respective Employee Share Plan I and Employee Share Plan II have the right to repurchase the restricted share. The consideration of the repurchase of the restricted shares are as below:

(1) the Employee Share Plan I: repurchase price = grant price*(1+25%*T/360)*N — cash dividends (if any). Whereas: T = number of days from the grant date till the repurchase date; N = number of shares repurchased.

(2) the Employee Share Plan II: repurchase price = grant price*(1+8%*T/360)*N — cash dividends (if any). Whereas: T = number of days from the grant date till the repurchase date; N = number of shares repurchased.

The following table discloses movements of the Company's restricted shares granted and outstanding during the Track Record Period:

	Number of restricted shares	Weighted average grant price
		RMB
Restricted shares outstanding as at January 1, 2023 and December 31, 2023	1,212,921	10.52
Granted	82,181	21.60
Restricted shares outstanding as at December 31, 2024	1,295,102	11.22
Granted	1,060,046	23.33
Restricted shares outstanding as at December 31, 2025	2,355,148	16.67

As at 31 December 2023, 2024 and 2025, the weighted average remaining contractual life of restricted shares outstanding is 8.18, 7.34 and 7.94 years, respectively.

These fair values were calculated as the fair value of ordinary shares less the grant price as follows:

Grant year	Fair value of ordinary shares	Grant price	Weighted average fair value
	RMB (note i)	*RMB (note iv)*	*RMB*
2022	37.06	1.12-19.69	24.03
2024	52.84	21.60	31.24
2025	134.38	23.33	111.05

Notes:

i. The fair value of the ordinary shares was estimated with reference to valuation reports prepared by an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited, with its address at Room 2201, Digital 01 Building, No. 12 Guanghua Road, Chaoyang District, Beijing.

ii. The grant price of the restricted shares were determined by the Directors.

(ii) Time-Based Share Options

In November 2025, the Company adopted the pre-[**REDACTED**] option plan (the "Pre-[**REDACTED**] Share Option Scheme") and granted 2,354,597 share options to eligible employees. Upon vesting of these share options, the grantee of the share options can purchase up to 2,354,597 ordinary shares of the Company.

Vesting conditions of share options granted under the Pre-[**REDACTED**] Option Plan including:

(1) Type I: the shares option is subject to a three-year service requirement and shall vest 33.33%, 33.33% and 33.34% at the end of the first, second and third year following the successful [**REDACTED**] of the Company, respectively; or

(2) Type II: the share option is subject to a one-year service requirement subsequent to the successful [**REDACTED**] of the Company and shall vest 100% at the end of the first year following the [**REDACTED**].

The following table discloses movements of the Company's share options held by employees during the Track Record Period:

	Number of Share options	Weighted average exercise price
		RMB
Options outstanding as at January 1, 2025	–	–
Granted	2,354,597	7.00
Options outstanding as at December 31, 2025	2,354,597	7.00

As at December 31, 2023, 2024 and 2025, the weighted average remaining contractual life of Time-Based Share Options outstanding is nil, nil and 9.91 years, respectively. There were no exercisable options as at December 31, 2023, 2024 and 2025, respectively.

These fair values were calculated using the Binomial model. Key inputs used in the model were as follows:

Grant date Range	Fair value of ordinary shares	Risk-free interest Rate	Expected life (years)	Exercised price	Expected volatility	Expected dividend yield	Weighted average fair value
	RMB (note i)	*(note ii)*	*(note iii)*	*RMB (note iv)*	*(note v)*	*(note vi)*	*RMB*
2025	134.38	1.43%-1.59%	5	7.00	43.57%~50.38%	0.00%	127.66

Notes:

i. The fair value of the ordinary shares was estimated with reference to valuation reports prepared by an independent qualified professional valuer, Asia-Pacific Consulting and Appraisal Limited, with its address at Room 2201, Digital 01 Building, No. 12 Guanghua Road, Chaoyang District, Beijing.

ii. Risk-free interest rate is estimated based on market yield of Chinese government bonds with maturity date close to the life of options as at the valuation dates and country risk differential.

iii. The expected life used in the model has been adjusted, based on the Directors' best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

iv. The Exercised price of the Time-Based Share Options were determined by the Directors.

v. Expected volatility was determined by using the historical volatility of the comparable company's share price over the previous 5 years.

vi. The Company currently has no expectation of paying cash dividends on its ordinary stock.

As the vesting condition of the restricted shares and share options including both (1) service period, and (2) successful [**REDACTED**] of the Company which is a non-market performance condition. No share-based payment expense will be recognized unless and until the [**REDACTED**] is probable. During the Track Record Period, management considers that the [**REDACTED**] is not probable, as a result, no share-based compensation expense were recognized during Track Record Period.

36. RETIREMENT BENEFIT SCHEMES

The Group participates in defined contribution retirement schemes organized by the relevant local government authorities in the PRC. Employees of the Group eligible for participating in the retirement schemes are entitled to retirement benefits from the schemes. The Group is required to make contributions to the retirement schemes up to the time of retirement of the eligible employees, excluding those employees who resign before their retirement, at a percentage that is specified by the local government authorities.

The total expense recognized in profit or loss of approximately RMB21,946,000, RMB23,645,000 and RMB28,571,000 for the years ended December 31, 2023, 2024 and 2025, respectively, representing contributions paid/payable to these plans by the Group at rates specified in the rules of the plans. As at December 31, 2023, 2024 and 2025, contributions of RMB1,604,000, RMB1,958,000 and RMB2,173,000, respectively, due in respect of those years then ended, had not been paid over to the plans.

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows from financing activities:

				Non-cash changes				
	At January 1, 2023	Financing cash flows	Finance costs *(Note 9)*	Lease Liabilities recognized/ modified	Change in fair value	Net settlement of notes discounted to banks	Net settlement of factoring arrangement	At December 31, 2023
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Borrowings *(Note 30)*	207,148	787,243	28,455	–	–	(5,691)	(36,933)	980,222
Lease liabilities *(Note 29)*	2,956	(5,445)	2,712	6,187	–	–	–	6,410
The Paid-in Capital with Preferred Rights *(Note 32)*	953,642	53,000	–	–	92,379	–	–	1,099,021
	1,163,746	834,798	31,167	6,187	92,379	(5,691)	(36,933)	2,085,653

				Non-cash changes				
	At January 1, 2024	Financing cash flows	Finance costs *(Note 9)*	Lease Liabilities recognized/ modified	Change in fair value	Net settlement of notes discounted to banks	Net settlement of factoring arrangement	At December 31, 2024
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Borrowings *(Note 30)*	980,222	896,941	31,131	–	–	(390,980)	(219,050)	1,298,264
Lease liabilities *(Note 29)*	6,410	(3,764)	1,823	319	–	–	–	4,788
The Paid-in Capital with Preferred Rights *(Note 32)*	1,099,021	427,857	–	–	157,817	–	–	1,684,695
	2,085,653	1,321,034	32,954	319	157,817	(390,980)	(219,050)	2,987,747

				Non-cash changes					
	At January 1, 2025	Financing cash flows	Finance costs *(Note 9)*	Lease Liabilities recognized/ modified	Change in fair value	Net settlement of notes discounted to banks	Accrued issue cost	Derecognition of Paid-in capital with preferred rights	At December 31, 2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Borrowings *(Note 30)*	1,298,264	693,988	23,619	–	–	(865,974)	–	–	1,149,897
Lease liabilities *(Note 29)*	4,788	(2,805)	216	9,940	–	–	–	–	12,139
The Paid-in Capital with Preferred Rights *(Note 32)*	1,684,695	–	–	–	428,952	–	–	(2,113,647)	–
Accrued issue costs	–	(2,556)	–	–	–	–	2,843	–	287
	2,987,747	688,627	23,835	9,940	428,952	(865,974)	2,843	(2,113,647)	1,162,323

38. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Categories of the financial instruments

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets:			
Financial assets at FVTPL	–	–	75,001
Financial assets at amortized cost:			
– Trade receivables	1,158,588	1,153,489	782,800
– Notes receivables	424,232	785,378	285,472
– Amounts due from related parties	1,217	11,269	12,431
– Deposits and other receivables	2,473	2,927	4,850
– Restricted cash	33,316	111,251	210,012
– Cash and cash equivalents	75,654	185,454	320,435
	1,695,480	2,249,768	1,691,001
Financial liabilities:			
Financial liabilities at FVTPL:			
– Paid-in Capital with Preferred Rights	1,099,021	1,684,695	–
Financial liabilities at amortized cost:			
– Trade and notes payables	237,494	208,398	890,620
– Amounts due to related parties	1,443,275	1,219,563	10,330
– Other payables	53,186	47,334	73,730
– Borrowings	980,222	1,298,264	1,149,897
	3,813,198	4,458,254	2,124,577
Lease liabilities:	6,410	4,788	12,139

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets:			
Financial assets at FVTPL	–	–	75,001
Financial assets at amortized cost:			
– Trade receivables	1,158,588	1,153,489	782,800
– Notes receivables	424,232	785,378	285,472
– Amounts due from related parties	1,217	10,690	12,431
– Amounts due from subsidiaries	155,890	120,003	166,689
– Deposits and other receivables	1,424	1,693	3,139
– Restricted cash	33,316	111,251	210,012
– Cash and cash equivalents	73,490	179,876	309,338
	1,848,157	2,362,380	1,844,882
Financial liabilities:			
Financial liabilities at FVTPL			
– The Paid-in capital with Preferred Rights	1,099,021	1,684,695	–
Financial liabilities at amortized cost:			
– Trade and notes payables	237,235	206,540	889,340
– Amounts due to related parties	1,443,124	1,218,962	10,330
– Amounts due to subsidiaries	892	180,373	88,128
– Other payables	50,160	47,104	70,030
– Borrowings	980,222	1,198,264	1,149,897
	3,810,654	4,535,938	2,207,725
Lease liabilities:	833	327	9,941

Financial risk management objectives and policies

The Group's and the Company's major financial instruments include trade receivables, notes receivables, deposits and other receivables, financial assets at FVTPL, restricted cash, cash and cash equivalents, the Paid-in Capital with Preferred Rights, trade payables, other payables, lease liabilities, borrowings, notes payables, amounts due to/from related parties and amounts due to/from subsidiaries. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group and the Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Interest rate risk

The Group and the Company are exposed to fair value interest rate risk in relation to cash and cash equivalents (Note 25), restricted cash (Note 25), lease liabilities (Note 29) and borrowings (Note 30). The management of the Group and the Company manages the interest rate risk by maintaining a balanced portfolio of fixed rate bank balances. The Group and the Company manage its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook.

No sensitivity analysis on interest rate risk is presented as the Directors consider the sensitivity on interest rate risk on fixed-rate bank balances, and fixed rate borrowings is insignificant.

Other price risk

The Group and the Company are exposed to other price risk through its investments in wealth management products measured at FVTPL and the Paid-in Capital with Preferred Rights. The management considers the other price risk of the Group on its investments in the wealth management products is limited as the maturity periods of these investments are short. Therefore, no sensitivity analysis is presented. Sensitivity analyzes for the Paid-in Capital with Preferred Rights were disclosed in Note 39.

Credit risk

The Group and the Company's maximum exposure to credit risk which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statements of financial position (including restricted cash, cash and cash equivalents, notes receivables, deposits and other receivables, amounts due from related parties and amounts due from subsidiaries and trade receivables).

Restricted cash, cash and cash equivalents and notes receivable

Credit risk on restricted bank deposits/bank balances/notes receivables is limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies. The Group and the Company assessed 12m ECL for restricted bank deposits/bank balances notes receivable by reference to information relating to probability of default and loss given default of the respective counterparties. Based on the average loss rates, the 12m ECL of restricted bank deposits/bank balances notes receivable is considered to be insignificant and therefore no loss allowance was recognized during the Track Record Period.

Deposits and other receivables, amounts due from related parties and amounts due from subsidiaries

For deposits and other receivables, amounts due to related parties and amounts due to subsidiaries, the management makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group and the Company provided impairment based on 12m ECL. The Group and the Company assessed the ECL for other receivables and deposits are insignificant and thus no loss allowance is recognized during the Track Record Period.

Trade receivables

Before accepting any new customer, the Group and the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the management considers that the Group and the Company's credit risk is significantly reduced.

The Group's and the Company's concentration of credit risk by geographical locations is in the PRC, which accounted for 100% of the total trade receivables as at December 31, 2023, 2024 and 2025. The Group and the Company has concentration of credit risk as 72.0%, 61.2%, and 35.4% of total trade receivable was due from the Group's largest customer and 99.7%, 97.7%, and 85.9% of total trade receivable was due from the Group's five largest customers for the year ended December 31, 2023, 2024 and 2025, respectively. In order to minimize the credit risk, the management of the Group and the Company has delegated a team responsible for determination of credit limits and credit approvals.

For trade receivables, the Group and the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group and the Company determines the ECL on these items by reference to information relating to probability of default and loss given default of the respective counterparties and adjusted for forward-looking information that is available without undue cost or effort.

The Group and the company's internal credit risk grading assessment comprises the following categories:

Internal credit rate	Description	Trade receivables	Other financial assets/other items
Low risk	The counterparty has a low risk of default and does not have any past due amounts or debtor frequently repays after due dates but usually settle in full	Lifetime ECL - not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL - not credit-impaired	Lifetime ECL - not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The Group

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

				2023	2024	2025
	Notes	Internal credit rating	12m or lifetime ECL	Gross carrying amount	Gross carrying amount	Gross carrying amount
				RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortized cost						
Trade receivables	*20*	Low risk	Lifetime ECL (not credit-impaired)	1,178,508	1,178,805	795,720
Trade receivables	*20*	Loss	Lifetime ECL (credit-impaired)	–	12,793	12,785
Notes receivables	*22*	Low risk	12m ECL	424,232	785,378	285,472
Amounts due from related parties	*42*	Low risk	12m ECL	1,217	11,269	12,431
Deposits and other receivables	*24*	Low risk	12m ECL	2,473	2,927	4,850
Restricted cash	*25*	Low risk	12m ECL	33,316	111,251	210,012
Cash and cash equivalents	*25*	Low risk	12m ECL	75,654	185,454	320,435
				1,715,400	2,287,877	1,641,705

The following table provides information about the exposure to credit risk for trade receivables which are assessed collectively within lifetime ECL.

	As at December 31, 2023		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.37	1,161,356	15,913
91-180 days	1.48	13,330	197
181-365 days	–	–	–
1-2 years	63.64	33	21
2-3 years	100.00	1,030	1,030
Over 3 years	100.00	2,759	2,759
		1,178,508	19,920

	As at December 31, 2024		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.53	1,164,325	17,810
91-180 days	0.08	3,598	3
181-365 days	0.87	460	4
1-2 years	61.60	7,612	4,689
2-3 years	100.00	12	12
Over 3 years	100.00	2,798	2,798
		1,178,805	25,316

	As at December 31, 2025		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.18	765,415	9,061
91-180 days	1.53	25,811	394
181-365 days	1.31	613	8
1-2 years	61.59	1,104	680
Over 3 years	100.00	2,777	2,777
		795,720	12,920

The estimated loss rates are estimated based on historically observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

During the years ended December 31, 2023, 2024 and 2025, 100% ECL were provided for credit-impaired trade receivables and impairment allowance of nil, RMB12,793,000, and RMB12,785,000, respectively, based on individual assessment.

The following table shows the movements in lifetime ECL that has been recognized for trade receivables under the simplified approach.

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	6,870	–	6,870
Impairment losses recognized	14,236	–	14,236
Impairment losses reversed	(1,186)	–	(1,186)
At December 31, 2023	19,920	–	19,920
Impairment losses recognized	12,067	12,793	24,860
Impairment losses reversed	(6,671)	–	(6,671)
At December 31, 2024	25,316	12,793	38,109
Impairment losses recognized	7,475	–	7,475
Impairment losses reversed	(19,871)	(8)	(19,879)
At December 31, 2025	12,920	12,785	25,705

The Company

The tables below detail the credit risk exposures of the Company's financial assets, which are subject to ECL assessment:

				2023	2024	2025
	Notes	Internal credit rating	12m or lifetime ECL	Gross carrying amount	Gross carrying amount	Gross carrying amount
				RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortized cost						
Trade receivables	*20*	Low risk	Lifetime ECL (not credit-impaired)	1,178,508	1,178,805	795,720
Trade receivables	*20*	Loss	Lifetime ECL (credit-impaired)	–	12,793	12,785

	Notes	Internal credit rating	12m or lifetime ECL	2023 Gross carrying amount	2024 Gross carrying amount	2025 Gross carrying amount
				RMB'000	*RMB'000*	*RMB'000*
Notes receivables	*22*	Low risk	12m ECL	424,232	785,378	285,472
Amounts due from related parties	*42*	Low risk	12m ECL	1,217	10,690	12,431
Amounts due from subsidiaries	*42*	Low risk	12m ECL	155,890	120,003	166,689
Deposits and other receivables	*24*	Low risk	12m ECL	1,424	1,693	3,139
Restricted cash	*25*	Low risk	12m ECL	33,316	111,251	210,012
Cash and cash equivalents	*25*	Low risk	12m ECL	73,490	179,876	309,338
				1,868,077	2,400,489	1,795,586

The following tables provides information about the exposure to credit risk for trade receivables which are assessed collectively within lifetime ECL.

	As at December 31, 2023		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.37	1,161,356	15,913
91-180 days	1.48	13,330	197
1-2 years	63.64	33	21
2-3 years	100.00	1,030	1,030
Over 3 years	100.00	2,759	2,759
		1,178,508	19,920

	As at December 31, 2024		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.53	1,164,325	17,810
91-180 days	0.08	3,598	3
181-365 days	0.87	460	4
1-2 years	61.60	7,612	4,689
2-3 years	100.00	12	12
Over 3 years	100.00	2,798	2,798
		1,178,805	25,316

	As at December 31, 2025		
	Average loss rate	Gross carrying amount	Impairment loss allowance
	%	*RMB'000*	*RMB'000*
1-90 days	1.18	765,415	9,061
91-180 days	1.53	25,811	394
181-365 days	1.31	613	8
1-2 years	61.59	1,104	680
2-3 years	–	–	–
Over 3 years	100.00	2,777	2,777
		795,720	12,920

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

During the years ended December 31, 2023, 2024 and 2025, 100% ECL were provided for credit-impaired trade receivables and impairment allowance of nil, RMB12,793,000, and RMB12,785,000, respectively, based on individual assessment.

The following table shows the movements in lifetime ECL that has been recognized for trade receivables under the simplified approach.

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	6,865	–	6,865
Impairment losses recognized	14,234	–	14,234
Impairment losses reversed	(1,179)	–	(1,179)
At December 31, 2023	19,920	–	19,920
Impairment losses recognized	12,067	12,793	24,860
Impairment losses reversed	(6,671)	–	(6,671)
At December 31, 2024	25,316	12,793	38,109
Impairment losses recognized	7,475	–	7,475
Impairment losses reversed	(19,871)	(8)	(19,879)
At December 31, 2025	12,920	12,785	25,705

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Liquidity risk

In the management of the liquidity risk, the management of the Group monitors and maintains a reasonable level of cash and cash equivalents which is deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on the cash generated from the issuance of the Paid-in Capital with Preferred Rights as the main source of liquidity. During the years ended December 31, 2023, 2024 and 2025, the Group had net cash generated from the issuance of the Paid-in capital with Preferred Rights/Share capital of RMB53,000,000, RMB427,857,000 and RMB570,000,000, and cash used in operations of RMB697,717,000, RMB1,012,283,000 and RMB873,519,000, respectively.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interests and principal cash flows.

The Group

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023								
Trade and notes payables	–	237,494	–	–	–	–	237,494	237,494
Other payables	–	53,186	–	–	–	–	53,186	53,186
Amounts due to related parties	–	1,443,275	–	–	–	–	1,443,275	1,443,275
Paid-in Capital with Preferred Rights	*	–	–	1,188,881	–	–	1,188,881	1,099,021
Bank borrowings	3.03	777,760	65,481	–	–	–	843,241	825,941
Borrowings from other financial institutions	6.06	146,027	9,877	–	–	–	155,904	154,281
Lease liabilities	4.87	2,250	2,529	2,266	–	–	7,045	6,410
Total		2,659,992	77,887	1,191,147	–	–	3,929,026	3,819,608

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024								
Trade and notes payables	–	208,398	–	–	–	–	208,398	208,398
Other payables	–	47,334	–	–	–	–	47,334	47,334
Amounts due to related parties	–	1,219,563	–	–	–	–	1,219,563	1,219,563
Paid-in Capital with Preferred Rights	*	–	1,696,722	–	–	–	1,696,722	1,684,695
Borrowings	1.99	1,305,398	–	–	–	–	1,305,398	1,298,264
Lease liabilities	4.08	2,806	2,266	–	–	–	5,072	4,788
Total		2,783,499	1,698,988	–	–	–	4,482,487	4,463,042

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2025								
Trade and notes payables	*	890,620	–	–	–	–	890,620	890,620
Other payables	*	73,730	–	–	–	–	73,730	73,730
Amounts due to related parties	*	10,330	–	–	–	–	10,330	10,330
Borrowings	2.81	965,344	204,284	–	–	–	1,169,628	1,149,897
Lease liabilities	3.83	3,473	4,829	4,829	–	–	13,131	12,139
Total		1,943,497	209,113	4,829	–	–	2,157,439	2,136,716

Note:

* The redemption amount disclosed is calculated based on 8% annual single return.

The Company

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023								
Trade and notes payables	–	237,235	–	–	–	–	237,235	237,235
Other payables	–	50,160	–	–	–	–	50,160	50,160
Amounts due to related parties	–	1,443,124	–	–	–	–	1,443,124	1,443,124
Amounts due to subsidiaries	–	892	–	–	–	–	892	892
Paid-in Capital with Preferred Rights	*	–	–	1,188,881	–	–	1,188,881	1,099,021
Bank borrowings	3.03	777,760	65,481	–	–	–	843,241	825,941
Borrowings from other financial institutions	6.06	146,027	9,877	–	–-	–	155,904	154,281
Lease liabilities	3.00	798	67	–	–	–	865	833
Total		2,655,996	75,425	1,188,881	–	–	3,920,302	3,811,487

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024								
Trade and notes payables	–	206,540	–	–	–	–	206,540	206,540
Other payables	–	47,104	–	–	–	–	47,104	47,104
Amounts due to related parties	–	1,218,962	–	–	–	–	1,218,962	1,218,962
Amounts due to subsidiaries	–	180,373	–	–	–	–	180,373	180,373
Paid-in Capital with Preferred Rights	*	–	1,696,722	–	–	–	1,696,722	1,684,695
Borrowings	1.90	1,204,040	–	–	–	–	1,204,040	1,198,264
Lease liabilities	2.14	334	–	–	–	–	334	327
Total		2,857,353	1,696,722	–	–	–	4,554,075	4,536,265

	Weighted average interest rate	On demand or within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years but within 4 years	Over 4 years but within 5 years	Total undiscounted cash flows	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2025								
Trade and notes payables	*	889,340	–	–	–	–	889,340	889,340
Other payables	*	70,030	–	–	–	–	70,030	70,030
Amounts due to related parties	*	10,330	–	–	–	–	10,330	10,330
Amounts due to subsidiaries	*	88,128	–	–	–	–	88,128	88,128
Borrowings	2.81	965,344	204,284	–	–	–	1,169,628	1,149,897
Lease liabilities	3.90	1,207	4,829	4,829	–	–	10,865	9,941
Total		2,024,379	209,113	4,829	–	–	2,238,321	2,217,666

Note:

* The redemption amount disclosed is calculated based on 8% annual single return.

39. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the *fair* value hierarchy into which the fair value measurements are categorized (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

The Group and the Company

Fair value hierarchy as at December 31, 2023

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at FVTPL				
The Paid-in Capital with Preferred Rights	–	–	1,099,021	1,099,021

Fair value hierarchy as at December 31, 2024

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at FVTPL				
The Paid-in Capital with Preferred Rights	–	–	1,684,695	1,684,695

Fair value hierarchy as at December 31, 2025

	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at FVTPL				
Investments in wealth management products issued by financial institutes	–	75,001	–	75,001

Fair value of the Group and the Company's financial liabilities that are measured at fair value on a recurring basis

Financial assets/liabilities	Fair value as at December 31, 2023	Fair value as at December 31, 2024	Fair value as at December 31, 2025	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)
	RMB'000	*RMB'000*	*RMB'000*			
Financial assets at FVTPL:						
Wealth management products	–	–	75,001	Level 2	Discounted cash flow. Future cash flows are estimated based on espected rate of return, discounted at a rate that reflects the credit risk of the counterparty.	N/A
Financial liabilities at FVTPL:						
The Paid-in Capital with Preferred Rights	1,099,021	1,684,695	–	Level 3	Black-Scholes option pricing model to determine the fair value of the Paid-in Capital with Preferred Rights.	Equity value of the Company

Note: A 5% increase/decrease in the equity value of the Company, while all other variables keep constant, would increase/decrease the fair value of the Paid-in capital with Preferred Rights as at December 31, 2023, 2024 and 2025 by approximately RMB46,482,000/RMB46,761,000, RMB75,220,000/RMB75,464,000 and nil/nil, respectively.

There were no transfers between Level 1, 2 and 3 during the Track Record Period.

Reconciliation of Level 3 Measurements

The following table represents the reconciliation of Level 3 fair value measurements throughout the years ended December 31, 2023, 2024 and 2025:

	Paid-in Capital with Preferred rights
	RMB'000
At January 1, 2023	953,642
Recognition	53,000
Changes in fair value	92,379
At December 31, 2023	1,099,021
Recognition	427,857
Changes in fair value	157,817
At December 31, 2024	1,684,695
Changes in fair value	428,952
Derecognised of Paid-in capital with preferred rights	(2,113,647)
At December 31, 2025	–

The management considers that the carrying amounts of other financial assets and financial liabilities recognized in the Historical Financial Information approximate their fair values.

40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of debt and equity balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in Note 30, lease liabilities disclosed in Note 29, the Paid-in Capital with Preferred Rights disclosed in Note 32, net of cash and cash equivalents and equity attributable to owners of the Company, comprising paid-in capital, other reserve and accumulated deficit.

The management of the Group reviews the capital structure regularly. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new shares issues as well as raising, extension and early repayment of borrowings.

41. COMMITMENTS

At the end of each reporting period, the Group had the following commitments:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Capital expenditure in respect of the acquisition of long-term assets contracted for but not provided in the Historical Financial Information	11,757	128,969	83,624
	11,757	128,969	83,624

42. RELATED PARTY DISCLOSURES

(a) Name and relationship of key related parties

Name	Relationship
The Founder	Controlling Shareholder
Weifu Smart Sensing (Wuxi) Technology Co., Ltd. ("Weifu") *(note)*	Shareholder of the Company
Bosch *(note)*	Company controlled by the Shareholder of the Company
Wingtech Technology Co., Ltd. ("Wingtech") *(note)*	Shareholder of the Company
Wuxi Turing Smart Display Technology Co., Ltd. ("Turing")	Associate of the Company
Chelian Zhijia	Company controlled by the Founder
Chelian Yijia	Company controlled by the Founder
Beijing Che Zhi Zao Technology Co., Ltd. ("Che Zhi Zao")	Company controlled by the Founder
Beijing Che Rong Tong Investment Management Co., Ltd. ("Che Rong Tong")	Shareholder of the Company

Note: As at November 10, 2025, the Directors nominated by Bosch, Wintech and Weifu resigned from the board. As a result, these entities ceased to be related parties of the Company from that date.

(b) Related party balances

The Group

Amounts due from related parties (non-trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Che Zhi Zao	63	–	–
Chelian Zhijia	1,154	–	–
		–	–
	1,217	–	–

Amounts due from related parties (trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Weifu	–	579	n/a
Turing	–	10,690	12,431
	–	11,269	12,431

The following is an aging analysis of the outstanding receivables with trade nature, presented based on invoice date, at the end of the reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	–	11,269	1,741
91-180 days	–	–	10,690
	–	11,269	12,431

Amounts due to related parties (non-trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chelian Yijia	500	–	–
Chelian Zhijia *(i)*	17,640	17,640	9,537
	18,140	17,640	9,537

Note:

(i) Amount represents consideration received by the Company on behalf of Chelian Zhijia for grant of restricted shares to employees of the Group, the amount is unsecured, and repayment on demand with nil interest.The outstanding amount as at December 31, 2025 was fully settled subsequently.

Amounts due to related parties (trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bosch *(i)*	1,424,984	1,201,322	n/a
Wingtech	151	151	n/a
Weifu	–	450	n/a
Turing	–	–	793
	1,425,135	1,201,923	793

Note:

(i) Amounts due to Bosch are with the credit term of 90 days.

The following is an aging analysis of the outstanding payables with trade nature, presented based on invoice date, at the end of the reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	1,424,984	1,201,772	793
90 – 180 days	–	–	–
181 – 365 days	–	–	–
Over 365 days	151	151	–
	1,425,135	1,201,923	793

The Company

Amounts due from related parties (non-trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Che Zhi Zao	63	–	–
Chelian Zhijia	1,154	–	–
	1,217	–	–

Amounts due from related parties (trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Turing	–	10,690	12,431

The following is an aging analysis of the outstanding receivables with trade nature, presented based on service or payment received date, at the end of the reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	–	10,690	1,741
90-180 days	–	–	10,690
	–	10,690	12,431

Amounts due from subsidiaries

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade nature	155,890	3	–
Non-trade nature	–	120,000	166,689
	155,890	120,003	166,689

Aging of amounts due from subsidiaries – trade nature, based on the invoice date at the end of each reporting period, are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	–	3	–
91 – 180 days	–	–	–
181 – 365 days	155,890	–	–
1 – 2 years	–	–	–
	155,890	3	–

Amounts due to related parties (non-trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chelian Yijia	500	–	–
Chelian Zhijia *(i)*	17,640	17,640	9,537
Che Rong Tong *(ii)*	–	–	–
The Founder *(ii)*	–	–	–
	18,140	17,640	9,537

Notes:

(i) Amounts represent consideration received by the Company on behalf of Chelian Zhijia for grant of restricted shares to employees of the Group, the amount is unsecured, and repayment on demand with nil interest. The outstanding amount as at December 31, 2025 was fully settled subsequently.

(ii) Amounts represent temporary advance made to the Group and were settled during the Track Record Period.

Amounts due to related parties (trade nature):

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bosch *(i)*	1,424,984	1,201,322	n/a
Turing	–	–	793
	1,424,984	1,201,322	793

Note:

(i) Amounts due to Bosch are with the credit term of 90 days.

The following is an aging analysis of the outstanding payables with trade nature, presented based on service or payment received date, at the end of the reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	1,424,984	1,201,322	793
90 – 180 days	–	–	–
181 – 365 days	–	–	–
	1,424,984	1,201,322	793

Amounts due to subsidiaries

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade nature	892	90,373	88,128
Non-trade nature	–	90,000	–
	892	180,373	88,128

(c) Related party transactions

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade sales:			
Weifu	–	3,472	4,947
Bosch	29	–	–
Turing	–	–	4,822
	29	3,472	9,769
Trade purchase:			
Bosch	2,217,800	2,019,007	1,456,212

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade sales:			
Bosch	29	–	–
Turing	–	–	4,822
	29	–	4,822
Trade purchase:			
Bosch	2,217,800	2,019,007	1,456,212

(d) Bank borrowings — guaranteed by the Founder

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings – guaranteed (disclosed in Note 30)	394,113	376,372	949,897

(e) Remuneration of key management personnel of the Group

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries and benefits	10,479	10,268	7,959
Performance-based bonuses	4,886	3,547	3,808
Retirement benefit scheme contributions	716	671	429
	16,081	14,486	12,196

During the Track Record Period nil, 54,694 and 319,188 of restricted share, nil, nil and 1,458,865 of option share were granted to Directors and key management of the Company for the years ended December 31, 2023, 2024 and 2025, respectively.

43. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the principal subsidiaries directly and indirectly held by the Company comprising the Group are set out below. All subsidiaries of the Company are limited liability company.

Name of Subsidiaries	Place of incorporation	Date of incorporation	Issued and fully paid-up capital	Proportion of ownership interest held by the Company				Principal activities
				As at December 31,			Date of this report	
				2023	2024	2025		
			RMB'000	%	%	%	%	
Directly held subsidiaries:								
Shenzhen Autolink Information Technology Co., Ltd. *(i)*	The PRC	12/2/2015	261,875	100	100	100	[100]	R&D
Shanghai Autolink Information Technology Co., Ltd. *(i)*	The PRC	10/5/2016	10,680	100	100	100	[100]	R&D
Wuxi Autolink Intelligent Manufacturing Co., Ltd *(ii)*	The PRC	8/6/2016	32,589	100	100	100	[100]	R&D
Autolink Intelligent Network Connection (Deqing) Technology Co., Ltd *(i)*	The PRC	24/12/2018	25,100	100	100	100	[100]	R&D
Autolink Intelligent Network Connection (Beijing) Technology Co., Ltd *(i)*	The PRC	14/3/2019	38,200	100	100	100	[100]	R&D
Autolink Intelligent Network Connection (Wuxi) Information Technology Co., Ltd *(i)*	The PRC	9/7/2020	21,500	100	100	100	[100]	R&D
Hong Kong Autolink Investment Co., Ltd. *(ii)*	Hongkong	16/9/2024	938	–	100	100	[100]	Investment holding
Wuhu Autolink Intelligent Technology Co., Ltd. *(ii)*	The PRC	13/11/2024	80,000	–	100	100	[100]	Manufacture, R&D
Wuxi Beice Testing Technology Service Co., Ltd. *(ii)*	The PRC	25/12/2024	7,500	–	100	100	[100]	R&D
Indirectly held subsidiaries:								
Singapore Autolink Investment PTE. Limited *(ii)*	Singapore	30/9/2024	–	–	100	100	[100]	Investment holding
Detroit Autolink LLC *(ii)*	United States	10/12/2024	–	–	100	100	[100]	Sales
Autolink Japan Co., Ltd. *(ii)*	Japan	4/3/2025	930	–	–	100	[100]	Sales
Fuzhou Autolink Intelligent Technology Co., Ltd. *(ii)*	The PRC	23/12/2025	–	–	–	100	[100]	Manufacture, R&D

Notes:

i. Investments in these subsidiaries were fully impaired prior to the Track Record Period. During the Track Record Period, management of the Company conclude that there was no indication for reversal of impairment.

ii. During the Track Record Period, no impairment indicator was identified for these subsidiaries and no impairment assessment was performed.

All companies now comprising the Group have adopted December 31, as their financial year end.

The Company and its subsidiaries together which comprises the consolidated statements of financial position of the Group as at December 31, 2023 and 2024, were prepared in accordance with CASBE were audited by Pan-China Certified Public Accountants LLP certified public accountants registered in the PRC (for 2023 and 2024). No audited statutory financial statements were available for the year ended December 31, 2025.

No audited statutory financial statements were available for the rest of the companies of the Group during the Track Record Period as there was no requirement for statutory audit by the local authorities.

None of the subsidiaries comprising the Group had issued any debt securities at the end of each reporting period during the Track Record Period.

44. SUBSEQUENT EVENTS

There were no other significant events subsequent to the end of the Track Record Period that needs to be disclosed.

45. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company or any of its subsidiaries in respect of any period subsequent to December 31, 2025.

The information set out in this Appendix does not form part of the accountants' report on the historical financial information of the Group for the three years ended December 31, 2025 (the "Accountants' Report"), prepared by [Deloitte Touche Tohmatsu], Certified Public Accountants, Hong Kong, the Company's Reporting Accountants, as set out in Appendix I to this document respectively and is included here for information only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this document and the Accountants' Report set out in Appendix I to this document.

A. UNAUDITED [REDACTED] STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The following unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29(1) of the Listing Rules is set out below to illustrate the effect of the proposed placing and public offer of the Company (the "[**REDACTED**]") on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 as if the [**REDACTED**] had taken place on that day.

The unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company, had the [**REDACTED**] been completed as at December 31, 2025 or at any future dates.

The following unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 as derived from the Unaudited Condensed Consolidated Financial Statements of the Group, the text of which is set out in Appendix I to this document, and adjusted as described below:

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025	**Estimated [REDACTED] from the [REDACTED]**	**Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025**	**Unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share as at December 31, 2025**	
	RMB'000 (Note 1)	*RMB'000 (Note 2)*	*RMB'000 (Note 5)*	*RMB (Note 3)*	*HK$ (Note 4)*
Based on an [REDACTED] of [HK$[REDACTED]] per Share .	93,815	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Based on an [REDACTED] of [HK$[REDACTED]] per Share .	93,815	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Note:

1. The consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 is based on the audited consolidated net tangible assets of the Group attributable to owners of the Company amounted to RMB182,068,000 with adjustment for intangible assets of the Group attributable to owners of the Company as at December 31, 2025 of RMB88,253,000 extracted from the Accountants' Report of the Group set out in Appendix I to this document.

2. The estimated [**REDACTED**] from the [**REDACTED**] are based on [**REDACTED**] new Shares to be issued at the [**REDACTED**] of HK$[**REDACTED**] and HK$[**REDACTED**] per new Share, being the higher limit and lower limit of the indicative range of the [**REDACTED**], respectively, after deduction of the estimated [**REDACTED**] expenses (including [**REDACTED**] fees and other related expenses) expected to be incurred by the Group subsequent to December 31, 2025. The calculation of such estimated [**REDACTED**] does not take into account any Shares which may be allotted and issued pursuant to the exercise of [**REDACTED**] or the exercise of share options granted under the Pre-[**REDACTED**] Share Option Scheme (as defined in the document). For the purpose of calculating the estimated [**REDACTED**] from the [**REDACTED**], the translation of Hong Kong dollars into Renminbi was made at

the exchange rate of HK$1.00 to [RMB0.8726], which was the exchange rate prevailing on [May 22, 2026] with reference to the rate published by the People's Bank of China. No representation is made that Hong Kong dollars have been, would have been or may be converted to Renminbi, or vice versa, at that rate or at any other rates or at all.

3. The unaudited [**REDACTED**] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share is calculated based on [**REDACTED**] Shares, being the number of Shares expected to be in issue immediately following the completion of the [**REDACTED**]. [The calculation of such Shares expected to be in issue has taken into account of share division of 1 to 10 shares to be completed before the [**REDACTED**], as referred to the section headed "History, Development and Corporate Structure".] The calculation of such Shares expected to be in issue does not take into account any Shares which may be allotted and issued pursuant to the exercise of [**REDACTED**] or the exercise of share options granted under the Pre-[**REDACTED**] Share Option Scheme.

4. The unaudited [**REDACTED**] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is converted from RMB into Hong Kong dollars at the rate of HK$1.00 to [RMB0.8726], which was the exchange rate prevailing on [May 22, 2026] with reference to the rate published by the People's Bank of China. No representation is made that the RMB have been, would have been or may be converted to Hong Kong dollars, or vice versa, at that rate or at any other rates or at all.

5. No adjustment has been made to the unaudited [**REDACTED**] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 to reflect any trading result or any transactions of the Group entered into subsequent to December 31, 2025.

B. ASSURANCE REPORT FROM THE REPORTING ACCOUNTANTS ON THE UNAUDITED [REDACTED] FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from [**REDACTED**]*, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited* [**REDACTED**] *financial information prepared for the purpose of incorporation in this document.*

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

TAXES FOR SECURITIES HOLDERS

The income tax and the tax on capital gains for holders of H Shares shall be subject to the laws and practices of PRC and the jurisdictions in which the holders of H Shares are residents or subject to taxes for other reasons. The following summary of relevant tax provisions is based on current laws and practices, and does not take into account anticipated changes in or amendments to relevant laws and policies or constitute any opinions or suggestions. The discussion is not intended to cover all the possible tax consequences of the investment in H Shares, nor does it take into account the particular circumstances of any individual investor, some of which may be subject to special rules. Accordingly, you should consult your own tax adviser as to the tax consequences of the investment in H-Shares. The following discussion is based on the laws and regulations in force as of the Latest Practicable Date, which and whose interpretations are subject to change or adjustment and may have retrospective effect.

This section does not cover any aspects of Chinese taxation other than income tax, capital tax, value-added tax, stamp duty, and inheritance tax. Prospective investors should consult their tax advisors regarding the Chinese and other tax implications of holding and disposing of H-shares.

TAXES IN MAINLAND CHINA

Tax on Dividends

Individual Investors

According to the Individual Income Tax Law of the People's Republic of China revised by the Standing Committee of the National People's Congress ("**NPCSC**") on August 31, 2018 and effective as of January 1, 2019, and the Implementation Regulations for the Individual Income Tax Law of the People's Republic of China revised by the State Council on December 18, 2018 and effective as of January 1, 2019, dividends distributed by domestic companies to individual investors shall be subject to withholding tax at a flat rate of 20%. Meanwhile, according to the Circular on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies promulgated by the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission ("**CSRC**") on September 7, 2015 and effective as of September 8, 2015, dividends and bonuses of shares of listed companies obtained by individuals from the public offering or stock market and held for more than one year shall be temporarily exempted from individual income tax. For shares of listed companies obtained by individuals from the public offering and transfer market and held for no more than one month, the dividends and bonuses thereof shall be fully included into the individual's taxable income; for shares held for more than one month but not more than one year, 50% of the dividends and bonuses thereof shall be temporarily included into the individual's taxable income. The above income shall be uniformly subject to individual income tax at the rate of 20%.

According to the Arrangement between Mainland China and Hong Kong SAR on Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income on August 21, 2006, or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the PRC government can impose tax on dividends paid by Chinese companies to Hong Kong residents (including natural persons and legal entities), but the tax amount shall not exceed 10% of the total payable dividends. If a Hong Kong resident directly holds 25% or more of the shares in a PRC company, and such Hong Kong resident is the beneficial owner of the dividends and other conditions are satisfied, the relevant tariff shall not exceed 5% of the total payable dividends of the PRC company. The Fifth Protocol on the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the "**Fifth Protocol**"), which was promulgated by the State Administration of Taxation and became effective on December 6, 2019, provides that such provisions shall not apply to any arrangement or transaction made for one of the main purposes thereof to obtain such tax preference.

Corporate Investors

According to the Enterprise Income Tax Law of the People's Republic of China ("**Enterprise Income Tax Law**") revised by the NPCSC and effective as of December 29, 2018 and the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China ("**Implementing Regulations of the Enterprise Income Tax Law**") revised by the State Council and effective as of January 20, 2025, non-resident enterprises which do not have a branch or offices in China, or even if they have a branch or offices in China but their China-sourced income is not effectively connected with their branch or offices, shall pay a 10% EIT on their China-sourced income (including dividends paid by Chinese resident enterprises whose shares are issued and listed in Hong Kong). The above-mentioned income tax payable by non-resident enterprises shall be withheld at source, with the payer as the withholding agent and the tax payable shall be withheld from each payment or amount due at the time of payment or when payment becomes due. Such tax may be reduced or exempted under the applicable treaty on the avoidance of double taxation.

According to the Circular on Issues Related to the Withholding of the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H-share Non-Resident Enterprises released by the State Administration of Taxation (SAT) and effective as of November 6, 2008, when Chinese Resident Enterprises pay the dividends of 2008 and subsequent years to their H-share Non-Resident Enterprises, they must withhold the enterprise income tax (EIT) at a tax rate of 10%.

In accordance with the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, the PRC government may impose tax on dividends paid by a PRC Company to Hong Kong residents (including natural persons and legal entities), provided that such tax shall not exceed 10% of the aggregate amount of the dividends payable by the PRC Company. If a Hong Kong resident directly holds 25% or more of the shares in a PRC company, and such Hong Kong resident is the beneficial owner of the dividends and other conditions are satisfied, the relevant tariff shall not exceed 5% of the total payable dividends of the PRC company. The Fifth Protocol provides that such provision shall not apply to any arrangement or transaction entered into with one of the primary purposes of such tax preference.

In accordance with applicable regulations, we intend to withhold the tax at the tax rate of 10% from dividends paid to H-share non-PRC resident corporate holders. Non-PRC resident enterprises, which are entitled to enjoy tax reduction or exemption pursuant to the applicable income tax treaty, need to apply to the tax authorities in China for refund of the amount of withheld tax exceeding the conventional tax rate, and the tax refund should be verified by the tax authorities in China.

Tax on Gains from Share Transfers

Individual Investors

According to the Individual Income Tax Law of the People's Republic of China and its implementation rules, gains from the sale of shares held by a PRC resident enterprise shall be levied individual income tax at a rate of 20%. According to the Circular on the Continued Exemption of Individual Income Tax on Gains from the Sale of Shares promulgated by the Ministry of Finance and the SAT on March 30, 1998 and effective as of the same day, gains from the sale of shares held by a listed company shall continue to be exempted from the individual income tax starting from January 1, 1997. The SAT did not explicitly specify in the newly revised Enterprise Income Tax Law and its implementation rules whether the individual income tax on gains from the sale of shares held by a listed company shall continue to be exempted.

Corporate Investors

In accordance with the Enterprise Income Tax Law and its implementing rules, non-PRC resident enterprises that have not set up institutions or offices in China, or have set up institutions or offices but the incomes obtained by the enterprises have no actual connection with the set up institutions or offices, shall pay enterprise income tax (EIT) in relation to their incomes generated in China (including gains from the sale of shares held by a PRC resident enterprise) at the rate of 10%. The aforesaid payable income tax on non-PRC resident enterprises shall be withheld at the source, with the payer as the withholding agent. The tax payable shall be withheld from each payment or amount due at the time of payment or when payment becomes due. The withholding tax can be reduced or exempted pursuant to the relevant tax treaty or double taxation agreement.

Tax Policies of Shanghai-Hong Kong Stock Connect

According to the Circular on Tax Policies Relating to the Pilot Program of Shanghai-Hong Kong Stock Connect promulgated by the Ministry of Finance, the SAT and the CSRC on October 31, 2014 and effective as of November 17, 2014, gains as a result of the transfer price difference from investments by domestic enterprises in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to EIT in accordance with the law. For dividends received by mainland individual investors investing in H-shares listed on the HKSE through the Shanghai-Hong Kong Stock Connect, the H-share company shall apply to CSDC, which shall provide the H-share company with the roster of mainland individual investors, and then the H-share company shall withhold and pay the individual income tax on behalf of the investors according to the tax rate of 20%.

According to the Announcement on the Extension of the Relevant Individual Income Tax Policies on the Shanghai-Hong Kong and Shenzhen-Hong Kong Mutual Stock Market Access Mechanism and the Mutual Recognition of Funds between the Mainland and Hong Kong promulgated on August 21, 2023 and implemented on the same day, individual income tax will continue to be exempted on gains as a result of the transfer price difference from investments by mainland individual investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect or in Hong Kong fund units acquired through mutual recognition of funds until December 31, 2027.

According to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets, gains from dividends from investments by mainland corporate investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. Specifically, gains from dividends derived by a Chinese resident enterprise for holding H shares for 12 consecutive months and above will be exempted from enterprise income tax in accordance with the law. H-share companies do not withhold income tax on dividends for mainland corporate investors and the tax payable shall be declared and paid by the mainland corporate investors themselves.

Tax Policies of Shenzhen-Hong Kong Stock Connect

According to the Circular on Tax Policies relating to the Pilot Program of Shenzhen-Hong Kong Stock Connect promulgated by the Ministry of Finance, the SAT and the CSRC on November 5, 2016 and effective as of December 5, 2016, gains as a result of the transfer price difference from investments by mainland corporate investors in stocks listed on the HKSE through the Shenzhen-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. For dividends received by mainland individual investors investing in H-shares listed on the HKSE through the Shenzhen-Hong Kong Stock Connect, the H-share company shall apply to CSDC, which shall provide the H-share company with the roster of mainland individual investors, and then the H-share company shall withhold and pay the individual income tax on behalf of the investors according to the tax rate of 20%.

According to the Announcement on the Extension of the Relevant Individual Income Tax Policies on the Shanghai-Hong Kong and Shenzhen-Hong Kong Mutual Stock Market Access Mechanism and the Mutual Recognition of Funds between the Mainland and Hong Kong promulgated on August 21, 2023 and implemented on the same day, individual income tax will continue to be exempted on gains as a result of the transfer price difference from investments by mainland individual investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect and in Hong Kong fund units acquired through mutual recognition of funds until December 31, 2027.

According to the Circular on Tax Policies relating to the Pilot Program of Shanghai-Hong Kong Stock Connect, gains from dividends from investments by mainland corporate investors in stocks listed on the HKSE through the Shanghai-Hong Kong Stock Connect will be included in their total revenues subject to enterprise income tax in accordance with the law. Specifically, gains from dividends derived by a Chinese resident enterprise for holding H shares for 12 consecutive months and above will be exempted from enterprise income tax in accordance with the law. H-share companies do not withhold income tax on dividends for mainland corporate investors and the tax payable shall be declared and paid by the mainland corporate investors themselves.

Stamp Tax

According to the Stamp Tax Law of the People's Republic of China promulgated on June 10, 2021 and effective as of July 1, 2022, purchase and disposal of H shares outside Mainland China by non-mainland investors will not be subject to the Stamp Tax Law of the People's Republic of China.

Inheritance Tax

Currently, inheritance tax is not levied in Mainland China according to Chinese laws.

MAJOR TAXES OF THE COMPANY IN CHINA

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China, enterprises and other organizations that have income accruing in People's Republic of China are enterprise income tax payers, who shall pay enterprise income tax in accordance with the Law. The enterprise income tax rate is 25%. High-tech enterprises that the Chinese government needs to prioritize supporting shall be subject to a reduced enterprise income tax rate of 15%.

Enterprises are further divided into resident enterprises and non-resident enterprises. For the purposes of China's enterprise income tax, enterprises established within China, or those established outside China but with their place of effective management within China, are deemed resident enterprises. Such enterprises shall pay enterprise income tax at a rate of 25% on their income derived both within and outside China. Non-resident enterprises refer to enterprises that have not established an institution or place of business within China, or enterprises that have established an institution or place of business within China but whose income is not effectively connected with such institution or place of business. Such enterprises shall pay enterprise income tax at a rate of 20% on income derived from within China. Such income tax shall be withheld at source, with the payer acting as the withholding agent. In addition, any income derived by non-resident enterprises from the transfer of shares shall be subject to enterprise income tax if such income is deemed to be derived from the transfer of property within China.

Value-added tax

According to the Provisional Regulations of the People's Republic of China on Value-added Tax revised by the State Council and effective on November 19, 2017, and the Implementing Rules for the Provisional Regulations of the People's Republic of China on Value-added Tax revised by the Ministry of Finance on October 28, 2011 and effective on November 1, 2011, any entity and individual engaged in the sale of goods, the provision of processing, repair, or maintenance services, or the importation of goods within China shall be a VAT taxpayer and shall pay VAT in accordance with the relevant regulations and implementing rules. Unless otherwise specified in the aforementioned regulations, the value-added tax rate for taxpayers selling or importing goods is generally 17%.

According to the Notice on Adjusting Value-added Tax Rates promulgated by the Ministry of Finance and the SAT on April 4, 2018 and effective on May 1, 2018, the previous applicable 17% and 11% tax rates of a taxpayer engaging in VAT taxable sales activities or importation of goods are adjusted to 16% and 10%, respectively.

According to the Announcement on Policies for Deepening the VAT Reform promulgated by the Ministry of Finance, the SAT and the General Administration of Customs on March 20, 2019 and effective on April 1, 2019, the previous applicable 16% tax rate and 10% tax rates of a taxpayer engaging in VAT taxable sales activities or importation of goods are adjusted to 13% and 9% respectively.

The NPCSC promulgated the Value-Added Tax Law on December 25, 2024, which will take effect on January 1, 2026. Upon the implementation of this law, the Provisional Regulations of the People's Republic of China on Value-Added Tax shall be repealed simultaneously. Under the Value-Added Tax Law, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, and real estate within China, as well as import goods, are VAT taxpayers and shall pay value-added tax. Taxpayers selling goods are subject to a 13% tax rate, while those selling services or intangible assets are subject to a 6% tax rate. Except as otherwise provided in the Value-Added Tax Law, taxpayers engaging in taxable transactions shall calculate and pay value-added tax using the general taxation method by offsetting output tax against input tax.

FOREIGN EXCHANGE CONTROL OF CHINA

The legal currency of China is Renminbi (RMB). The State Administration of Foreign Exchange is authorized by the People's Bank of China to be responsible for the administration of all matters related to foreign exchange, including the implementation of foreign exchange regulations.

According to the Foreign Exchange Control Regulations of the People's Republic of China revised by the State Council and effective on August 5, 2008, all international payment and transfer are classified into current account and capital account. China imposes no restrictions on international payments and transfers under the current account. Foreign exchange earnings of Chinese enterprises under the current account may be retained or sold to financial institutions engaged in foreign exchange conversion and sale in accordance with relevant national regulations. Foreign exchange earnings under the capital account may be retained or sold to financial institutions engaged in foreign exchange conversion and sale, subject to approval by the foreign exchange administration authorities, except where otherwise provided by the state.

According to the Administrative Provisions on Foreign Exchange Settlement, Sales and Payment promulgated by the People's Bank of China on June 20, 1996 and effective on July 1, 1996, other restrictions on foreign exchange convertibility under current account are cancelled, but the existing restrictions on foreign exchange transactions under capital account remain.

Pursuant to relevant PRC laws and regulations, companies in China (including foreign invested enterprises) which need foreign exchange for current account transactions may produce valid receipts and transaction vouchers to make payments from their foreign exchange accounts at designated foreign exchange banks, without the need of approval by the SAFE. Foreign-invested enterprises which need to use foreign exchange to distribute profits to shareholders and Chinese enterprises which need to use foreign exchange to pay fixed dividends pursuant to relevant provisions shall make payment from its foreign exchange account or at designated foreign exchange bank pursuant to a resolution on profit distribution passed by the board of directors.

According to the Decision of the State Council on Matters relating to Cancelling and Adjusting a Number of Administrative Examination and Approval Items promulgated by the State Council and effective on October 23, 2014, the administrative examination and approval by the SAFE and its branches for the repatriation and settlement of funds raised through overseas listing were cancelled.

According to the Notice of the State Administration of Foreign Exchange on Issues Relating to Foreign Exchange Administration of Overseas Listing promulgated by the SAFE and effective on December 26, 2014, the State Administration of Foreign Exchange and its branches, along with local foreign exchange bureaus, supervise activities related to business registration, account management, cross-border transactions, and fund transfers for domestic companies seeking overseas listings. Domestic companies must complete overseas listing registration with their local foreign exchange administration within 15 working days after the conclusion of the listing issuance. In addition, domestic shareholders intending to increase or reduce their holdings in overseas-listed companies must submit the required documentation to the local foreign exchange authority for registration of changes at least 20 working days prior to the proposed increase or reduction. In addition, domestic companies (excluding banking financial institutions) shall open dedicated foreign exchange accounts with domestic banks to handle foreign exchange conversion and fund transfers related to their initial public offerings, additional share issuances, and share repurchase transactions.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies for the Administration of Foreign Exchange in Direct Investment promulgated on February 13, 2015 and effective on June 1, 2015, the SAFE has cancelled the requirement for the foreign exchange registration approval for domestic or overseas direct investments. Instead, the banks are directly responsible for the review and handling of foreign exchange registration for domestic and overseas direct investments, and the SAFE and its branches exercise indirect supervision over foreign exchange registration for direct investment via the banks.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement under Capital Accounts promulgated and implemented by the SAFE on June 9, 2016, domestic institutions can settle their foreign exchange receipts under capital accounts (including repatriated funds raised through overseas listing) at their discretion with banks according to their actual business needs. Domestic institutions may, at their discretion, settle up to 100% of their foreign exchange receipts under capital accounts for the time being. The SAFE may adjust the aforesaid proportion where appropriate based on balance of payments.

This Appendix contains a summary of laws and regulations on companies and securities in the PRC, certain major differences between the PRC Company Law and Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance as well as the additional regulatory provisions of the Stock Exchange on joint stock limited companies of the PRC. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulations applicable to us. This summary is with no intention to include all the information which may be important to the potential investors. For discussion of laws and regulations specifically governing the business of the Company, please see section entitled "Regulatory Overview" in this document.

PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "Constitution") and is made up of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, rules and regulations of departments, rules and regulations of local governments, international treaties of which the PRC government is a signatory, and other regulatory documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》), or the "Legislation Law" lastly amended by NPC on March 13, 2023 and effective on March 15, 2023, the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provisions of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their standing committees may formulate local regulations on matters such as urban and rural construction and management, environmental protection and historical and cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where laws have other stipulations on matters of local regulations formulated by cities divided into districts, such stipulations shall prevail. The local regulations of cities divided into autonomous regions shall be submitted for approval before implementation.

The standing committees of the people's congresses of provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned. The ministries, commissions, PBOC, National Audit Office of the State Council and institutions with administrative functions directly under the State Council may formulate rules and regulations within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the power to amend or annul any inappropriate laws formulated by the SCNPC, and to annul any autonomous regulations and separate regulations which have been approved by the SCNPC but which contravene the Constitution and the Legislation Law. The SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but which contravene the Constitution and the Legislation Law. The State Council has the power to amend or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The standing committees of the local people's congresses have the power to annul inappropriate rules enacted by the people's governments at the corresponding level. The people's governments of provinces and autonomous regions have the power to amend or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws belongs to the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed by the SCNPC and effective on June 10, 1981, the SCNPC shall give interpretation and make provisions by means of decrees on issues related to the further clarification or supplement of laws or decrees. The Supreme People's Court shall give interpretations on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate shall interpret all issues involving the specific application of laws and decrees in the procuratorial work. If there are principled differences in the interpretation of the Supreme People's Court and the Supreme People's Procuratorate, they shall be submitted to the SCNPC for interpretation or decision. Interpretation of questions involving the specific application of laws and decrees in areas unrelated to judicial and procuratorial work shall be provided by the State Council and competent authorities.

Where the scope of local regulations needs to be further defined or additional stipulations need to be made, the standing committees of the people's congresses of provinces, autonomous regions and municipalities which have enacted these regulations shall provide interpretations or make the stipulations. Interpretation of questions involving the specific application of local regulations shall be provided by the competent departments of the people's governments of provinces, autonomous regions and municipalities.

PRC JUDICIAL SYSTEM

According to the Constitution and the Law of the PRC of Organization of the People's Courts (《中華人民共和國人民法院組織法》) lastly amended by the SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Court is made up of the Supreme People's Court, the local people's courts, and other special people's courts. The local people's courts are divided into three levels, namely the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the

state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at higher levels shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) lastly amended by SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-instance trial system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts become final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the president of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》), or the "Civil Procedure Law" lastly amended by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the mainland China must comply with the Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed, or the object of the action is located. However, the choice of the court cannot conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or defending any proceedings at a people's court. If a foreign court limits the litigation rights of PRC citizens, legal person or other organizations, the PRC court may apply the same limitations to the citizens, legal person or other organizations of such foreign country. A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must engage a lawyer from Mainland China if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. Under an international treaty or the principle of reciprocity signed or acceded to by the mainland China, the people's court and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions on behalf of each other. If the request by a foreign court would result in the violation of the PRC's sovereignty, security or public interest, the people's court shall decline the request.

All parties involved must comply with legally effective civil judgments and rulings. If any party to a civil action refuse to comply with a judgment or order made by a people's court or an award made by an arbitration tribunal, the other party may apply to the people's court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the mainland China or whose property is not within the mainland China, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to the mainland China enforcement procedures if the mainland China has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the mainland China, its sovereignty or security, or for reasons of social and public interests.

THE PRC COMPANY LAW, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in mainland China seeking a listing on Hong Kong Stock Exchange is mainly subject to the following laws and regulations of Mainland China.

The Company Law was lastly revised on December 29, 2023 and came into effect on July 1, 2024.

The Overseas Listing Trial Measures and its five interpretative guidelines were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023 and were applicable to the direct and indirect overseas offering and listing of PRC domestic companies' securities.

According to the Overseas Listing Trial Measures and its interpretative guidelines, where a domestic company directly conducts offering and listing overseas, it shall formulate its articles of association in line with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), or the "Guidelines for Articles of Association", which was lastly amended by the CSRC and came into effect on March 28, 2025.

Set out below is a summary of the major provisions of the Company Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association which are applicable to our Company.

General Provisions

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the amount of shares held by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A joint stock limited company shall conduct its business in accordance with laws and regulations as well as public and commercial ethics, be honest and trustworthy and accept the supervision of the government and the public. A company may invest in other companies. If it is prescribed by any law that a company shall not become a capital contributor that shall bear the joint and several liability for the debts of the enterprises it invests in, such provisions shall prevail.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the Mainland China.

The promoters of subscription of a joint stock company shall convene an inaugural meeting of the company within 30 days after the share capital has been paid up and shall notify all subscribers of the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only with the presence of subscribers holding more than 50% of the voting rights. The convening and voting procedures for the inaugural meeting of a joint stock limited company incorporated by promotion shall be stipulated in the agreement of the promoters. Powers to be exercised at the inaugural meeting include but are not limited to the adoption of articles of association and the election of members of the board of directors and the supervisory committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be cast by subscribers presented at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall apply to the registration authority for registration of the incorporation of the joint stock limited company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Shares

Under the Company Law, shareholders may make capital contributions in cash, or with non-monetary property that may be valued in money and legally transferred, such as contribution in kind or with an intellectual property right, land use rights, shareholding or claims.

The Overseas Listing Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issues of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. A joint stock limited company may issue shares at a par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with the Overseas Listing Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholders information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer itself shall file with the CSRC.

Increase of Share Capital

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders' meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to original shareholders, if any. If no par value stock is issued, more than one-half of the proceeds from the issuance of the new stocks shall be included in the registered capital. Additionally, if a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) to prepare a balance sheet and a property list; (ii) a company makes a resolution at shareholders' meeting to reduce its registered capital; (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of resolution of reducing registered capital; (iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice; (v) when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

Repurchase of Shares

Under the Company Law, a company shall not purchase its own shares. Except for any following circumstances: (i) reducing the registered capital; (ii) merging with other company that holds the shares of the company; (iii) using the shares for employee stocks plan or equity incentives; (iv) with respect to shareholders voting against any resolution adopted at the shareholders' meeting on the merger or division of our Company, the right to demand our Company to acquire the shares held by them; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; (vi) as required for maintenance of the corporate value and shareholders' rights and interests of a listed company.

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the shareholders' meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the board meetings attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the meeting.

Following the purchase of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder of a joint stock limited company should affect a transfer of his shares on securities exchange established according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholders' meeting or 5 days prior to the record date for a company's distribution of dividends. However, where there are separate provisions by law on alternation of registration in the share register of listed companies, those provisions shall prevail.

Under the Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of the company are listed and traded on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by them shall not be transferred within one year from the date of a company's listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted transfer period.

Shareholders

Under the Company Law and the Articles of Association Guidelines, the rights of holders of ordinary shares of a joint stock limited company include:

- the right to attend or appoint a proxy to attend general meetings and to vote thereat;
- the right to transfer shares in accordance with laws, administrative regulations and provisions of the articles of association;
- the right to inspect the Company's articles of association, share register, counterfoil of Company debentures, minutes of general meetings, resolutions of meetings of the board of directors, resolutions of meetings of the supervisory committee and financial and accounting reports and to make proposals or enquiries on the Company's operations;
- the right to bring an action in the people's court to rescind resolutions passed by general meetings and board of directors where the articles of association is violated by the above resolutions;
- the right to receive dividends and other forms of profit distribution according to the proportion of shares they hold;
- in the event of the termination or liquidation of the Company, the right to participate in the distribution of the residual properties of the Company in proportion to the number of shares held; and
- other rights granted by laws, administrative regulations, other regulatory documents and the Company's articles of association.

The obligations of a shareholder include the obligation to abide by the Company's articles of association, to pay the subscription moneys in respect of the shares subscribed for and in accordance with the form of making capital contributions, to be liable for the Company's debts and liabilities to the extent of the amount of his or her subscribed shares and any other shareholders' obligation specified in the Company's articles of association.

Shareholders' Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers: (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors; (ii) to examine and approve reports of the board of directors; (iii) to examine and approve reports of the supervisory committee; (iv) to examine and approve a company's profit distribution plans and loss recovery plans; (v) to resolve on the increase or reduction of a company's registered capital; (vi) to resolve on the issuance of corporate bonds; (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company; (viii) to amend the company's articles of association; (ix) other functions and powers specified in provision of the articles of association.

Under the Company Law, annual shareholders' meetings are required to be held once every year. An interim shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances: (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association; (ii) when the unrecovered losses of a company amount to one-third of the total paid-up share capital; (iii) shareholders individually or jointly holding 10% or more of the company's shares request; (iv) when deemed necessary by the board of directors; (v) the supervisory committee proposes to convene the meeting; (vi) other circumstances as stipulated in the articles of association.

Shareholders' meeting shall be convened by the board of directors and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the supervisory board should convene and preside over shareholders' meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of interim meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the board of directors in writing 10 days before the shareholders' meeting. The board of directors shall notify other shareholders within two days after receiving the proposal and submit the interim proposal to the shareholders' meeting for consideration.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' meeting. Under the accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Board

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of offices hall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. The board of directors exercises the following functions and powers: (i) to convene shareholder's general meetings and report its work to the shareholder's general meetings; (ii) to implement the resolutions of the shareholder's general meeting; (iii) to decide on a company's business plans and investment plans; (iv) to formulate a company's profit distribution plan and loss recovery plan; (v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds; (vi) to formulate plans for cake, division, dissolution or change of corporate form of a company; (vii) to decide on the internal management structure of a company; (viii) to decide on the appointment or dismissal of the manager of a company and their remuneration; to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration; (ix) to formulate a company's basic management system; (x) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

The board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he/she may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his

behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is: (i) a person without capacity or with restricted capacity; (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period; (iii) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise; (iv) a person who was legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who were personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and (v) being listed as one of "dishonest persons subject to enforcement" by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairperson, who shall be elected by more than half of all the directors. The chairperson shall exercise the following functions and powers (including but not limited to): (i) to preside over shareholders' meetings and convene and preside over board meetings; and (ii) to examine the implementation of resolutions of the board of directors; (iii) to exercise other powers conferred by the board of directors.

Supervisory Committee

A joint stock limited company may establish an audit committee composed of directors of the board of directors in accordance with the company's bylaw which exercises the functions of the board of supervisors specified in this Law and is not required to have a board of supervisors or supervisors.

A joint stock limited company that is small or has a small number of shareholders is not required to establish a board of supervisors but shall have one supervisor who exercises the functions of the board of supervisors as provided for in this Law.

Except for the above-mentioned two special circumstances, a joint stock limited company shall have a supervisory committee composed of not less than three members. The supervisory committee is made up of representatives of the shareholders and an appropriate proportion of representatives of the employees of the company. The actual proportion shall be stipulated in the articles of association, provided that the proportion of representatives of the employees shall not be less than one third of the supervisors. Representatives of the employees of the company in the supervisory committee shall be democratically elected by the employees at the employees' representative assembly, employees' general meeting or otherwise. A director and a senior officer of the company shall not serve concurrently as a supervisor.

The supervisory committee shall have a chairman and may have a vice chairman. The chairman and deputy chairman of the supervisory committee shall be elected by more than half of all supervisors. The chairman of the supervisory committee shall convene and preside over the

meetings of the supervisory committee. Where the chairman of the supervisory committee is unable or fails to perform his/her duties, the vice chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. Where the vice chairman is unable or fails to perform his/her duties, the meetings shall be convened and presided over by a supervisor jointly nominated by more than half of all the supervisors.

Each term of a supervisor shall be three years, and a supervisor may continue to serve his post if he is re-elected. A supervisor shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of supervisors' results in the number of supervisors being less than the quorum.

The supervisory committee shall convene a meeting at least every six months. According to the Company Law, the supervisory committee shall make resolutions with the consent of a majority of all supervisors.

The supervisory committee exercises the following functions and power:

- to review the company's financial position;
- to supervise the directors and senior management in the performance of their duties and to propose the dismissal of directors or senior management who violate laws, regulations, the articles of association or resolutions of the general meeting;
- when the acts of directors and senior management are harmful to the company's interests, to require correction of those acts;
- to propose the convening of extraordinary general meetings and to convene and preside over general meetings when the board of directors fails to perform the duty of convening and presiding over general meetings under the Company Law;
- to initiate proposals for resolutions to general meetings;
- to initiate proceedings against directors and senior management;
- other powers and functions stipulated by the articles of association; and

The supervisors may attend the meetings of the board and may inquire about or put forth proposals on matters covered by resolutions of the board. The supervisory committee may initiate investigations into any irregularities identified in the operation of the company and, where necessary, may engage an accounting firm to assist their work at the company's expense.

According to Guidelines for Articles of Association, the company's board of directors shall establish an audit committee to exercise the supervisory authority stipulated by the "Company Law."

Manager and Senior Management

Pursuant to the Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall exercise his/her powers in accordance with the company's articles of association or the authorization of the board of directors. Other provisions in the articles of association on the manager's powers shall also be complied with.

The manager shall be present at meetings of the board of directors. However, the manager shall have no voting rights at meetings of the board of directors unless he/she concurrently serves as a director.

According to the Company Law, senior management shall mean the manager, deputy manager(s), person-in-charge of finance, board secretary (in case of a listed company) of a company and other personnel as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. The directors, supervisors and senior management are prohibited from:

- embezzling the property of the company and misappropriating the funds of the company;
- depositing the company's capital into accounts under his own name or the name of other individuals;
- taking advantage of power to accept bribes or other illegal income;
- accepting and possessing commissions paid by a third party for transactions conducted with the company;
- unauthorized divulgence of confidential business information of the company;
- other acts in violation of the duty of loyalty to the company;

Where directors, supervisors and senior management who directly or indirectly contract or conduct a transaction with the company shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's bylaw. If the close relatives of directors, supervisors, and senior management, enterprises under direct or indirect control of directors, supervisors, senior management, or their close relatives, and affiliates in any other affiliation relationship with directors, supervisors, and senior management contract or conduct transactions with the company, the provisions of the preceding paragraph shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's articles of association.

Directors, supervisors and senior management shall not take advantage of his position to take a business opportunity belonging to the company for himself or another person, except under any of the following circumstances:

- which has been reported to the board of directors or the shareholders' meeting and received approval by resolution of the board of directors or the shareholders' meeting according to the Company's articles of association.
- the company is unable to take the business opportunity according to laws, administrative regulations, or the company's articles of association.

Directors, supervisors and senior management shall not conduct the same kind of business as the company on his own account or on the account of another person, without reporting to the board of directors or the shareholders' meeting, without approval by resolution of the board of directors or the shareholders' meeting according to the company's articles of association.

Directors, supervisors and senior management who contravene any law, regulation or the company's articles of association in the performance of his/her duties and result in any loss to the company shall be personally liable to the company.

The Guidance for Articles of Association provides that a company's directors and senior management shall have duties of diligence towards the company, for example, the directors shall be prudent, serious and diligent in exercising the authority conferred by the company to ensure that the business activities of the company comply with state's laws, administrative regulations and various economic policy requirements and that the business activities do not go beyond the scope of business activities specified in the company's business license; the directors shall treat all shareholders equally; the shareholders shall keep abreast of the company's business management status; both the directors and the senior management shall sign written statements confirming periodic reports of the company and ensure that the information disclosed by the company is true, accurate and complete; both the directors and the senior management shall provide accurate information and materials to the board of supervisors and shall not interfere with the performance of duties by the board of supervisors or individual supervisors; both the directors and the senior management shall have other diligence duties prescribed by laws, administrative regulations, departmental rules and the company's articles of association.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

Under the Company Law, a joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

When distributing each year's after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw statutory reserve fund if it has accumulated to more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the shareholders' meeting.

A joint stock limited company may distribute profits in proportion to the number of shares held by its shareholders, except for profit distributions that are not in proportion to the number of shares held in accordance with the provisions of the articles of association of the joint stock limited company.

The premium over the nominal value of the shares of a joint stock limited company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounts other than those provided by law.

Appointment and Retirement of Accounting Firms

Pursuant to the Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting, the board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

According to the Guidelines for Articles of Association, the company shall guarantee to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the hired accounting firm, and shall not refuse, conceal or make false reports. The audit fee of an accounting firm shall be decided by the shareholders' meeting.

Distribution of Profits

According to the Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn.

Amendments to Articles of Association

Any amendments to the company's articles of association must be made in accordance with the procedures set out in the company's articles of association. In the event of a company registration, the amendments to the articles of association shall be registered with the relevant registration authorities. Pursuant to the Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by more than two-thirds of the votes held by shareholders attending the meeting.

Pursuant to the Guidance for Articles of Association, the company shall amend its articles of association under any of the following circumstances: (i) where, after any amendment to the Company Law or any other applicable law or administrative regulation, the provisions of the articles of association conflict with the law and/or administrative regulations amended; (ii) where the company's circumstances change to such an extent that they are inconsistent with what is recorded in the articles of association; and (iii) where the shareholders' general meeting decides to amend the articles of association.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons: (i) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders' meeting resolves to dissolve the company; (iii) dissolution is necessary due to a merger or division of the company; (iv) the business license is revoked, or the company is ordered to close down or is revoked in accordance with laws; (v) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the company may present a petition to a people's court for the dissolution of the company.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with item (i) above, it may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting. Where the company is dissolved pursuant to items (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company's articles of association or it is otherwise elected by the shareholders' meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

The liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation group to conduct liquidation. The people's court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation group shall exercise the following functions and powers during the liquidation period: (i) to liquidate the company's property and respectively prepare balance sheet and list of property; (ii) to notify creditors by notice or public announcement; (iii) to deal with the outstanding business of the company involved in the liquidation; (iv) to pay all outstanding taxes and taxes arising in the course of liquidation; (v) to liquidate claims and debts; (vi) to distribute the remaining property of the company after paying off debts; (vii) to participate in civil litigations on behalf of the company.

The liquidation group shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

The remaining property of the company after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to their shareholdings. During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The company's assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation group, having thoroughly examined the company's assets and having prepared a balance sheet and an inventory of assets, discovers that the company's assets are insufficient to pay its debts in full, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation group shall prepare a liquidation report to be submitted to the shareholders' meeting or the people's court for confirmation, and submit to the company registration authority to apply for cancellation of the company's registration.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Overseas Listing Trial Measures, the domestic enterprise shall report the application documents for issuance and listing to the CSRC for record-filing within three working days after submission of the application documents for issuance and listing overseas. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of Article 16 of the Overseas Listing Trial Measures.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The Securities Law has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Overseas Listing Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

Merger and Demerger

A merger agreement shall be signed by merging companies and the involved companies shall prepare respective statements of financial position and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in newspapers or the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the

notification, or within 45 days of the date of the announcement if he has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving or the new company.

In case of a division, the company's assets shall be divided and a statement of financial position and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in newspapers or the National Enterprise Credit Information Publicity System within 30 days. Unless an agreement in writing is reached with creditors before the company's division in respect of the settlement of debts, the liabilities of the company which have accrued prior to the division shall be jointly borne by the divided companies.

Changes in the business registration of the companies as a result of the merger or division shall be registered with the relevant administration authority for industry and commerce.

In accordance with the laws, cancelation of a company shall be registered when a company is dissolved and incorporation of a company shall be registered when a new company is incorporated.

SECURITIES LAW AND REGULATIONS

The Securities Law of the People's Republic of China, which was promulgated by the SCNPC on December 29, 1998, and was latest amended on December 28, 2019 and took effect on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

According to the Securities Law of the PRC (2019 Revision) (《中華人民共和國證券法(2019修訂)》) and the Administrative Measures on Acquisition of Listed Companies (《上市公司收購管理辦法》), where the shares held by an investor (including an overseas investor) through securities transactions on a stock exchange or jointly with others through an agreement or other arrangements attain 5% of the issued voting rights shares (including A-shares and H-shares) of a listed company, the investor shall submit a written report to the CSRC and SZSE within three days, notify the listed company and make an announcement. Whenever the investor's shares with voting rights in the said listed company are increased or reduced by 1%, the investor shall notify the listed company on the day following such occurrence, and make an announcement.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the PRC (《中華人民共和國仲裁法》), or the Arbitration Law, last amended by the SCNPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with

relevant regulations under the Arbitration Law and the Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the Civil Procedure Law. If there is evidence to prove that any of the following circumstances exists: the parties have not stipulated an arbitration clause in the contract or have not reached a written arbitration agreement afterwards; the respondent has not been notified of the appointment of the Court of Arbitration or the arbitration proceedings or failed to present views for other reasons for which the respondent is not responsible; the composition of the arbitral tribunal or the arbitration procedures are not in accordance with the arbitration rules; the matters awarded are outside the scope of the arbitration agreement, or the arbitration committee has no jurisdiction to arbitrate, the people's court may rule not to enforce such award. A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the mainland China shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by arbitral authorities in mainland China can be applied for enforcement in Hong Kong, and Hong Kong arbitration awards can also be applied for enforcement in the mainland China.

Judicial Judgment and its Enforcement

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the mainland China and of the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, in the case of effective judgment of a civil and commercial case or civil damages in a criminal case made by the court of China and the court of the Hong Kong Special Administrative Region, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement.

This appendix outlines the principal provisions of the Articles of Association. The summary of the Articles of Association shall take effect from the date the H shares are listed and traded on the Stock Exchange.

SHARES

The shares of the Company are issued in the form of stock certificates.

The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank pari passu with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by subscribers.

The par value of shares issued by the company shall be denominated in Renminbi.

Neither the Company nor its subsidiaries (including the affiliated enterprises of the Company) shall provide financial assistance in form such as gifts, advances, guarantees, or loans, to others for acquiring shares of the Company or its parent, except when the Company implements an employee stock ownership plan.

In the interests of the Company, the Company may, by the resolution(s) of a shareholders' meeting, or by the resolution(s) of the board of directors in accordance with these Articles of Association or a mandate granted by shareholders, provide financial assistance to others for the acquisition of shares of the Company or those of its parent company, provided that the cumulative total of such financial assistance shall not exceed 10% of the total issued share capital. The relevant resolution(s) of the board of directors shall be passed by more than two-thirds of all directors.

INCREASE, DECREASE AND REPURCHASE OF SHARES

According to the operation and development needs of the Company, subject to the laws and regulations, the Company may increase the capital by the following ways upon approval of resolutions at the general meeting:

(i) issuing shares to unspecified parties;

(ii) issuing shares to specific targets;

(iii) distribution of bonus shares to existing shareholders;

(iv) converting the reserve funds into share capital;

(v) other means approved by the laws, administrative regulations or approved by the CSRC.

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be carried out in accordance with the procedures prescribed by the Company Law, the Hong Kong Listing Rules, other securities regulations of the place where the Company's shares are listed, other relevant provisions, and these Articles of Association.

The Company shall not acquire its own shares, except in any of the following circumstances:

(i) to reduce the registered capital of the Company;

(ii) to merger with other companies holding shares in the Company;

(iii) to use shares for employee shareholding schemes or as equity incentives;

(iv) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any general meetings regarding the merger or division of the Company;

(v) to use the shares to satisfy the conversion of the convertible corporate bonds into shares issued by the Company;

(vi) to safeguard corporate value and shareholders' interests as the Company deems necessary.

TRANSFER OF SHARES

The Company shall not accept its own shares as the subject matter of a pledge.

Shares issued prior to the public offering of shares of the Company shall not be transferred within one (1) year from the date on which the shares of the Company are listed and traded on the stock exchange.

The Directors and senior management of the Company shall declare the Company their holdings of shares of the Company (including preference shares) and the changes therein. The shares transferred by them during each year of their tenures as determined at the time of appointment shall not exceed twenty-five (25) percent of their total holdings of shares in the same class of the Company. The shares of the Company held by them shall not be transferred within one (1) year from the date on which the Company's shares are listed for trading. The shares of the Company held by them shall not be transferred within half a year from their departure from the Company.

When shareholders holding more than 5% of the shares, Directors and senior management officers of the Company sell their shares or other equity securities within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the resulting gains are owned by the Company and the Board of Directors of the Company shall recover its resulting gains. However, the disposal of such shares by securities companies holding more than 5% of the shares as a result of the outstanding shares acquired under underwriting, and other circumstances stipulated by the CSRC are excluded.

GENERAL PROVISIONS ON THE SHAREHOLDERS

The Company shall establish a register of Shareholders in accordance with certificates provided by the securities registration and clearing authorities. The register of Shareholders is sufficient evidence to prove that the Shareholders hold the Company's Shares. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the equal rights and assume the same obligations.

When the Company convenes a Shareholders' meeting, distributes dividends, executes clearing or makes other conducts that require confirmation of identities of Shareholders, the Board or the convener of the Shareholders' meeting shall determine the record date. Shareholders included in the register of Shareholders at the close of business on the record date shall be the entitled Shareholders.

Shareholders of the Company shall enjoy the following rights:

(i) to receive dividends and other forms of interest distribution according to the number of shares held;

(ii) to legally require holding, convening, presiding over, participating in or authorizing proxies of Shareholders to attend the Shareholders' meeting and exercise corresponding voting rights;

(iii) to supervise operations of the Company, provide suggestions or submit queries;

(iv) to transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles;

(v) to inspect and copy the Articles, the register of Shareholders, Shareholders' meeting minutes, resolutions of meetings of the Board and financial and accounting reports;

(vi) to participate in the distribution of the remaining assets of the Company according to the proportion of shares held upon our termination or liquidation;

(vii) to require the Company to acquire the shares from Shareholders voting against any resolution adopted at the Shareholders' meeting concerning the merger and division of the Company;

(viii) other rights conferred by laws, administrative regulations, departmental rules and the Hong Kong Listing Rules or the Articles.

The Shareholders of the Company shall undertake the following obligations:

(i) to abide by laws, administrative regulations and the Articles;

(ii) to provide share capital according to the Shares subscribed for and the subscription methods;

(iii) not to withdraw share capital unless prescribed otherwise in laws or regulations;

(iv) not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

(v) to perform other duties prescribed in laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles.

Shareholders of the Company who abuse their Shareholders' rights and cause the Company or other Shareholders to suffer damages shall bear compensation liability in accordance with the law. Shareholders of the Company who abuse the independent legal person status of the Company and the limited liability of Shareholders to evade debts and cause damage to the interests of the creditors of the Company shall bear joint liability for the Company's debt.

GENERAL RULES OF THE GENERAL MEETING

The General Meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with the law:

(i) to elect and replace directors, and to decide on matters relating to the remuneration of directors;

(ii) to consider and approve the reports of the Board;

(iii) to consider and approve the Company's profit distribution plans and loss recovery plans;

(iv) to resolve on the increase or reduction of the registered capital of the Company;

(v) to resolve on the issue of securities or bonds of the Company;

(vi) to resolve on the merger, division, dissolution, liquidation or change of corporate form of the Company;

(vii) to amend the Articles of Association;

(viii) to resolve on the appointment and dismissal of the accounting firm that undertakes the auditing activities of the Company;

(ix) to consider and approve the guarantee matters stipulated in Article 47 of the Articles of Association;

(x) to consider the purchase or disposal of material assets within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(xi) to consider and approve the change in use of proceeds;

(xii) to consider share incentive schemes and employee share ownership schemes;

(xiii) to consider other matters required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association to be decided by the General Meeting.

The General Meeting may authorize the Board of Directors to make a resolution on the issuance of bonds of the Company.

The General Meetings are classified into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous fiscal year.

In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:

(i) when the number of directors falls short of the statutory number specified in the Company Law or is less than two-thirds of the number specified in the Articles of Association;

(ii) when the unrecovered losses of the Company amount to one-third of the total paid-up share capital;

(iii) when shareholders individually or together holding 10% or more of the shares of the Company request to hold such a meeting;

(iv) when the Board of Directors deems it necessary;

(v) when the Audit Committee proposes to hold such a meeting;

(vi) other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

CONVENING OF GENERAL MEETINGS

The Board shall convene the Shareholders' meeting within the prescribed time limit.

Subject to the consent of more than half of all the independent directors, the independent directors have the right to propose to the Board of Directors to convene an extraordinary general meeting. With regard to the proposal made by the independent directors for convening an extraordinary general meeting, the Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board of Directors agrees to convene the general meeting, a notice of convening such meeting shall be issued within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to convene the extraordinary general meeting, it shall provide reasons and make an announcement.

When the audit committee proposes to convene an extraordinary general meeting, it shall submit the proposal to the board of directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

Where the Board of Directors agrees to convene the general meeting, a notice of convening such meeting shall be issued within 5 days after the resolution of the Board of Directors is made. Any change to the original proposal in the notice shall be subject to the consent of the Audit Committee.

Where the Board disagrees to convene an extraordinary Shareholders' meeting, or fails to provide feedback within ten (10) days after receiving the request, it shall be deemed that the Board is unable or fails to perform its duty to convene the Shareholders' meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than ten (10) percent of the Company's shares and request the Board to convene an extraordinary Shareholders' meeting shall submit such request in writing to the Board. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide a written response within ten (10) days after receiving the request, indicating whether it agrees or disagrees to convene an extraordinary Shareholders' meeting.

Where the Board agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five (5) days after making the Board resolution. Any change to the original request in the notice shall be subject to the consent of the relevant Shareholders.

Where the Board disagrees to convene an extraordinary Shareholders' meeting, or fails to provide feedback within ten (10) days after receiving the request, Shareholders who individually or collectively hold more than ten (10) percent of the Company's shares and propose to the Audit Committee to convene an extraordinary Shareholders' meeting shall submit such request in writing to the Audit Committee.

Where the Audit Committee agrees to convene the general meeting, a notice of convening such meeting shall be issued within 5 days after receipt of the requisition. Any change to the original requisition in the notice shall be subject to the approval of relevant shareholders.

If the Audit Committee fails to issue the notice of the meeting within the specified period, it shall be deemed that the Audit Committee does not convene and preside over the general meeting. Shareholders who individually or jointly hold more than 10% of the Company's shares (including preference shares with restored voting rights) for more than 90 consecutive days may convene and preside over the general meeting by themselves.

If the general meeting is convened by the Audit Committee or shareholders on their own, it shall notify the Board of Directors in writing

Before the announcement of the resolution of the general meeting, the shareholding of shareholders who convene the meeting shall not be less than 10%.

For the Shareholders' meetings convened by the Audit Committee or by the Shareholders themselves, the Board and the Secretary to the Board shall cooperate. The Board shall provide the register of Shareholders as at the Record Date. The register of shareholders obtained by the convener shall not be used for other purposes except for convening the general meeting.

Where the Audit Committee or the shareholders convene a general meeting on their own, the necessary expenses incurred thereof shall be borne by the Company.

PROPOSALS AND NOTICES OF GENERAL MEETING

When the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholders who individually or jointly hold more than 1% of the Company's shares shall be entitled to put forward proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company's shares may submit provisional proposals in writing to the convener 10 days prior to the convening of the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days upon receipt of the proposals to announce the contents of the provisional proposal and submit the provisional proposals to the general meeting for consideration, however, except for the provisional proposals that violates the requirements of the laws, administrative regulations or the Articles of Association, or are not within the terms of reference of the general meeting.

Except as provided in the preceding paragraph, the convener shall not change the proposals set out in the notice of the general meeting or add any new proposal after the said notice is served.

Proposals not set out in the notice of the general meeting or not complying with the Articles of Association shall not be voted on or resolved at the general meeting.

HOLDING OF GENERAL MEETINGS

The Board of the Company and other conveners shall take necessary measures to ensure the proper order of the general meeting. Any act that interferes with the general meeting, stirs up troubles or infringes upon the Shareholders' lawful rights and interests shall be stopped by the Company by taking proper measures and promptly reported to the relevant authorities for investigation.

All shareholders whose names appear on the register of members on the record date and Shareholders holding shares with special voting rights or their proxies registered on the record date for equity registration shall be entitled to attend the general meeting. They shall have the right to exercise voting rights in accordance with relevant laws, regulations, the Hong Kong Listing Rules, and the Articles. The Company and the convener shall not reject for any reason.

Shareholders may attend a general meeting in person, or may appoint a proxy to attend and vote on his/her behalf.

An individual shareholder that attends the meeting in person shall produce his or her own identity card or other valid documents or proof evidencing his or her identity. If he or she appoints a proxy to attend the meeting on his or her behalf, the proxy shall produce his or her own valid proof of identity and the power of attorney issued by the shareholder.

Shareholder who is a corporation shall attend and vote at a meeting by its legal representative or a proxy appointed by the legal representative. If the legal representative attends the meeting, he or she shall produce his or her own identity card and a valid proof of his or her legal representative status. If a proxy has been appointed to attend the meeting, such proxy shall present his or her own identity card and the power of attorney issued by the legal representative of the shareholder as a corporation.

VOTING AND RESOLUTIONS AT GENERAL MEETINGS

Resolutions of the general meeting include ordinary resolutions and special resolutions.

An ordinary resolution at a general meeting shall be passed by one half or above of the voting rights held by shareholders attending and entitled to vote at the general meeting.

A special resolution at a general meeting shall be passed by two-thirds or above of the voting rights held by shareholders attending and entitled to vote at the general meeting.

The following matters shall be resolved by an ordinary resolution at a general meeting:

(i) work reports of the Board;

(ii) plans formulated by the Board for the distribution of profits and for making up losses;

(iii) appointment and removal of the members of the Board and, their remunerations and methods of payment;

(iv) Other matters other than those required by the laws, administrative regulations, the Hong Kong Listing Rules, and the other securities regulatory rules of the place(s) where the shares of the Company are listed or by the Articles to be adopted by special resolution.

The following matters shall be resolved by a special resolution at a general meeting:

(i) the increase or reduction of share capital of the Company;

(ii) the split, spin-off, merger, dissolution and liquidation (including voluntary winding-up) of the Company;

(iii) amendments to the Articles;

(iv) the acquisition or disposal of major assets or guarantees within one year reaches or exceeds 30% of the Company's latest audited total assets;

(v) equity incentive plan;

(vi) any other matters as required by the laws, administrative regulations, the Hong Kong Listing Rules and the other securities regulatory rules of the place where the shares of the Company are listed or the Articles, and any other matters considered by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and should be adopted by a special resolution.

General provisions in relation to directors

Directors are elected or replaced by the Shareholders' meeting and may be removed from office by the Shareholders' meeting before the expiration of their term. The term of office for Directors shall be three (3) years, and they may be re-elected for consecutive terms.

The term of office for Directors shall begin as of the date of their appointment and end when the current Board's term expires. If the term of office for Directors expires and a timely re-election has not been made, the outgoing Directors shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules and the Articles until the newly elected directors take office.

Directors may concurrently hold other senior management positions, but the total number of Directors who concurrently hold other senior management positions and Directors who are employees' representatives shall not exceed half of the total number of Directors of the company.

Board of Directors

The Company shall have a Board of Directors, and shall consist of no less than nine directors, of which one-third are independent directors.

The Board of Directors shall have one chairman and vice chairmen, who shall be elected by a majority of all directors of the Board of Directors.

The Board of Directors exercises the following powers:

(i) To convene the general meeting and report on work to the general meeting;

(ii) Implement the resolutions of the general meeting;

(iii) Determine the business and investment plans of our Company;

(iv) Devise the earnings distribution and loss offset plans of our Company;

(v) Formulate the plans for increasing or decreasing our Company's registered capital, the issuance of bonds or other securities, as well as the listing of the stock of our Company;

(vi) Formulate plans for major acquisitions of the Company, the buy-back of shares of our Company, merger, separation, dissolution and changing the form of our Company;

(vii) Determine such matters as the Company's external investment, purchase or sale of assets, asset pledge, external guarantee, entrusting wealth management, connected transaction and external donation within the scope authorized by the general meeting;

(viii) Decide on the setup of our Company's internal management organization;

(ix) To decide on matters such as appointment or dismissal of the Company's manager, secretary to the Board of Directors and other senior officers and on their compensation and incentives/disincentives; to decide on matters such as appointment or dismissal of the Company's vice general manager, chief financial officer and other senior management and on their compensation and incentives/disincentives based on the nominations by the manager;

(x) Set the basic management systems of our Company;

(xi) Make the modification plan to the Articles;

(xii) Manage the disclosure of company information;

(xiii) Request to the general meeting of shareholders to hire or replace the accounting firm auditing for the company;

(xv) Attend to the work report of our Company's manager and review the work of the manager;

(xvi) Other powers and duties authorized by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the Articles.

The Board meeting shall be attended by a majority of the directors. Resolutions made by the Board of Directors shall be approved by a majority of all directors.

Voting on the resolutions of the Board of Directors shall be conducted on a one-person-one-vote basis.

Independent Directors

As members of the Board, independent Directors shall have fiduciary duties and duties of diligence to the Company and all Shareholders, and shall prudently perform the following duties:

(i) to participate in the decision-making of the Board and express clear opinions on the matters under consideration;

(ii) to supervise potential material conflicts of interest between the Company and controlling Shareholders, actual controllers, Directors and senior management so as to protect the lawful rights and interests of minority Shareholders;

(iii) to provide professional and objective advice on the Company's operation and development, and promote the enhancement of the Board's decision-making level;

(iv) other duties provided for by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles.

Article 130 The independent Directors shall exercise the following special duties and powers:

(i) to independently engage intermediaries to audit, consult or verify specific matters of the Company;

(ii) to propose to the Board to convene an extraordinary Shareholders' meeting;

(iii) to propose to convene a Board meeting;

(iv) to publicly solicit the rights of Shareholders from Shareholders in accordance with law;

(v) to express independent opinions on matters that may jeopardize the interests of the Company or minority Shareholders;

(vi) other duties and powers as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles.

When an independent Director exercises the powers and functions listed in (i) to (iii) of the preceding paragraph, he/she shall obtain the approval of a majority of all independent Directors.

Special Committees of the Board of Directors

The Board of the Company has set up an Audit Committee to exercise the duties and powers of the Supervisory Committee as stipulated in the Company Law.

The Audit Committee shall consist of three or more members who are non-executive Directors not serving as senior management of the Company. Among them, more than half of the members are independent Directors, and the convener (i.e., the chairman of the Committee) shall be an accounting professional selected from among the independent Directors.

An extraordinary meeting may be convened on the proposal of two or more members of the Audit Committee, or if the convener deems it necessary. A meeting of the Audit Committee may be held only when more than two-thirds of the members are present.

Resolutions of the Audit Committee shall be adopted by a majority vote of all its members.

Voting on resolutions of the Audit Committee shall be conducted on a one-person-one-vote basis.

Resolutions of the Audit Committee shall be recorded in meeting minutes, and the members present at the meeting shall sign the minutes.

Working rules and procedures for the Audit Committee shall be formulated by the Board.

The Board of the Company has set up the Nomination Committee, Remuneration Committee and other special committees, which shall perform their duties in accordance with the Articles and the authorization of the Board. Proposals from special committees shall be submitted to the Board for consideration and decision. Working rules and procedures for the special committees shall be formulated by the Board.

Independent directors shall constitute a majority of the members of the Nomination Committee and the Remuneration Committee, and serve as conveners. However, if laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed provide otherwise, those provisions shall prevail.

The Board may also set up additional committees or adjust the existing committees if necessary.

SENIOR MANAGEMENT MEMBERS

The Company has one general manager and several deputy general managers, who are appointed or dismissed by the Board.

The general manager is responsible to the Board and exercises the following authorities:

(i) preside over the production, operation and management work of the Company, organize the implementation of the resolutions of the Board, and report the work to the Board;

(ii) organize the implementation of the Company's annual business plan and investment plan;

(iii) draft the Company's internal management organization setup plan;

(iv) draft the Company's basic management system;

(v) formulate the specific rules and regulations of the Company;

(vi) propose to the Board the appointment or dismissal of the Company's deputy general managers and chief financial officer;

(vii) decide on the appointment or dismissal of management personnel other than those whose appointment or dismissal shall be decided by the Board;

(viii) other authorities granted by the Articles of Association or the Board.

The general manager shall attend the meetings of the Board as a non-voting participant.

FINANCIAL ACCOUNTING SYSTEM

The Company shall establish its financial accounting system in accordance with laws, administrative regulations, relevant national departmental provisions, and the securities regulatory rules of the place where the shares of the Company are listed.

The Company shall prepare and submit financial accounting reports, including annual reports, in compliance with the relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where its shares are listed.

When distributing profits after taxation of the year, the Company shall set aside 10% of its profits for the Company's statutory reserve until the fund has reached 50% or more of the Company's registered capital.

When the Company's statutory reserve is not sufficient to make up for the Company's losses for the previous years, the profits of the current year shall first be used to cover the losses before any allocation is set aside for the statutory reserve pursuant to the preceding provision.

After making allocations to the statutory reserve from its profits after taxation, the Company may, upon passing a resolution at a general meeting, make further allocations from its profits after taxation to the discretionary reserve.

After the Company covers its losses and makes allocations to its reserve, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by the Articles of Association.

If the general meeting resolves to distribute any profits to the shareholders in violation of the Company Law, the shareholders shall return such profits distributed to the Company, and if any losses are caused thereby to the Company, the shareholders, as well as any directors, and senior officers responsible for the violation, shall be liable for compensation.

The Company shall not distribute any profits in respect of the shares held by it.

The Company's dividend policy requires the Board of Directors to propose the profit distribution policy for the current year within the annual profit distribution plan submitted to the general meeting for deliberation, and to provide a rationale for such proposal. The Company may distribute dividends in the form of cash, stock or a combination of cash and stock, and give priority to cash dividends. Profit distribution shall not exceed the scope of the cumulative distributable profits.

The provident fund of the Company is appropriated for purpose of making up the losses or expanding production and operation of the Company or being capitalized.

When using the Company's reserves to cover its losses, any discretionary reserve and statutory reserve balances shall first be used to cover such losses; if there is still a shortfall, the capital reserve may be used in accordance with regulations.

In any capitalization of the statutory provident fund, the remaining statutory provident fund shall not be less than twenty-five percent (25%) of the Company's registered capital immediately prior to such capital increase through provident fund transfer.

APPOINTMENT OF ACCOUNTING FIRM

The Company shall appoint an accounting firm in compliance with the Securities Law to conduct accounting statements audit, net assets verification and other related consulting services for a term of one year, which may be renewed.

The appointment and dismissal of the Company's accounting firm shall be shall be decided by the general meeting. The Board of Directors shall not appoint the accounting firm until it is decided by the general meeting.

Dissolution and Liquidation

The Company is dissolved for the following reasons:

(i) expiration of the term of operation or occurrence of an event for dissolution provided in the Articles of Association;

(ii) the general meeting resolves to dissolve the Company;

(iii) dissolution is necessary due to merger or division of the Company;

(iv) the Company's business license is revoked, the Company is ordered to close down or be revoked in accordance with the law;

(v) where the operation and management of the Company falls into serious difficulties and its continued existence would cause material losses to shareholders, the shareholders holding above 10% of the total voting rights of the Company may apply to the people's court to dissolve the Company if there are no other solutions.

If the Company is dissolved pursuant to item (i), (ii), (iv) or (v) above, it shall be liquidated. The Directors, being the liquidation obligors of the Company, shall form a liquidation committee for liquidation within 15 days from the date of occurrence of the cause for dissolution.

The liquidation team shall be composed of the Directors, except as otherwise provided in the Articles of Association or as otherwise elected by the resolution of the Shareholders' meeting.

Where the liquidation obligors fail to perform their liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, they shall be liable for compensation.

After liquidating the Company's property and preparing the balance sheet and a list of property, the liquidation team shall work out a liquidation plan and submit it to the Shareholders' meeting or the people's court for confirmation.

After liquidation expenses, employees' wages, social insurance expenses, and statutory compensation, all outstanding taxes and debts are paid off, the remaining assets shall be distributed to the Shareholders in proportion to their respective shareholdings.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to liquidation. The property of the Company shall not be distributed to Shareholders until the debts specified in the preceding paragraph have been paid off.

If the liquidation committee discovers that the assets of the Company are insufficient to repay its debts after sorting out the assets of the Company and preparing a balance sheet and an inventory of assets, it shall apply to the people's court for bankruptcy liquidation in accordance with the law.

After the people's court accepts the bankruptcy application, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

After the completion of the Company liquidation, the liquidation team shall prepare a liquidation report, submit it to the Shareholders' meeting or the people's court for confirmation, and report to the Company registration authority for cancellation of the Company registration.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

(i) After the amendments are made to the Company Law or relevant laws, administrative regulations, the provisions of the Articles of Association are in conflict with the amended laws, administrative regulations;

(ii) there is a change in the situation of the Company, which is inconsistent with the matters recorded in the Articles of Association;

(iii) the general meeting decides to amend the Articles of Association.

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES

1. Incorporation

Our Company was established as a limited liability company in the PRC on August 4, 2014 and was converted into a joint stock limited company on November 18, 2015 under the laws of the PRC. As of the Latest Practicable Date, the registered capital of our Company was RMB33,637,110.

Our Company has established a place of business in Hong Kong at 46/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on December 21, 2025. Ms. WONG Mei Fung Carrie (黃美鳳) has been appointed as the Hong Kong authorised representative of the Company for acceptance of the service of process and any notices required to be served on the Company in Hong Kong.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in "Appendix V—Summary of Articles of Association". A summary of certain relevant aspects of the laws and regulations of the PRC is set out in "Appendix IV—Summary of Principal Legal and Regulatory Provisions".

2. Changes in Share Capital

Save as disclosed in the section headed "History, Development and Corporate Structure—Establishment and Major Shareholding Changes of Our Company," there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this document.

3. Changes in Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries as of the Latest Practicable Date are set out in "Appendix I—Accountants' Report—Note 1".

The following subsidiaries have been incorporated within two years immediately preceding the date of this document:

Name of subsidiary	Place of incorporation	Date of incorporation	Registered capital
Wuhu Autolink Intelligent Technology Co., Ltd. (蕪湖車聯天下智能科技有限公司) (formerly known as Wuhu Autolink Information Technology Co., Ltd. (蕪湖車聯天下信息技術有限公司))	PRC	November 13, 2024	RMB80,000,000
Wuxi Beice Testing Technology Service Co., Ltd. (無錫北測檢測技術服務有限責任公司)	PRC	December 25, 2024	RMB75,000,000
Fuzhou Autolink Intelligent Technology Co., Ltd. (福州車聯天下智能科技有限公司)	PRC	December 23, 2025	RMB100,000,000
Autolink Investment Limited (Hong Kong)	Hong Kong	September 16, 2024	USD150,000

Name of subsidiary	Place of incorporation	Date of incorporation	Registered capital
Autolink Investment Pte. Ltd. (Singapore)	Singapore	September 30, 2024	SGD10,000
Autolink Limited (Detroit)	U.S	December 10, 2024	USD1,000,000
Autolink Co., Ltd. (Japan)	Japan	March 4, 2025	JPY20,000,000
Autolink SARL	France	February 5, 2026	EUR 25,000
Autolink European Tech Center S.R.L.	Romania	January 29, 2026	RON 509,000
Autolink Intelligence System S.R.L	Romania	January 30, 2026	RON 509,000
Autolink Intelligence Tech GmbH	Germany	April 16, 2026	EUR 25,000

On May 26, 2023, the registered share capital of Shenzhen Autolink Information Technology Co., Ltd. (深圳市車聯天下信息科技有限公司) was increased from RMB50,000,000 to RMB256,600,000, and on March 15, 2024, was further increased from RMB256,000,000 to RMB261,875,000.

On December 28, 2025, the registered share capital of Hong Kong Autolink Investment Co., Limited (香港車聯天下投資有限公司) was increased from USD10,000 to USD150,000.

Save as disclosed above and in the Accountants' Report set out in Appendix I to this document, there has been no alteration in the registered capital of our Subsidiaries within the two years immediately preceding the date of this document.

4. Resolutions of Our Shareholders

Pursuant to general meetings held on November 28, 2025, among other things, our Shareholders resolved that:

(a) the issuance by our Company of the H Shares of nominal value of RMB0.10 each and such H Shares being listed on the main board of the Stock Exchange;

(b) the number of H Shares to be issued shall not be more than 25% of the total issued share capital of our Company as enlarged by the [**REDACTED**] before the exercise of the [**REDACTED**], and the grant to the [**REDACTED**] (or their representatives) of the [**REDACTED**] of not more than 15% of the number of H Shares issued pursuant to the [**REDACTED**];

(c) subject to the completion of the [**REDACTED**], the adoption of the Articles of Association which shall become effective on the Listing Date, and authorization to the Board to amend the Articles of Association for the purpose of the Company's Listing; and

(d) authorization of the Board to handle all matters relating to, among other things, the [**REDACTED**], the issue and listing of the H Shares.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document that are or may be material:

(a) A capital increase agreement dated July 16, 2024, entered into among the Company, Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司), Wuxi Guoshou Chengda Equity Investment Center (Limited Partnership) (無錫國壽成達股權投資中心(有限合夥)), Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有限合夥)), Gongqingcheng Tianxing Car Core Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城天興車芯創業投資合夥企業(有限合夥)), Wuxi Jingkai Shangxian Emerging Industry Equity Investment Fund (Limited Partnership) (無錫經開尚賢新興產業股權投資基金(有限合夥)), pursuant to which the parties agreed to increase the registered capital of our Company;

(b) a shareholders agreement dated July 16, 2024, entered into among the Company, Mr. Yang Hongze (楊泓澤), Wuxi Chelian Yijia Investment Management Partnership (L.P.) (無錫車聯壹家投資管理合夥企業(有限合夥)), Wuxi Chelian Zhijia Investment Management Partnership Enterprise (L.P.) (無錫車聯之家投資管理合夥企業(有限合夥)), Shenzhen Autolink Information Technology Co., Ltd. (深圳車聯天下信息技術有限公司), Shanghai Autolink Information Technology Co., Ltd. (上海車聯天下信息技術有限公司), Autolink Intelligent Network Connection (Deqing) Technology Co., Ltd. (車聯天下智能網聯(德清)科技有限公司), Autolink Intelligent Network Connection (Beijing) Technology Co., Ltd. (車聯天下智能網聯(北京)科技有限公司), Autolink Intelligent Network Connection (Wuxi) Information Technology Co., Ltd. (車聯天下智能網聯(無錫)信息科技有限公司), Wuxi Autolink Intelligent Manufacturing Co., Ltd. (無錫車聯天下智能製造有限公司), Mr. Qin Zhi (秦致), Ms. Wu Yeheng (吳業恒), Mr. Chen Mingche (陳明車), Mr. Qin Lihong (秦力洪), Lited Group Co., Ltd. (利泰集團有限公司), Beijing Cherongtong Investment Management Co., Ltd.(北京車融通投資管理有限公司), Wingtech Technology Co., Ltd. (聞泰科技股份有限公司), Hubei Yangtze River Weilai New Energy Industry Development Fund Partnership (L.P.) (湖北長江蔚來新能源產業發展基金合夥企業(有限合夥)), Beijing Four-Dimensional Interconnected Fund Management Center (L.P.) (北京四維互聯基金管理中心(有限合夥)), Jiangsu Youquan Taihu Lake Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership) (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)), Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)), Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司), ROBERT BOSCH INTERNATIONALE BETEILIGUNGEN AG (羅伯特博世國際投資股份有限公司), Wuxi Shangxing Industrial Investment Fund Partnership (Limited Partnership) (無錫尚行產業投資基金合夥企業(有限合夥)), Wuxi Xinzhi Venture Capital Partnership (Limited Partnership) (無錫經開區新智創業投資合夥企業(有限合夥)), Wuxi Guolian Industrial Collaborative Investment Center (Limited Partnership) (無錫國聯產業協同投資中心(有限合夥)), Wuxi Binfu Haichuang Talent Venture Capital Partnership (Limited Partnership) (無錫彬復海創人才創業投資合夥企業(有限合夥)), Wenzhou Xunsheng Venture Capital Partnership (L.P.) (溫州巽昇創業投資合夥企業(有限合夥)), Mr. Wu Bin (吳斌), Guangdong Dezaihou Jialian Management Consulting Partnership (L.P.) (廣東德載厚嘉聯管理諮詢合夥企業(有限合夥)), Shenzhen Dezaihou Jialu Venture Capital Partnership (L.P.) (深圳德載厚嘉陸創業投資合夥企業(有限合夥)), Zibo Henglu Honglian Industrial Investment Partnership (L.P.) (淄博衡廬弘聯產業投資合夥企業(有限合夥)), Wuxi Guoshou Chengda Equity Investment Center (Limited Partnership) (無錫國壽成達股權投資中心(有限合夥)), Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有

限合夥)), Gongqingcheng Tianxing Car Core Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城天興車芯創業投資合夥企業(有限合夥)) and Wuxi Jingkai Shangxian Emerging Industry Equity Investment Fund (Limited Partnership) (無錫經開尚賢新興產業股權投資基金(有限合夥));

(c) a capital increase agreement dated October 22, 2024, entered into among the Company, Anhui Ruicheng Xinche Zhilian Industry Fund Partnership Enterprise (Limited Partnership) (安徽省瑞丞芯車智聯產業基金合夥企業(有限合夥)), Anhui Cornerstone Intelligent Manufacturing Phase III Fund Partnership Enterprise (Limited Partnership) (安徽基石智能製造三期基金合夥企業(有限合夥)) and Wuhu Industrial Investment Fund Co., Ltd. (蕪湖產業投資基金有限公司), pursuant to which the parties agreed to increase the registered capital of our Company;

(d) a shareholders agreement dated October 22, 2024, entered into among the Company, Mr. Yang Hongze (楊泓澤), Wuxi Chelian Yijia Investment Management Partnership(L.P.) (無錫車聯壹家投資管理合夥企業(有限合夥)), Wuxi Chelian Zhijia Investment Management Partnership Enterprise (L.P.) (無錫車聯之家投資管理合夥企業(有限合夥)), Shenzhen Autolink Information Technology Co., Ltd. (深圳車聯天下信息技術有限公司), Shanghai Autolink Information Technology Co., Ltd. (上海車聯天下信息技術有限公司), Autolink Intelligent Network Connection (Deqing) Technology Co., Ltd. (車聯天下智能網聯(德清)科技有限公司), Autolink Intelligent Network Connection (Beijing) Technology Co., Ltd. (車聯天下智能網聯(北京)科技有限公司), Autolink Intelligent Network Connection (Wuxi) Information Technology Co., Ltd. (車聯天下智能網聯(無錫)信息科技有限公司), Wuxi Autolink Intelligent Manufacturing Co., Ltd. (無錫車聯天下智能製造有限公司), Mr. Qin Zhi (秦致), Ms. Wu Yeheng (吳業恒), Mr. Chen Mingche (陳明車), Mr. Qin Lihong (秦力洪), Lited Group Co., Ltd. (利泰集團有限公司), Beijing Cherongtong Investment Management Co., Ltd. (北京車融通投資管理有限公司), Wingtech Technology Co., Ltd. (聞泰科技股份有限公司), Hubei Yangtze River Weilai New Energy Industry Development Fund Partnership (L.P.) (湖北長江蔚來新能源產業發展基金合夥企業(有限合夥)), Beijing Four-Dimensional Interconnected Fund Management Center (L.P.) (北京四維互聯基金管理中心(有限合夥)), Jiangsu Youquan Taihu Lake Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership) (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)), Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)), Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司), ROBERT BOSCH INTERNATIONALE BETEILIGUNGEN AG (羅伯特博世國際投資股份有限公司), Wuxi Shangxing Industrial Investment Fund Partnership (Limited Partnership) (無錫尚行產業投資基金合夥企業(有限合夥)), Wuxi Xinzhi Venture Capital Partnership (Limited Partnership) (無錫經開區新智創業投資合夥企業(有限合夥)), Wuxi Guolian Industrial Collaborative Investment Center (Limited Partnership) (無錫國聯產業協同投資中心(有限合夥)), Wuxi Binfu Haichuang Talent Venture Capital Partnership (Limited Partnership) (無錫彬復海創人才創業投資合夥企業(有限合夥)), Wenzhou Xunsheng Venture Capital Partnership (L.P.) (溫州巽昇創業投資合夥企業(有限合夥)), Mr. Wu Bin (吳斌), Guangdong Dezaihou Jialian Management Consulting Partnership (L.P.) (廣東德載厚嘉聯管理諮詢合夥企業(有限合夥)), Shenzhen Dezaihou Jialu Venture Capital Partnership (L.P.) (深圳德載厚嘉陸創業投資合夥企業(有限合夥)), Zibo Henglu Honglian Industrial Investment Partnership (L.P.) (淄博衡廬弘聯產業投資合夥企業(有限合夥)), Wuxi Guoshou Chengda Equity Investment Center (Limited Partnership) (無錫國壽成達股權投資中心(有限合夥)), Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有限合夥)), Gongqingcheng Tianxing Car Core Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城天興車芯創業投資合夥企業(有限合夥)) and Wuxi Jingkai Shangxian Emerging Industry Equity Investment Fund (Limited Partnership) (無錫經開尚賢新興產業股權投資基金(有限合夥)), Anhui Ruicheng Xinche Zhilian Industry Fund Partnership Enterprise (Limited Partnership) (安徽省瑞丞芯車智

聯產業基金合夥企業(有限合夥)), Anhui Cornerstone Intelligent Manufacturing Phase III Fund Partnership Enterprise (Limited Partnership) (安徽基石智能製造三期基金合夥企業(有限合夥)) and Wuhu Industrial Investment Fund Co., Ltd. (蕪湖產業投資基金有限公司).

(e) a capital increase agreement and a shareholders agreement dated November 27, 2025, entered into among the Company, Mr. Yang Hongze (楊泓澤), Wuxi Chelian Yijia Investment Management Partnership (L.P.) (無錫車聯壹家投資管理合夥企業(有限合夥)), Wuxi Chelian Zhijia Investment Management Partnership Enterprise (L.P.) (無錫車聯之家投資管理合夥企業(有限合夥)), Shenzhen Autolink Information Technology Co., Ltd. (深圳車聯天下信息技術有限公司), Shanghai Autolink Information Technology Co., Ltd. (上海車聯天下信息技術有限公司), Wuxi Autolink Intelligent Manufacturing Co., Ltd. (無錫車聯天下智能製造有限公司), Autolink Intelligent Network Connection (Beijing) Technology Co., Ltd. (車聯天下智能網聯(北京)科技有限公司), Autolink Intelligent Network Connection (Wuxi) Information Technology Co., Ltd. (車聯天下智能網聯(無錫)信息科技有限公司), Wuxi Beice Testing Technology Service Co., Ltd. (無錫北測檢測技術服務有限責任公司), Wuhu Autolink Information Technology Co., Ltd. (蕪湖車聯天下信息技術有限公司), Beijing Zhicheng Automotive Technology Co., Ltd. (北京致程汽車科技有限公司), Mr. Chen Mingche (陳明車), Mr. Qin Lihong (秦力洪), Lited Group Co., Ltd. (利泰集團有限公司), Beijing Cherongtong Investment Management Co., Ltd.(北京車融通投資管理有限公司), Wingtech Technology Co., Ltd. (聞泰科技股份有限公司), Hubei Weilian Equity Investment Partnership Enterprise (Limited Partnership) (湖北蔚聯股權投資合夥企業(有限合夥)), Beijing Four-Dimensional Interconnected Fund Management Center (L.P.) (北京四維互聯基金管理中心(有限合夥)), Jiangsu Youquan Taihu Lake Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership) (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)), Wuxi Shangxian No.1 Equity Investment Partnership Enterprise (Limited Partnership) (無錫尚賢壹號股權投資合夥企業(有限合夥)), Weifu High-Technology Group Co., Ltd. (無錫威孚高科技集團股份有限公司), ROBERT BOSCH INTERNATIONALE BETEILIGUNGEN AG (羅伯特博世國際投資股份有限公司), Wuxi Shangxing Industrial Investment Fund Partnership (Limited Partnership) (無錫尚行產業投資基金合夥企業(有限合夥)), Wuxi Xinzhi Venture Capital Partnership (Limited Partnership) (無錫經開區新智創業投資合夥企業(有限合夥)), Wuxi Guolian Industrial Collaborative Investment Center (Limited Partnership) (無錫國聯產業協同投資中心(有限合夥)), Wuxi Binfu Haichuang Talent Venture Capital Partnership (Limited Partnership) (無錫彬復海創人才創業投資合夥企業(有限合夥)), Wenzhou Xunsheng Venture Capital Partnership (L.P.) (溫州巽昇創業投資合夥企業(有限合夥)), Mr. Wu Bin (吳斌), Guangdong Dezai Houjialian Management Consulting Partnership (L.P.) (廣東德載厚嘉聯管理諮詢合夥企業(有限合夥)), Shenzhen Dezai Houjialu Venture Capital Partnership (L.P.) (深圳德載厚嘉陸創業投資合夥企業(有限合夥)), Zibo Henglu Honglian Industrial Investment Partnership (L.P.) (淄博衡廬弘聯產業投資合夥企業(有限合夥)), Wuxi Guoshou Chengda Equity Investment Center (Limited Partnership) (無錫國壽成達股權投資中心(有限合夥)),Wuxi Shangwen Industry Investment Partnership (Limited Partnership) (無錫尚穩產業投資合夥企業(有限合夥)), Gongqingcheng Tianxing Car Core Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城天興車芯創業投資合夥企業(有限合夥)) and Wuxi Jingkai Shangxian Emerging Industry Equity Investment Fund (Limited Partnership) (無錫經開尚賢新興產業股權投資基金(有限合夥)), Anhui Ruicheng Xinche Zhilian Industry Fund Partnership Enterprise (Limited Partnership) (安徽省瑞丞芯車智聯產業基金合夥企業(有限合夥)), Anhui Cornerstone Intelligent Manufacturing Phase III Fund Partnership Enterprise (Limited Partnership) (安徽基石智能製造三期基金合夥企業(有限合夥)) and Wuhu Industrial Investment Fund Co., Ltd. (蕪湖產業投資基金有限公司),Wuxi Listed Company High Quality Development Fund (Limited Partnership) (無錫市上市公司高質量發展基金(有限合夥)), Shenzhen Zhongxin Pengxiang Sci Tech Innovation Private Equity Investment Fund Partnership Enterprise (Limited Partnership) (深圳中鑫鵬翔科創私募股權投資基金合夥企業(有限合夥)), Su Gan (Nanjing) Cultural Industry Equity

Investment Fund Partnership Enterprise (Limited Partnership) (蘇贛(南京)文化產業股權投資基金合夥企業(有限合夥)), Beijing Anpeng Sci Tech Innovation Automotive Industry Investment Fund Partnership Enterprise (Limited Partnership) (北京安鵬科創汽車產業投資基金合夥企業(有限合夥)), Wuxi Best Precision Machinery Co., Ltd. (無錫貝斯特精機股份有限公司), Haikou Kaizhilian Investment Co., Ltd.(海口凱之聯投資有限公司), Chengdu Bihong Venture Capital Partnership Enterprise (Limited Partnership) (成都碧鴻創業投資合夥企業(有限合夥)) (currently known as Sichuan Bihong Venture Capital Partnership Enterprise (Limited Partnership) (四川碧鴻創業投資合夥企業(有限合夥))) and Fuzhou Xintou Longqiu Zhixing Zhonghe Venture Capital Partnership (Limited Partnership) (福州新投隆湫智行眾合創業投資合夥企業(有限合夥)).

(f) the [**REDACTED**]

2. Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, none of the trademarks we held were considered to be or may be material to our business.

(b) Copyrights

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be or may be material to our business:

No.	Name	Place of Registration	Registered Owner	Registration Number	Registration Date (yyyy/mm/dd)
1	LianTian Intelligent Cockpit System VI.0 (聯天智能座艙系統VI.0)	PRC	Shanghai Autolink Information Technology Co., Ltd. (上海車聯天下信息技術有限公司) ("Shanghai Autolink")	2021SR1644974	2021/11/05
2	Cross-process communication middleware software based on Fdbus, V1.0 (基於Fdbus的跨進程通信中間件軟件V1.0)	PRC	Shanghai Autolink	2022SR1244381	2022/08/23
3	Autonomous Driving Simulation Software V1.0 (無人駕駛仿真軟件V1.0)	PRC	Shanghai Autolink	2023SR0630537	2023/06/12
4	Autolink Distributed Object Storage Software V1.0 (車聯天下分佈式對象存儲軟件V1.0)	PRC	Shanghai Autolink	2023SR1037059	2023/09/11
5	Road Condition Prediction System V1.0 (道路前端路況預判系統 V1.0)	PRC	Shanghai Autolink	2023SR1409541	2023/11/09
6	Autolink Vehicle Safety Detection System V1.0 (車聯天下行車安全檢測系統V1.0)	PRC	Shanghai Autolink	2023SR1433105	2023/11/15
7	Autolink Performance Analysis Tool Software V1.0 (車聯天下性能分析工具軟件V1.0)	PRC	Shanghai Autolink	2023SR1653932	2023/12/18

No.	Name	Place of Registration	Registered Owner	Registration Number	Registration Date (yyyy/mm/dd)
8	Vehicle-to-Everything (V2X) Voiceprint Recognition and Identity Verification Software V1.0 (車聯聲紋識別與身份驗證軟件V1.0)	PRC	Shanghai Autolink	2023SR1753668	2023/12/25
9	Vehicle-to-Everything (V2X) speech recognition software based on deep learning (車聯基於深度學習的語音識別軟件)	PRC	Shanghai Autolink	2024SR0260824	2024/02/09
10	Vehicle-to-everything (V2X) voice emotion recognition and synthesis software (車聯語音情感識別與情感合成軟件)	PRC	Shanghai Autolink	2024SR0315322	2024/02/27
11	Autolink Vehicle Trajectory Big Data Monitoring and Management Software (車聯天下車輛軌跡大數據監控管理軟件)	PRC	Shanghai Autolink	2024SR1131379	2024/08/06
12	AutoLink Core TSP Platform V1.0 (AutoLink Core TSP平台V1.0)	PRC	The Company	2018SR586804	2018-07-26
13	Application Service Monitoring Platform V1.0 (應用服務監控平台V1.0)	PRC	The Company	2022SR1394206	2022-10-10
14	Autonomous driving system V1.0 (自動駕駛系統V1.0)	PRC	The Company	2022SR1552371	2022-11-21
15	Autolink Intelligent Cockpit System V1.0 (車聯天下智能駕艙系統V1.0)	PRC	The Company	2022SR1611811	2022-12-25
16	Edge Cloud Vehicle Data Monitoring Platform V1.0 (邊緣雲車輛數據監控平台V1.0)	PRC	The Company	2023SR0624232	2023-06-12
17	Autolink Intelligent Assisted Driving System V1.0 (車聯天下智能輔助駕駛系統V1.0)	PRC	The Company	2023SR1027083	2023-09-09
18	Vehicle Intelligent Cockpit Voice Conversion System V1.0 (車輛智能座艙語音轉換系統V1.0)	PRC	The Company	2023SR1023230	2023-09-09
19	Vehicle-to-Everything (V2X) Voice Recognition and Synthesis Algorithm Optimization Software V1 (車聯語音識別合成算法優化軟件V1.0)	PRC	The Company	2024SR0314730	2024-02-27
20	Automotive testing data feedback optimization system (車載領域測試數據反饋優化系統)	PRC	The Company	2024SR1511013	2024-10-12

(c) Patents

As of the Latest Practicable Date, we had registered the following patents which we considered to be or may be material to our business:

No.	Patent Name	Place of Registration	Patentee	Patent Number	Application Date (yyyy/mm/dd)	Type
1 . .	A monocular ranging method based on a vehicle-mounted fisheye camera (一種基於車載魚眼攝像頭的單目測距方法)	PRC	The Company	2025103640192	2025/03/26	Invention
2 . .	A vehicle data de-identification method based on image patch detection (一種基於圖像分塊檢測的車輛數據脱敏方法)	PRC	The Company	2024119114173	2024/12/24	Invention
3 . .	A deep learning-based visualization method for dynamic linear radar walls in vehicle monitoring (一種基於深度學習的車載監控動態線性雷達牆可視化方法)	PRC	The Company	2024116726375	2024/11/21	Invention
4 . .	A method for lane line and drivable area segmentation based on fisheye camera (一種基於魚眼攝像頭的車道線與可行駛區域分割方法)	PRC	The Company	2024106081275	2024/05/16	Invention
5 . .	An automated testing method and system for domain controllers (一種域控制器的自動化測試方法和系統)	PRC	The Company	202311229546X	2023/09/22	Invention
6 . .	A data acquisition test method for intelligent cockpit systems (一種智能座艙系統數據採集測試方法)	PRC	The Company	2023109340991	2023/07/28	Invention
7 . .	A data transmission method, system, and communication kernel for inter-core communication (一種核間通信的數據傳輸方法、系統以及通信內核)	PRC	The Company	2023104373927	2023/04/21	Invention
8 . .	Information transmission method, device and vehicle-mounted human-vehicle interaction terminal (一種信息發送方法、裝置及車載人車交互終端)	PRC	The Company	201811442043X	2018/11/29	Invention
9 . .	A layered design method for an intelligent cockpit system and the intelligent cockpit system (一種智能座艙系統分層設計方法及智能座艙系統)	PRC	The Company	201811067423X	2018/09/13	Invention

(d) Domain Names

As of the Latest Practicable Date, we had registered the following domain names which we consider to be or may be material to our business:

No.	Domain Name	Place of Registration	Registered Owner	Registration No.	Registration Date (yyyy/mm/dd)
1 . . .	auto-link.com.cn	PRC	The Company	Su ICP Bei No. 2021035080-1 (蘇ICP備2021035080號-1)	2014/06/25
2 . . .	auto-link.net	PRC	The Company	Su ICP Bei No. 2021035080-5 (蘇ICP備2021035080號-5)	2014/06/25

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Disclosure of Interests

(a) Interests and short positions of our Directors or chief executive in the share capital of our Company and its associated corporations following completion of the [**REDACTED**]

Save as disclosed in the section headed "Substantial Shareholders" in this document, immediately following the completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), the interests or short positions of our Directors and the chief executive of our Company in our Shares, underlying Shares and debentures of our Company and its associated corporations, within the meaning of Part XV of the SFO which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, will be as follows:

Name of Directors or chief executive	Position	Nature of interest[(1)]	Number of Shares held	Approximate percentage of shareholding in the total issued Shares immediately after the [REDACTED][(2)]
Yang Hongze (楊泓澤)[(3)]	Executive Director, chairman of our Board, general manager, and chief executive officer	Beneficial Owner	503,850 H Shares	[REDACTED]%
Liang Guofeng (梁國鋒)[(4)]	Executive Director and president	Beneficial Owner	385,880 H Shares	[REDACTED]%
He Yihan (何易韓)[(5)]	Executive Director, vice president and Board secretary	Beneficial Owner	371,892 H Shares	[REDACTED]%

Notes:

(1) All interest stated are long positions.

(2) The calculation is based on the Share Subdivision is completed, the total number of [336,371,100] H Shares to be converted from Unlisted Shares in issue and [**REDACTED**] H Shares to be issued pursuant to the [**REDACTED**], assuming that the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(3) Mr. Yang was granted 503,850 options by our Company, upon the exercise of which the same number of H Shares will be issued to him.

(4) Mr. Liang Guofeng was granted 385,880 options by our Company, upon the exercise of which the same number of H Shares will be issued to him.

(5) Ms. He Yihan was granted 371,892 options by our Company, upon the exercise of which the same number of H Shares will be issued to her.

(b) Interests and short positions disclosable under Divisions 2 and 3 of Part XV of the SFO

For the information on the persons who will, immediately following the completion of the [**REDACTED**], having or be deemed or taken to have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company, see the section headed "Substantial Shareholders" in this document.

So far as set out above, our Directors are not aware of any persons (other than our Directors or chief executive) will, immediately following the completion of the [**REDACTED**], directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group.

2. Service Contracts

We [have entered into] a service contract or appointment letter with each of our Directors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on dispute resolution.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation).

3. Director's Remuneration

Save as disclosed in "Directors and Senior Management" and "Appendix I—Accountants' Report—II Notes to The Historical Financial Information—10. Directors' Remuneration" for the tracked period of years ended December 31, 2023, 2024 and 2025, none of our Directors received other remunerations of benefits in kind from us.

4. Disclaimers

Saved as disclosed in this document:

(a) none of our Directors or any of the parties listed in "Qualification of Experts" of this Appendix is:

(i) interested in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company;

(ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business;

(b) save in connection with the [**REDACTED**] and the [**REDACTED**], none of the parties listed in "Qualification of Experts" of this Appendix:

(i) is interested legally or beneficially in any shares in any member of our Group; or

(ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(c) none of our Directors or their close associates or any shareholders of our Company who to the knowledge of our Directors owns more than 5% of our issued share capital has any interest in our top five customers or suppliers; and

(d) none of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are listed on the Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

D. SHARE INCENTIVE SCHEMES

1. Pre-[REDACTED] Employee Shareholding Scheme

The following is a summary of the principal terms of the Pre-[**REDACTED**] Employee Shareholding Schemes, which included the 2016 Pre-[**REDACTED**] Employee Shareholding Scheme which was adopted by the Company on December 15, 2016, amended and took effect on November 28, 2025 and the 2025 Pre-[**REDACTED**] Employee Shareholding Scheme which was adopted by the Company and took effect in November 28, 2025 (collectively, the "Pre-[**REDACTED**] Employee Shareholding Schemes"). The terms of the Pre-[**REDACTED**] Employee Shareholding Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve the grant of options or awards by our Company to subscribe new Shares or award of Shares upon Listing. The Employee Incentive Scheme will not cause any dilution of the shareholding of our Shareholders after the Listing given all Shares under the Pre-[**REDACTED**] Employee Shareholding Schemes has been issued to the Employee Shareholding Platforms.

As of the Latest Practicable Date, our Company has established two employee shareholding platforms ("Employee Shareholding Platforms"), namely Chelian Yijia, and Chelian Zhijia. Under the Pre-[**REDACTED**] Employee Shareholding Schemes, eligible participants are granted partnership interest (the "Restricted Shares") in our Employee Shareholding Platforms.

Chelian Yijia

Chelian Yijia is a limited partnership established on November 6, 2015 as the employee shareholding platform for the 2016 Pre-[**REDACTED**] Employee Shareholding Scheme. The general partner of Chelian Yijia is Mr. Yang, member of our Single Largest Group of Shareholders, our chairman of the Board, an executive Director, general manager, and the chief executive officer of our Company. As of the Latest Practicable Date, Chelian Yijia is held by its general partner, Mr. Yang, as to approximately 66.07% partnership interests. None of the other limited partners held one third or more partnership interests therein.

The number of Shares held by Chelian Yijia under the 2016 Pre-[**REDACTED**] Employee Shareholding Schemes is 2,000,000, representing approximately 5.95% of the aggregate amount of the Shares in issue immediately before the completion of the [**REDACTED**] and [**REDACTED**]% of our total issued share capital immediately upon the completion of the [**REDACTED**] assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

Chelian Zhijia

Chelian Zhijia is a limited partnership established on July 17, 2020 as the employee shareholding platform for the 2025 Pre-[**REDACTED**] Employee Shareholding Scheme. The general partner of Chelian Zhijia is Mr. Yang, member of our Single Largest Group of Shareholders, our chairman of the Board, an executive Director, general manager, and the chief executive officer of our Company. As of the Latest Practicable Date, Chelian Zhijia is held by its general partner, Mr. Yang, as to approximately 1.79% partnership interests. None of the other limited partners held one third or more partnership interests therein.

The number of Shares held by Chelian Zhijia under the 2025 Pre-[**REDACTED**] Employee Shareholding Schemes is 1,676,473, representing approximately 4.98% of the aggregate amount of the Shares in issue immediately before the completion of the [**REDACTED**] and [**REDACTED**]% of our total issued share capital immediately upon the completion of the [**REDACTED**] assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(a) Purpose

The main purpose of the Pre-[**REDACTED**] Employee Shareholding Schemes is to establish and improve the Group's long-term incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm of the Group's management and key employees and promote the Group's sustainable growth.

(b) Administration

The chairman of our Board has been authorised by the Board to act as the administrator of the Pre-[**REDACTED**] Employee Shareholding Schemes and shall be responsible for the implementation of Pre-[**REDACTED**] Employee Shareholding Schemes in accordance with their provisions, and to exercise discretion on special matters.

(c) Participants

Those who may be eligible to participate in the Pre-[**REDACTED**] Employee Shareholding Schemes include employees of the Company, and other individuals who have made special contributions to the Company as approved by the chairman of our Board.

(d) Number of Shares

The number of Shares held by the Employee Shareholding Platforms under the Pre-[**REDACTED**] Employee Shareholding Schemes is 3,676,473, representing approximately 10.93% of the aggregate amount of the Shares in issue immediately before the completion of the [**REDACTED**] and [**REDACTED**]% of our total issued share capital immediately upon the completion of the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(e) Withdrawal of the Restricted Shares

The participants may be required to withdraw from the Pre-[**REDACTED**] Employee Shareholding Schemes and transfer all of the interests in the Employee Shareholding Platform held by them to the general partner of the Employee Shareholding Platforms or the person the general partner designated in accordance with the Pre-[**REDACTED**] Employee Shareholding Schemes, including but not limited to expiration or termination of the employment, occurrence of negative circumstances that disqualify the participant from meeting the incentive participant conditions and failure to meet performance targets set out under the relevant Pre-[**REDACTED**] Employee Shareholding Scheme.

(f) Lock-up Arrangements

After Listing, no pledge, transfer, use as security or dispose of the Restricted Shares in any manner for debt repayment or otherwise shall be made within 12 months from the date of Listing. In addition, participants of the Pre-[**REDACTED**] Employee Shareholding Schemes may only reduce a maximum of one third of their Restricted Shares each year from 12 months after the Listing Date to the end of 36 months after the Listing Date.

(g) Details of the Restricted Shares Granted

Details of the Restricted Shares granted under the Pre-[**REDACTED**] Employee Shareholding Schemes are set out as below.

Name of the grantees	Relationship with our Group	Approximate partnership interests in the relevant Employee Shareholding Platforms	Approximate number of the Restricted Shares	Approximate percentage of shareholding immediately following completion of the [REDACTED] (%)[1]
Directors, senior management and connected persons				
Yang Hongze (楊泓澤)	Executive Director, chairman of our Board, general manager, and chief executive officer of the Company	Chelian Zhijia	226,161	[**REDACTED**]
Liang Guofeng (梁國峰)	Executive Director and president of the Company	Chelian Zhijia	400,000	[**REDACTED**]
He Yihan (何易韓)	Executive Director, vice president and Board secretary of the Company	Chelian Zhijia	72,660	[**REDACTED**]
Dang Jianmin (黨建明)	Non-executive Director of the Company	Chelian Yijia	108,000	[**REDACTED**]
Li Zhigang (李志剛)	Vice president of the Company	Chelian Zhijia	40,000	[**REDACTED**]
Chen Jianhua (陳健華)	Assistant vice president of the Company	Chelian Zhijia	48,579	[**REDACTED**]
Liu Jun (劉軍)	Director and the general manager of Wuhu Autolink Information Technology Co., Ltd. (蕪湖車聯天下信息技術有限公司) ("Wuhu Autolink")	Chelian Yijia Chelian Zhijia	40,500 5,500	[**REDACTED**] [**REDACTED**]
Ma Qiangfeng (馬強峰)	Executive director and general manager of Shenzhen Autolink Information Technology Co., Ltd. (深圳市車聯天下信息科技有限公司) ("Shenzhen Autolink")	Chelian Yijia Chelian Zhijia	26,000 5,000	[**REDACTED**] [**REDACTED**]
Xu Xiaojing (徐曉靜)	Supervisor of Shenzhen Autolink	Chelian Yijia	40,500	[**REDACTED**]
Zhang Xiaodong (張曉冬)	Supervisor of Wuhu Autolink	Chelian Yijia Chelian Zhijia	37,925 28,310	[**REDACTED**] [**REDACTED**]
Consultant				
One consultant	–	Chelian Yijia	60,000	[**REDACTED**]

Name of the grantees	Relationship with our Group	Approximate partnership interests in the relevant Employee Shareholding Platforms	Approximate number of the Restricted Shares	Approximate percentage of shareholding immediately following completion of the [REDACTED] (%)[1]
One consultant	–	Chelian Zhijia	30,000	[REDACTED]
Other grantees				
11 current employees and previous employees . . .	–	Chelian Yijia	365,750	[REDACTED]
102 current employees and previous employees . . .	–	Chelian Zhijia	537,388	[REDACTED]

Notes:

(1) Assuming the Share Subdivision, the conversion of Unlisted Shares into H Shares and the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

(2) The Company has granted Restricted Shares to two consultants of the Company for an aggregate of 90,000 Shares. The consultants provide advisory services to the Company on matters such as, among others, core automotive enterprise research and development, product medium and long-term strategic planning, and related initiatives. To the best knowledge of our Directors, each of the grantees who is a consultant is an Independent Third Party.

Save as disclosed above, there are no reserved shares underlying the Employee Shareholding Platforms, which are reserved for grant of reserved shares to future grantees under the Pre-[**REDACTED**] Employee Shareholding Schemes.

2. Pre-[REDACTED] Share Option Scheme

The following is a summary of the principal terms of the Pre-[**REDACTED**] Share Option Scheme adopted on November 28, 2025. The Pre-[**REDACTED**] Share Option Scheme is not subject to the approval requirement under Chapter 17 of the Listing Rules as it does not involve the grant of Shares or the grant of options by the Company to subscribe for the Shares after the Listing. The Pre-[**REDACTED**] Share Option Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve any grant of share options by our Company after the Listing.

(a) Purpose

The objectives of the Pre-[**REDACTED**] Share Option Scheme are to further establish and improve the Company's long-term incentive mechanism, attract and retain outstanding talents, fully motivate Directors, senior management, core technical and business personnel, as well as other employees of the Company who have a direct impact on the Company's business performance and future development. The Pre-[**REDACTED**] Share Option Scheme aims to align the interests of the Shareholders, the Company, and the key personnel, foster a shared commitment to the Company's long-term growth, and ensure the achievement of its strategic and operational goals.

(b) Administration

The Pre-[**REDACTED**] Share Option Scheme is subject to the approval, amendment, and termination by the Shareholders' meeting. The Pre-[**REDACTED**] Share Option Scheme has been adopted by the Shareholders in a general meeting held on November 28, 2025. The Board is the administrative body of the Pre-[**REDACTED**] Share Option Scheme which is authorized to implement the Pre-[**REDACTED**] Share Option Scheme within the scope authorized by the Shareholders. The chairman of the Board, as authorised by the Board, is responsible for the implementation of the Pre-[**REDACTED**] Share Option Scheme and shall handle specific matters at his discretion.

(c) Participants

The eligible participants of the Pre-[**REDACTED**] Share Option Scheme are the Directors, senior management, core technical personnel and core business personnel, as well as other employees of the Company who contribute to the future development and operating of the Company which the Company believes should be incentivized. Each eligible participant under the Pre-[**REDACTED**] Share Option Scheme should have signed an employment contract or service contract with the Company or any of the subsidiaries of the Company.

(d) Grantees

There are total 43 grantees under the Pre-[**REDACTED**] Share Option Scheme, which includes 3 Directors, 2 senior management member (other than Directors), and 38 other employees of the Company.

(e) Maximum Number of Shares

The maximum number of Shares to be granted under the Pre-[**REDACTED**] Share Option Scheme shall not exceed 7% of the total issued share capital of the Company at the time when the Pre-[**REDACTED**] Share Option Scheme is considered and approved by the Shareholders' meeting. Accordingly, the maximum number of Shares to be granted under the Pre-[**REDACTED**] Share Option Scheme shall not exceed 23,545,977 Shares (assuming the Share Subdivision is completed).

(f) Source of Shares

The options granted under the Pre-[**REDACTED**] Share Option Scheme (the "Option(s)") will entitle the grantees to subscribe for H Shares to be issued by the Company upon Listing. All of the Options must be granted before the Listing.

(g) Validity Period

The Pre-[**REDACTED**] Share Option Scheme shall be valid and effective from the date of grant until all Options granted thereunder have either been exercised in full or cancelled, subject to a maximum term of 60 months from the date of grant.

(h) Exercising Arrangement

The options granted under the Pre-[**REDACTED**] Share Option Scheme shall be exercised in tranches as per the agreed proportions upon satisfaction of the exercising conditions. The exercising date must be a trading day within the validity period of the Pre-[**REDACTED**] Share Option Scheme. The exercise of any Option shall be further subject to the satisfaction of the prescribed exercise conditions and the completion of necessary internal procedures of the Company, including, among others, the review and approval by the Board.

Details of the exercising period and exercising arrangements for all options granted under the Pre-[**REDACTED**] Share Option Scheme are as follows:

Exercising period	Exercising time	Exercising proportion
First exercising period.	From the first trading day after 12 months from the Listing Date to the last trading day after 24 months from the Listing Date	33.33% of the Options

Exercising period	Exercising time	Exercising proportion
Second exercising period . . .	From the first trading day after 24 months from the Listing Date to the last trading day after 36 months from the Listing Date	33.33% of the Options
Third exercising period	From the first trading day after 36 months from the Listing Date to the last trading day after 48 months from the Listing Date	33.34% of the Options

If any applicable laws, regulations or regulatory requirements impose further restrictions at the time of exercise, the exercise of the Options shall be subject to compliance with such provisions. Any Option that is not exercised within the prescribed exercise period or which fails to satisfy the applicable exercise conditions shall be cancelled in accordance with the terms of the Pre-[**REDACTED**] Share Option Scheme.

(i) Exercise of Options

The Board shall consider whether the exercising conditions stipulated in the Pre-[**REDACTED**] Share Option Scheme are satisfied.

The exercising conditions stipulated in the Pre-[**REDACTED**] Share Options Scheme include performance targets at grantee-level. The grantee-level performance target is based on the grantee-level performance appraisal for the years from 2026 to 2028 of the relevant grantee.

Only those grantees who achieve at least a grantee-level performance appraisal of satisfactory standard are qualified to exercise their options. For grantees who fail to satisfy the conditions, the Company shall cancel their share options with respect to such exercise that they have applied for.

(j) Exercise Price

The exercise price of the Options is RMB7.00 per Share.

(k) Basis of Determination of the Exercise Price

The exercise price of the Options shall not be lower than the nominal value per Share. In determining the exercise price of the Options, the Company has taken into account a number of factors, including but not limited to the Company's share-based payment expenses, impact on cash flow, potential dilution to existing Shareholders, development of the management team, growth prospects and the financial capability of the participants.

If, during the period from the approval date of the Pre-[**REDACTED**] Share Option Scheme to the date on which the Options are exercised, the Company undertakes any capitalization of capital reserves, distribution of stock dividends, share split or consolidation, rights issue or dividend distribution, adjustments will be made to the exercise price of the Options in accordance with the relevant provisions of the Pre-[**REDACTED**] Share Option Scheme.

(l) Lock-up Periods and Restrictions

The grantees under the Pre-[**REDACTED**] Share Option Scheme shall not exercise, transfer, gift or use the Options as security in any manner for debt repayment within 12 months from the date of Listing and shall comply with the lock-up period and restriction requirements under the relevant laws and regulations.

(m) Outstanding Options Granted under the Pre-[**REDACTED**] *Share Option Scheme*

As of the Latest Practicable Date, the number of underlying Shares pursuant to the outstanding Options amounted to 23,545,970 Shares, representing approximately [**REDACTED**]% of the issued Shares immediately following the completion of the [**REDACTED**] (assuming that (1) the Share Subdivision is completed; (2) the [**REDACTED**] is not exercised; and (3) no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme).

Assuming full exercise of all outstanding Options, the shareholding of the Shareholders immediately following completion of the [**REDACTED**] (assuming that (1) the Share Subdivision is completed; (2) all Options are exercised; (3) the [**REDACTED**] is not exercised; and (4) no further Shares are issued under the Pre-[**REDACTED**] Share Option Scheme), will be diluted by approximately [**REDACTED**]%.

On November 28, 2025, the Company granted Options to certain Directors, senior management member, and other employees of the Company under the Pre-[**REDACTED**] Share Option Scheme as set forth below. No further Option is expected to be granted under the Pre-[**REDACTED**] Share Option Scheme.

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Directors							
Yang Hongze (楊泓澤)	Executive Director, chairman of our Board, general manager, and chief executive officer	Room 1702, Unit 1, Building 8, Yard 76, Baziwan South 2nd Road, Chaoyang District, Beijing	November 28, 2025	November 28, 2030	7	503,850	[REDACTED]%
Liang Guofeng (梁國鋒)	Executive Director and president	Room 1903, No. 4, Lane 353, Ningxia Road, Putuo District, Shanghai	November 28, 2025	November 28, 2030	7	385,880	[REDACTED]%
He Yihan (何易韓)	Executive Director, vice president and Board secretary	Room 1602, Talent Apartment 1A, No. 19, Huayun Road, Huazhuang Subdistrict, Wuxi Economic & Technological Development Zone, Wuxi City, Jiangsu Province, PRC	November 28, 2025	November 28, 2030	7	371,892	[REDACTED]%
Subtotal						**1,261,622**	[REDACTED]%
Senior Management							
Chen Jianhua (陳健華)	Assistant vice president	Room 7-1201, Lane 658, Laiyin Road, Jiuting Town, Songjiang District, Shanghai	November 28, 2025	November 28, 2030	7	110,970	[REDACTED]%

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Li Zhigang (李志剛) .	Vice president	Room 308, No. 8, Lane 8085, Boyuan Road, Anting, Shanghai	November 28, 2025	November 28, 2030	7	109,367	[REDACTED]%
Subtotal . .						**220,337**	[REDACTED]**%**
Other employees							
Guo Hongjin (郭洪瑾) .	Assistant vice president	Room 202, No. 49, Zone 10, Lane 3118, Yindu Road, Minhang District, Shanghai	November 28, 2025	November 28, 2030	7	83,970	[REDACTED]%
Bai Xinping (白新平) .	Vice president	Room 102, Unit 3, Building 18, Yongfeng Jiayuan Zone 4, Haidian District, Beijing	November 28, 2025	November 28, 2030	7	100,970	[REDACTED]%
Ma Jianjun (馬建軍) .	Head of international center	Room 303, No. 41, Tianlin Village 11, Xuhui District, Shanghai	November 28, 2025	November 28, 2030	7	102,367	[REDACTED]%
Hong Yuan (洪源) . .	Business management consultant	Room 1302, No. 7, Lane 981, Zhoujiazui Road, Hongkou District, Shanghai	November 28, 2025	November 28, 2030	7	117,558	[REDACTED]%
Isaac Goh . .	Assistant vice president	Room 1202, Building A, Block 4, Talent Apartment, No.19 Huayun Road, Huazhuang Street, Wuxi Economic Development Zone, Wuxi	November 28, 2025	November 28, 2030	7	33,588	[REDACTED]%
Li Boyu (李博宇) .	Assistant vice president	No. 198, Xinghai Street, Industrial Park, Suzhou, Jiangsu Province	November 28, 2025	November 28, 2030	7	67,176	[REDACTED]%
Xu Min (徐敏) . .	Director of finance department	Room 303, No. 520, Yanchangzhong Road, Jing'an District, Shanghai	November 28, 2025	November 28, 2030	7	73,588	[REDACTED]%
Fu Xin (付昕) . .	Assistant vice president and general manager of procurement department	Room 502, No. 92, Lane 667, Jufeng Road, Pudong New District, Shanghai	November 28, 2025	November 28, 2030	7	33,588	[REDACTED]%

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Wu Chao (吴超)	Dean of intelligent driving engineering institute	Room 501, No. 74, Lane 1288, Xinyuan Road, Anting Town, Jiading District, Shanghai	November 28, 2025	November 28, 2030	7	12,595	[REDACTED]%
Yu Bo (於波)	Dean of customer engineering institute	Room 701, Unit 1, Building 15, Baizhuang Guandi, Jiujiang District, Wuhu, Anhui Province	November 28, 2025	November 28, 2030	7	14,274	[REDACTED]%
Huo Bailin (霍百林)	Deputy dean of customer engineering institute	Room 1102, No. 36, Lane 1679, Yuqiao Road, Pudong New District, Shanghai	November 28, 2025	November 28, 2030	7	50,993	[REDACTED]%
Zhang Lingjun (張陵軍)	Senior expert in basic software	No. 400, Sikai Road, Songjiang District, Shanghai	November 28, 2025	November 28, 2030	7	12,595	[REDACTED]%
Huang Miaogong (黄妙恭)	Deputy dean of hardware platform institute	Room 601, Building 6, Lane 2666, Hongmei Road, Xuhui District, Shanghai	November 28, 2025	November 28, 2030	7	12,595	[REDACTED]%
Xu Xihai (徐西海)	Deputy dean of intelligent driving engineering institute and intelligent driving scientist	Room 202, No. 8, Lane 288, Liangshe Road, Jiading Industrial Zone, Jiading District, Shanghai	November 28, 2025	November 28, 2030	7	12,595	[REDACTED]%
Han Bing (韓冰)	Deputy dean of system research institute	Room 302, Unit 1, Building 1, No. 45, Xiu Gate Street, Qiaoxi District, Shijiazhuang, Hebei Province	November 28, 2025	November 28, 2030	7	12,595	[REDACTED]%
Lai Bin (賴斌)	Head of business development department	Room 101, No. 137, Changfeng Village 2, Putuo District, Shanghai	November 28, 2025	November 28, 2030	7	6,717	[REDACTED]%
Sun Yan (孫岩)	Senior principal engineer of solutions	10-803, No. 9, Lishuyuan Road, Jiangning District, Nanjing	November 28, 2025	November 28, 2030	7	6,717	[REDACTED]%

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Huang Jun (黃駿)	Head of innovative products department	Room 2202, No. 89, Lane 99, Zhongtan Road, Putuo District, Shanghai	November 28, 2025	November 28, 2030	7	6,717	[REDACTED]%
Wang Xiaoliang (王曉亮)	Head of EEA architecture department	No. 91, Group 1, Zhengchang Street, Tongzhou District, Nantong, Jiangsu Province	November 28, 2025	November 28, 2030	7	6,717	[REDACTED]%
Chen Fei (陳飛)	Software architecture expert	No. 58, Lane 3999, Xiupu Road, Kangqiao Town, Pudong New District, Shanghai	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Li Quan (李權)	Head of project delivery department	Room 104, No. 6, Lane 450, Shuicheng Road, Changning District, Shanghai	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Lu Yuzhe (陸宇哲)	Head of UED experience design department, head of cockpit system requirements department	No. 10, Lane 236, Duolun Road, Hongkou District, Shanghai	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Ye Hongwei (葉紅偉)	Head of cockpit software products department	No. 19, Lane 99, Qianyang South Road, Putuo District, Shanghai	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Liu Chengxin (劉成新)	RTOS principal engineer	No. 3, Wangzhuang, Mazhuang Village, Sunweizi Township, Xiao County, Suzhou, Anhui Province	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Zhang Baolin (張寶林)	Senior middleware engineer	Fanzhong Group, Nanxi Village, Nanxi Town, Jinzhai County, Anhui Province	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Wang Ye (王葉)	Senior android engineer	No. 35, Youzha Bridge Village, Xizhuang Village Committee, Bieqiao Town, Liyang, Jiangsu Province	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Jiang Xiaowen (蒋孝雯)	Senior middleware engineer	Room 904, No. 90, Xinou Garden, Huishan District, Wuxi	November 28, 2025	November 28, 2030	7	4,198	[REDACTED]%
Quan Shaoying (全韶英)	Senior manager of application software development	No. 44, Lane 499, Puxiu Road, Minhang District, Shanghai	November 28, 2025	November 28, 2030	7	2,519	[REDACTED]%
Zhou Xiaofei (周晓飛)	Senior principal designer of software architecture	Room 101, No. 3, Lane 2628, Qixin Road, Minhang District, Shanghai	November 28, 2025	November 28, 2030	7	2,519	[REDACTED]%
Chen Haofeng (陳皓峰)	Software architecture expert	Room 301, No. 20, Lane 546, Xinshi South Road, Shanghai	November 28, 2025	November 28, 2030	7	2,519	[REDACTED]%
Fu Yazhou (付亞洲)	Head of delivery testing department	No. 050, Guanlukou Village, Guanlukou Village, Yishan Town, Guanyun County, Jiangsu Province	November 28, 2025	November 28, 2030	7	2,519	[REDACTED]%
Sun Jiaxi (孫家喜)	Senior manager of software products department	Group 2, Zhuochang Village, Damiao Township, Lingbi County, Suzhou, Anhui Province	November 28, 2025	November 28, 2030	7	2,519	[REDACTED]%
Xu Zhonghua (徐忠華)	Deputy general manager of second business department	Room 202, No. 12, Zone 11, Lane 1467, Minhang District, Shanghai	November 28, 2025	November 28, 2030	7	8,397	[REDACTED]%
Huang Fang (黃芳)	Deputy general manager of first business department	No. 1, Fourth Street, Tianjin Economic and Technological Development Zone	November 28, 2025	November 28, 2030	7	8,397	[REDACTED]%
Wang Lihua (王麗花)	Director of finance department	Room 503, Unit 3, Building 5, Shangwu East Street, Qiaodong District, Zhangjiakou, Hebei Province	November 28, 2025	November 28, 2030	7	16,559	[REDACTED]%
Xu Xiaojing (徐曉靜)	Director of comprehensive services department	Room 2201, Unit 3, Yueyuan, Suning Yuecheng, Wuxi	November 28, 2025	November 28, 2030	7	8,397	[REDACTED]%

Name of the grantees	Position in the Group	Address	Date of Grant	Expiry Date	Exercise Price per Share	Number of Shares underlying the outstanding Options	Approximate % of the issued Shares immediately after completion of the [REDACTED] (1)
					(RMB)		
Guo Zhenhua (郭振華) .	Director of business management	Room 302, Building 8, Shuanghu Bay Garden, Industrial Park, Suzhou, Jiangsu Province	November 28, 2025	November 28, 2030	7	8,397	[REDACTED]%
Ma Bin (馬斌) . .	Deputy general manager of European business department	No. 19, Lane 100, Wuyang Road, Jiangqiao Town, Jiading District, Shanghai	November 28, 2025	November 28, 2030	7	8,397	[REDACTED]%
Subtotal . .						**872,638**	[REDACTED]%
Total						**2,354,597**	[REDACTED]%

Note:

(1) Assuming that (a) the Share Subdivision is completed; (b) the [**REDACTED**] is not exercised; and (c) no Shares are issued under the Pre-[**REDACTED**] Share Option Scheme.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or our subsidiaries.

2. Litigation

Saved as disclosed in this document, to the knowledge of our Directors, no member of our Group has significant litigation or claims pending or threatened against any member of our Group.

3. Joint Sponsors

The Joint Sponsors have made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, our H Shares.

Each of the Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. Each of the Joint Sponsors will receive a fee of US$500,000 for acting as a sponsor for the Listing.

4. Preliminary Expenses

As of Latest Practicable Date, our Company did not incur any preliminary expenses of the [**REDACTED**].

5. Qualification of Experts

The qualifications of the experts who have given opinions or advice in this document are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO for type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
Haitong International Capital Limited	Licensed corporation under the SFO type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
Deloitte Touche Tohmatsu	Certified Public Accountants Registered Public Interest Entity Auditor
Frost & Sullivan	an independent professional market research and consulting company
Commerce & Finance Law Offices	Legal adviser to our Company as to PRC laws

6. Consents of Experts

Each of the experts referred to in "Qualification of Experts" in this Appendix has given and has not withdrawn its respective written consents to the issue of this document with the inclusion of certificates, letters, opinions or reports and the references to its names included herein in the form and context in which it is respectively included.

As of the Latest Practicable Date, none of the experts named above has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

7. Compliance Advisor

We have appointed Somerley Capital Limited as our compliance advisor upon the Listing in compliance with Rule 3A.19 of the Listing Rules.

8. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are affected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer on each of the purchaser and the seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

9. No Material Adverse Change

Our Directors confirm that, there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, and up to the date of this document.

10. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

11. Miscellaneous

Save as disclosed in this document:

(a) within the two years preceding the date of this document: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;

(b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;

(c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;

(d) there are no arrangements under which future dividends are waived or agreed to be waived;

(e) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(f) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;

(g) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(h) no part of the equity or debt securities of our Company, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such listing or permission to list on any stock exchange other than the Stock Exchange is currently being or agreed to be sought; and

(i) our Company has no outstanding convertible debt securities or debentures.

12. Restrictions on Share Buy-back

For details, see the sections headed "Appendix IV—Summary of Principal Legal and Regulatory Provisions" and "Appendix V—Summary of Articles of Association" in this document.

13. Bilingual document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

14. Promoters

The promoters of our Company comprised all of the 32 then shareholders of our Company, as at November 18, 2025 before our conversion into a joint stock company with limited liability. Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the [**REDACTED**] or the related transactions described in this document.

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

(a) the written consents referred to in "Appendix VI—Statutory and General Information—E. Other Information—4. Qualification and Consents of Experts" in this document; and

(b) a copy of each of the material contracts referred to in "Appendix VI—Statutory and General Information—B. Further Information about Our Business—1. Summary of Material Contracts" in this document.

B. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.auto-link.com.cn**) up to and including the date which is 14 days from the date of this document:

(a) the Articles of Association;

(b) the Accountants' Report from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong or simply Deloitte Touche Tohmatsu, the text of which is set out in Appendix I in this document;

(c) the report from Deloitte Touche Tohmatsu in respect of the unaudited [**REDACTED**] financial information, the text of which is set out in Appendix II in this document;

(d) the audited consolidated financial statements of our Group for the three years ended December 31, 2023, 2024 and 2025;

(e) the material contracts referred to in "Appendix VI—Statutory and General Information—B. Further Information about Our Business—1. Summary of Material Contracts" in this document;

(f) the service agreements and letters of appointment entered into between our Company and each of our Directors referred to in "Appendix VI—Statutory and General Information—C. Further Information about Our Directors—2. Service Contracts" in this document;

(g) the legal opinion issued by Commerce & Finance Law Offices, our PRC Legal Advisers, in respect of certain general corporate matters and property interests in the PRC of the Group;

(h) the industry report issued by Frost & Sullivan;

(i) the written consents referred to in "Appendix VI—Statutory and General Information—E. Other Information—4. Qualification and Consents of Experts" in this document; and

(j) the PRC Company Law, the PRC Securities Law, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, together with their unofficial English translation.