

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 [REDACTED] in the [REDACTED].

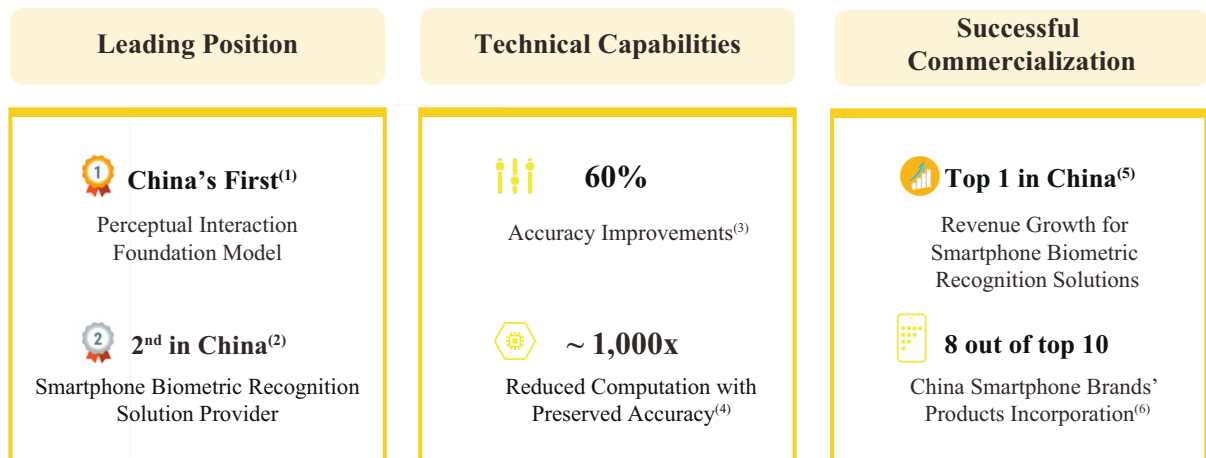
There are risks associated with any investment. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in “Risk Factors.” You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a globally leading provider of integrated perceptual interaction solutions for smart devices. Our AI-driven solutions enable seamless, natural interaction between humans and smart devices across a wide range of application scenarios.

Our proprietary AI-driven perceptual interaction foundation model serves as the technological backbone of our solutions for human-device interaction. According to Frost & Sullivan, our proprietary model is the first of its kind commercially adopted in China. By leveraging our foundation model capabilities, we provide integrated perceptual interaction solutions and related services tailored to diverse smart devices. Our deliverables to module manufacturers mainly comprise proprietary chips and related components designed in-house and manufactured by third-party foundries, together with the applicable algorithms. According to Frost & Sullivan, we ranked second in China’s smartphone biometric recognition solution market in terms of relevant revenue in 2025, holding a market share of 14.5%. Our relevant revenue grew at a CAGR of 44.4% from 2023 to 2025, ranking first in the smartphone biometric recognition solution market in China in terms of growth rate. Our smartphone solutions have been incorporated into products of eight of China’s top 10 smartphone brands in terms of shipment volume in 2025 according to Frost & Sullivan, through module manufacturers.

The chart below highlights a selection of our core achievements:



Notes:

- (1) According to Frost & Sullivan, our foundation model is the first of its kind commercially adopted in China.
- (2) According to Frost & Sullivan, we ranked second in China’s smartphone biometric recognition solution market in terms of relevant revenue in 2025.
- (3) In a deployment test with a smart glass brand, our eye-tracking solutions achieved 60% accuracy improvements over traditional single optical input technologies in an outdoor scenario.

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- (4) We can achieve over 1,000x reduction in model computational requirements while substantially preserving accuracy.
- (5) According to Frost & Sullivan, our revenue from smartphone biometric recognition solutions grew at a CAGR of 44.4% from 2023 to 2025, ranking first in the market in China in terms of growth rate.
- (6) Our smartphone solutions have been incorporated into products of eight of China’s top 10 smartphone brands in terms of shipment volume in 2025 according to Frost & Sullivan, through module manufacturers.

Perceptual Interaction

Perceptual interaction refers to the process by which a wide range of smart devices such as smartphones, smart glasses, and embodied robotics, acquire and interpret signals from users and the surrounding physical world, through multi-modal sensing hardware and on-device algorithms. Smart devices rely on two complementary interaction systems. *Language-based interaction* mainly refers to voice assistants and chatbots, which handle explicit user commands and have achieved broad adoption. *Perceptual interaction* uses sensors and AI algorithms to observe users and their environments in real time, detecting needs that are unspoken, imprecisely expressed, or inconvenient to communicate through language. Such interaction enables devices to respond proactively. For example, perceptual interaction can recognize a user’s gaze to scroll content, or sense grip pressure to adjust a robotic hand’s force.

Just as the mouse and keyboard defined the personal computer era, and touchscreens defined the mobile era, perceptual interaction is poised to emerge alongside language-based interaction as the defining interaction paradigm of Physical AI. Unlike traditional AI, which has primarily focused on interpreting data and supporting decision-making within digital environments, Physical AI is defined by its ability to sense, understand, and act within the physical world. Perceptual interaction is required to achieve Physical AI, which is critical for the AI model to both learn physical principles and execute operations within real environments.

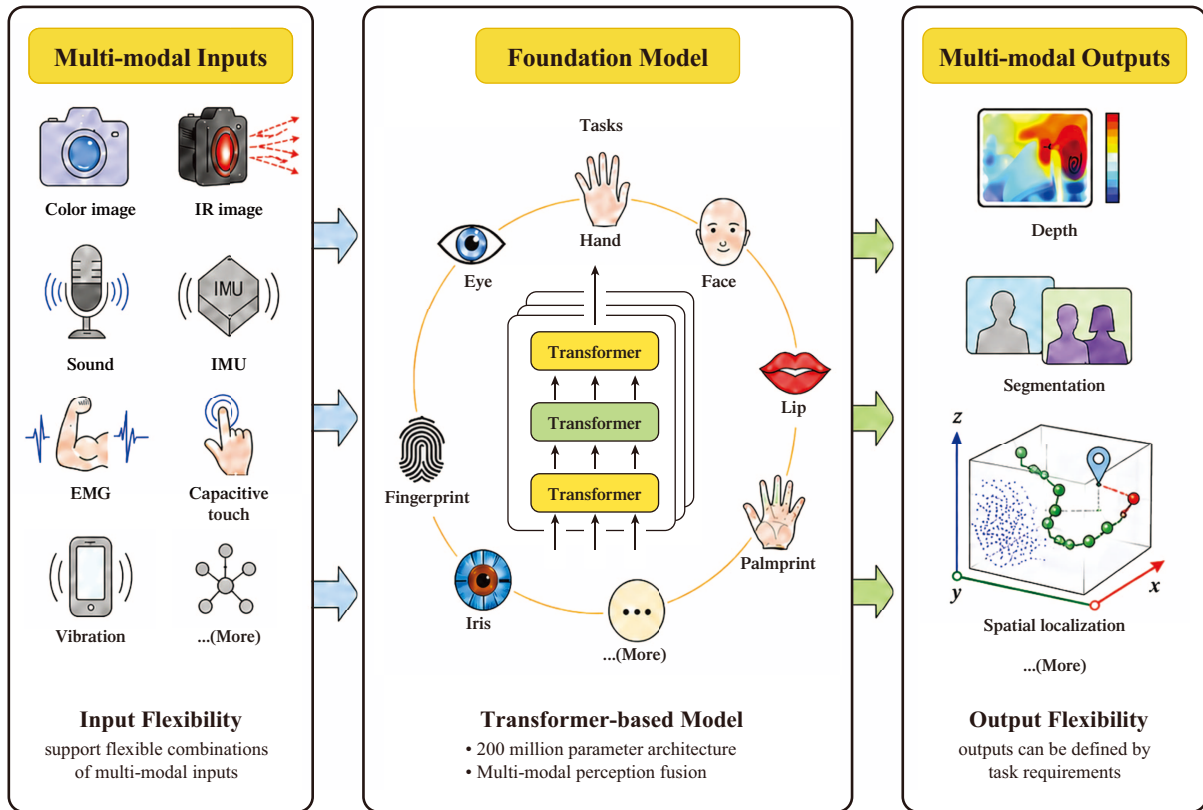
Perceptual interaction solutions generally follow two mainstream technology pathways: modular stacking and unified multi-modal models. Modular stacking combines separately developed algorithms and functional modules, typically for individual sensing modalities or predefined tasks. While it may perform well in specific scenarios, it often requires additional engineering to coordinate inputs across modalities and adapt to new scenarios, limiting scalability and potentially fragmenting user experiences. In contrast, our perceptual interaction model adopts a unified multi-modal architecture that learns shared representations across sensor inputs and application contexts, enabling coordinated perception and interaction, reusable capabilities and efficient extension across scenarios. As it is deployed and accumulates data, this approach creates a data flywheel that supports continuous capability improvement and broader scenario coverage.

Our Perceptual Interaction Foundation Model

We are guided by a core conviction: the capabilities of human-centric perceptual interaction solutions are fundamentally driven by models and algorithms. Accordingly, we have developed a foundation model centered on multi-modal data and purpose-built for perceptual interaction, which, according to Frost & Sullivan, is the first of its kind commercially adopted in China. Our foundation model ingests, fuses and models multi-modal perceptual data — including acoustic, optical and electrical signals, along with video and image collected from diverse sensors — and is trained through self-supervised learning on large-scale real-world datasets. Through this process, our model develops a deep understanding of the principles of human movement, the logic behind human actions, and the fundamental rules of physical interaction, and thus delivers powerful performance across a wide range of complex scenarios.

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Perceptual Interaction Foundation Model

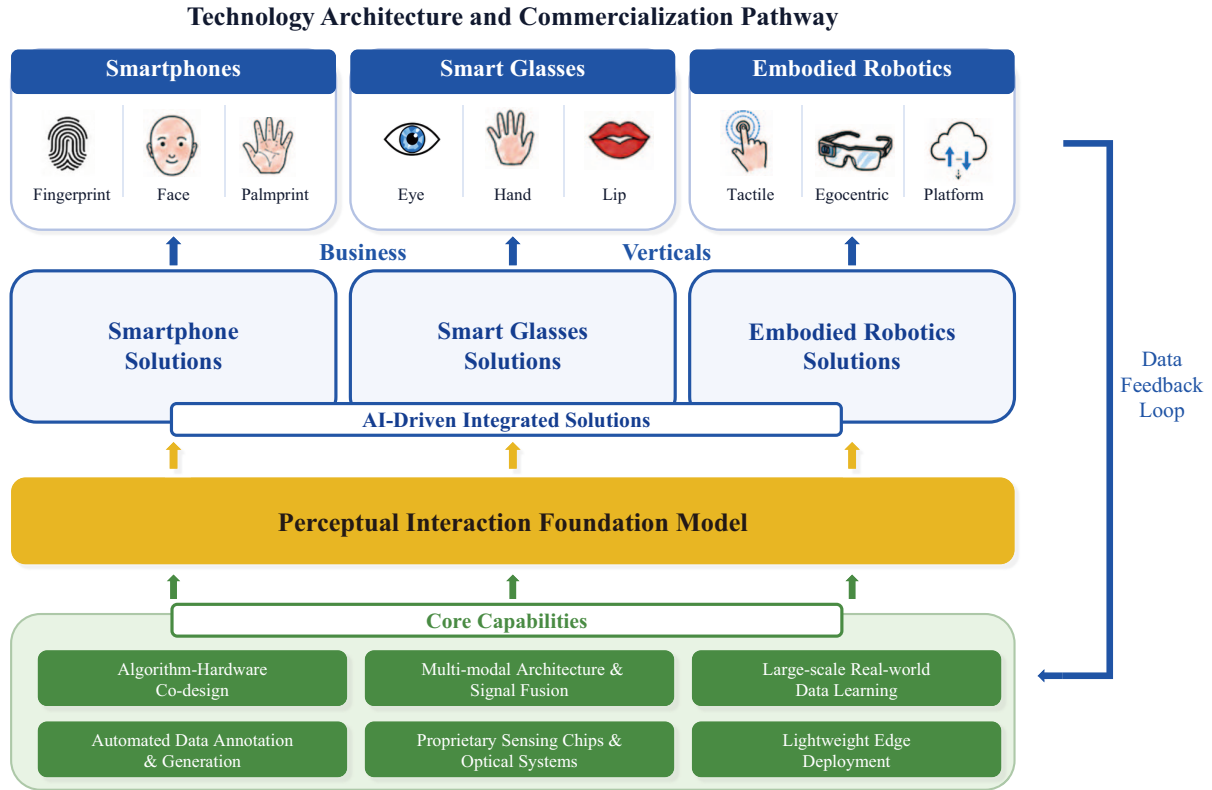


The key advantages of our foundation model lie in its multi-modal perceptual interaction capabilities, large-scale automated data processing capabilities, strong generalization capabilities, and industry-leading lightweight deployment capabilities. Through large-scale, multi-modal pre-training, we continuously iterate and refine our algorithms, achieving enhanced recognition, precision and robustness. We have also developed industry-leading lightweight deployment technologies purpose-built for edge applications. Our foundation model and algorithms are able to run efficiently across diverse smart devices while maintaining optimal performance across various edge computing environments and input modalities, without the need for substantial computing resources.

Our AI-Driven Integrated Solutions

To fully and efficiently transform our foundation model capabilities into scalable smart-device solutions, we have independently developed proprietary sensing chips and related hardware as core components of our integrated solutions, forming solutions that are deeply integrated with our algorithms. Our AI-driven integrated solutions follow an algorithm-led hardware co-design approach, under which the capabilities of our perceptual interaction foundation model guide the specifications and architecture of our hardware. Under traditional hardware-driven approaches, algorithms must be adapted around fixed hardware constraints, often requiring redundant software layers or complex re-engineering. By contrast, our approach helps reduce design iterations and system overhead, while improving performance-to-cost ratios across our solution portfolio.

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Our Solution Offerings

During the Track Record Period and up to the Latest Practicable Date, we have developed solutions including smartphone solutions, smart glasses solutions and embodied robotics solutions.

Smartphone Solutions

- Fingerprint sensors:** Our fingerprint sensors leverage the deep biometric feature extraction capabilities of our foundation model to achieve greater precision and robustness than traditional hardware-based approaches. We have won championships at the International Fingerprint Liveness Detection Competitions (LivDet) in 2023 and 2025. Powered by our perceptual interaction foundation model, our proprietary JFinger Algorithm delivers outstanding performance across key metrics, including recognition success rate, anti-spoofing recognition rate, unlock speed and Net Promoter Score (NPS).
- Facial and palm recognition solutions:** PoLi ID is our proprietary contactless AI biometric solution that uses polarized light to perform facial recognition and liveness detection, together with palmprint and palm vein recognition. Such innovative contactless AI biometric solution achieves payment-grade security (false acceptance rate (FAR) of 1/1,000,000) comparable to structured light and ToF solutions, but in a significantly smaller module with lower hardware requirements for core components such as CMOS image sensors (CIS) and vertical-cavity surface emitting lasers (VCSEL). Beyond authentication, PoLi ID also enables always-on intelligent interaction features, including AI assistant wake-up, gaze

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detection, and facial expression recognition, at ultra-low power consumption. Without the need for active illumination calibration, the solution exhibits reliable performance across diverse and challenging lighting environments.

Smart Glasses Solutions

- **Hand-tracking solutions:** Our hand-tracking solutions deliver accurate real-time tracking of full hand movements, including individual finger joints, even when fingers overlap or partially obstruct one another. Traditional systems can only recognize a small number of pre-programmed gestures, which limits a device’s ability to understand a user’s true intent. Our solutions can interpret a broad range of natural hand movements. The device can therefore respond to a much wider variety of user commands, rather than being confined to a few fixed gestures.
- **Eye-tracking solutions:** Based on our gaze-estimation algorithms powered by our perceptual interaction foundation model, our solutions operate independently of specific hardware configurations on smart devices. Traditional eye-tracking systems rely on the Pupil Center Corneal Reflection (PCCR) method, which requires precisely calibrated hardware components and fixed illumination points and therefore limits flexibility in compact device designs. In contrast, our hardware-agnostic approach enables high-accuracy, high-frame-rate eye-tracking that remains robust under challenging conditions such as bright ambient light, lens reflections, and user movement. Beyond smart glasses, our eye-tracking technology is readily adaptable to embodied robotics and other emerging applications.

Embodied Robotics Solutions

- **Spatial data processing platform:** Training AI models for embodied robotics requires vast quantities of structured, high-quality data, yet raw sensor data is inherently noisy, unaligned, and unstructured. Our proprietary data processing platform automates the complete process from raw sensor data collection to usable training data, including synchronizing data from different sensors, quality filtering, and data labeling. This significantly reduces the time, cost, and manual effort required to prepare training data for robotics AI models.
- **Egocentric data collection devices:** Training robotic AI systems requires large volumes of real-world human data showing how people interact with objects in everyday settings. We have developed lightweight and wearable data collection devices that capture egocentric video, head orientation, hand motion, eye gaze, and spatial position data. These devices enable scalable data collection as users perform tasks in real-world environments, producing the rich multi-modal datasets required to train embodied intelligence models.
- **Visuo-tactile interaction solutions:** Current robotic systems lack human-like tactile sensing capabilities; robots can see objects but lack the tactile feedback to sense contact pressure, slippage, and surface texture. Our visuo-tactile solution integrates visual perception with high-precision tactile sensors to enable robotic hands to detect contact pressure, surface texture, and force changes during object manipulation. We completed the development of our ultra-thin 5mm sensor module in the second quarter of 2026, which is also designed to be applied on human hands during data collection, producing higher-quality training data for robotic AI models.

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Our Broad Market Opportunities

The market for smart devices in China offers vast growth potential and continues to evolve toward greater intelligence and deeper AI integration. According to Frost & Sullivan, factory shipments of smart devices in China grew from 1,558.4 million units in 2021 to 1,683.6 million units in 2025, with a CAGR of 2.0%, and is expected to reach 2,011.5 million units in 2030, with a CAGR of 3.6%. As AI technologies advance and proliferate, the form factors, functionality and interaction paradigms of smart devices are undergoing profound transformation. Perceptual interaction capabilities, serving as a core bridge between users and devices, are becoming a key benchmark of device intelligence and driving sustained global demand for related solutions. According to Frost & Sullivan, the market size of the perceptual interaction solution industry in China grew from RMB11.4 billion in 2021 to RMB16.2 billion in 2025, with a CAGR of 9.3%, and is expected to reach RMB42.7 billion in 2030, with a CAGR of 21.3%.

The penetration of perceptual interaction solutions in smartphones is steadily rising as a critical lever for brand differentiation and product iteration, creating scaled growth opportunities for upstream solution providers. Driven by rising industry penetration and accelerating shipments, the market size of perceptual interaction solutions applied in smart glasses in China is expected to grow at a CAGR of 38.3% from 2025 to 2030, while the market size of such solutions applied in embodied robotics in China is expected to grow at a CAGR of 35.6% over the same period, reflecting growth potential significantly higher than that of traditional smart device categories.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our growth and differentiate us from our competitors: (i) a globally leading provider of perceptual interaction solutions for smart devices; (ii) a proprietary multi-modal perceptual interaction foundation model — the first of its kind commercially adopted in China; (iii) a pioneer of AI-driven, hardware-enabled integrated solutions; (iv) growth with industry-leading partners and early entry into new device categories; and (v) seasoned management team and R&D talent with interdisciplinary technical expertise.

OUR STRATEGIES

We will focus on the following key strategies to drive our future growth: (i) strengthen R&D investment in our perceptual interaction foundation model; (ii) advance existing end-market solutions to solidify our market leadership; (iii) expand our solution portfolio to achieve scaled commercialization in emerging markets; and (iv) pursue international expansion and industry value chain integration.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, we primarily sold our solutions through agents to module manufacturers that integrate our solutions with other components into modules for delivery to smart device brands. For details of our sales model, see “Business — Sales and Marketing — Sales Model.” In 2023, 2024 and 2025, the revenue generated from our five largest customers for each year amounted to RMB206.0 million, RMB358.0 million and RMB420.1 million, respectively, accounting for 99.0%, 97.4% and 89.6% of our total revenue for the corresponding year, respectively.

During the Track Record Period, our suppliers primarily consisted of providers of wafers and optical components, contract manufacturers, computing power service providers, and other service providers. We proactively adopt supplier management policies, including maintaining an adequate pool of suppliers and securing alternative suppliers to safeguard our supply chain. In 2023,

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2024 and 2025, purchases from our five largest suppliers for each year amounted to RMB154.6 million, RMB214.5 million and RMB197.4 million, respectively, accounting for 90.9%, 84.8% and 84.0% of our total purchases for the corresponding year, respectively.

None of our Directors, their associates or any Shareholders who, to the knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest customers and suppliers for each year during the Track Record Period.

During the Track Record Period, one of our five largest customers was also our supplier. For details, see “Business — Overlapping of Customers and Suppliers.” Negotiations of the terms of our sales to and purchases from this customer and supplier were conducted on an individual basis, and the sales and purchases were neither inter-connected nor inter-conditioned with each other. Our Directors confirm that these transactions were entered into on normal commercial terms, in the ordinary course of business and on an arm’s length basis.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

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

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Revenue	208,182	100.0	367,645	100.0	468,855	100.0
Cost of sales	(153,376)	(73.7)	(233,813)	(63.6)	(292,560)	(62.4)
Gross profit	54,806	26.3	133,832	36.4	176,295	37.6
Other net income	2,217	1.1	321	0.1	15,675	3.3
Selling and distribution expenses	(22,304)	(10.7)	(25,241)	(6.9)	(28,499)	(6.1)
General and administration expenses	(27,779)	(13.3)	(33,276)	(9.1)	(38,307)	(8.2)
Research and development expenses	(79,459)	(38.2)	(93,238)	(25.4)	(108,578)	(23.2)
Reversal of/(provision for) impairment loss on trade and other receivables	17	0.0	(895)	(0.2)	(151)	(0.0)
(Loss)/profit from operations	(72,502)	(34.8)	(18,497)	(5.0)	16,435	3.5
Finance costs	(241)	(0.1)	(1,646)	(0.4)	(2,155)	(0.5)
Changes in the carrying amount of redemption liabilities	(19,010)	(9.1)	(18,117)	(4.9)	(28,664)	(6.1)
Loss before taxation	(91,753)	(44.1)	(38,260)	(10.4)	(14,384)	(3.1)
Income tax expense	(29)	(0.0)	(17)	(0.0)	—	—
Loss for the year	(91,782)	(44.1)	(38,277)	(10.4)	(14,384)	(3.1)
Other comprehensive income for the year	(154)	(0.1)	748	0.2	(78)	(0.0)
Total comprehensive income for the year	(91,936)	(44.2)	(37,529)	(10.2)	(14,462)	(3.1)

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Non-IFRS Measure

To supplement our consolidated financial statements, we use adjusted net loss or profit for the year (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We define adjusted net loss or profit (non-IFRS measure) as loss for the year adjusted by adding back (i) equity settled share-based payment expenses, which are non-cash in nature and arise from granting economic rights in our share incentive platforms to senior management and employees; and (ii) changes in the carrying amount of redemption liabilities representing the carrying amounts changes of the redemption rights granted by us, which is non-cash in nature and will be reclassified to equity after the termination of the investors’ redemption rights upon [REDACTED]. We believe this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss or profit for the year (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure as an analytical tool has limitations, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table sets forth a reconciliation of our adjusted net loss or profit for the year (non-IFRS measure) in accordance with IFRS Accounting Standards for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Loss for the year	(91,782)	(38,277)	(14,384)
Add:			
Equity settled share-based			
payment expenses	5,958	6,448	6,184
Changes in the carrying amount of			
redemption liabilities	19,010	18,117	28,664
Adjusted net (loss)/profit for the year			
(non-IFRS measure).	(66,814)	(13,712)	20,464

Revenue

During the Track Record Period, we generated all of our revenue from customers located in the PRC. We generated revenue from (i) the sales of smart device solutions; and (ii) the provision of technical services. During the Track Record Period, substantially all of the revenue derived from smart device solutions was attributable to smartphone solutions, primarily including optical and capacitive fingerprint sensors, and, to a lesser extent, the sales of parts and components for testing. We also provided technical services, which primarily represented NRE services regarding perceptual interaction solutions for emerging smart devices, such as smart glasses and embodied robotics. The following table sets forth a breakdown of our revenue by product and service type in absolute amount and as a percentage of our total revenue for the years indicated:

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	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Smart device solutions	205,703	98.8	362,140	98.5	428,891	91.5
— Smartphone solutions	204,403	98.2	359,316	97.7	426,035	90.9
— Optical fingerprint sensors	80,935	38.9	214,109	58.2	281,273	60.0
— Capacitive fingerprint sensors	123,468	59.3	145,207	39.5	144,762	30.9
— Other products ⁽¹⁾	1,300	0.6	2,824	0.8	2,856	0.6
Technical services	2,479	1.2	5,505	1.5	39,964	8.5
Total	208,182	100.0	367,645	100.0	468,855	100.0

Note:

(1) Other products primarily include parts and components for testing.

Revenue from smart device solutions increased from RMB205.7 million in 2023 to RMB362.1 million in 2024, and further to RMB428.9 million in 2025, primarily driven by the continued growth of our shipment volume, particularly for our optical fingerprint sensors. As a result of our competitive solutions, our growth exceeded that of the smartphone biometric recognition solutions market in China. Revenue from technical services increased from RMB2.5 million in 2023 to RMB5.5 million in 2024, and further to RMB40.0 million in 2025, primarily because we provided more NRE services related to smart glasses and embodied robotics solutions, in line with our development plan and increasing customer needs driven by market trends.

Gross Profit and Gross Profit Margin

Gross profit is equal to our revenue less cost of sales. Gross profit margin is calculated as gross profit divided by revenue for the relevant year. The following table sets forth the breakdown of our gross profit and gross profit margin by product and service type for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%
Smart device solutions.	53,455	26.0	130,325	36.0	151,404	35.3
— Smartphone solutions	52,628	25.7	129,267	36.0	150,633	35.4
— Optical fingerprint sensors	31,231	38.6	104,285	48.7	128,914	45.8
— Capacitive fingerprint sensors	21,397	17.3	24,982	17.2	21,719	15.0
— Other products	827	63.6	1,058	37.5	771	27.0
Technical services	1,351	54.5	3,507	63.7	24,891	62.3
Total	54,806	26.3	133,832	36.4	176,295	37.6

During the Track Record Period, our overall gross profit margin was primarily affected by changes in the revenue contribution from different business lines. Our overall gross profit margin increased from 26.3% in 2023 to 36.4% in 2024, and further to 37.6% in 2025, primarily driven by the increasing share of our business lines with higher gross profit margins, including optical fingerprint sensors and technical services. Our optical fingerprint sensors generally command a higher gross profit

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margin compared to capacitive fingerprint sensors, primarily attributable to their advanced technical capabilities. As a result, they are predominantly integrated into mid- and high-end models, which in turn supports a higher margin. In addition, the relatively high gross profit margin of our technical services was primarily because the cost structure of these services mainly includes staff costs and R&D expenses, and involves relatively lower fixed costs.

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
	<i>(RMB in thousands)</i>		
Total non-current assets	40,377	31,248	25,285
Total current assets	98,947	207,561	239,437
Total current liabilities	547,651	817,882	852,878
Total non-current liability	4,128	1,463	658
Net current liabilities	(448,704)	(610,321)	(613,441)
Total assets less current liabilities	(408,327)	(579,073)	(588,156)
Net liabilities	(412,455)	(580,536)	(588,814)

Our net current liabilities increased from RMB610.3 million as of December 31, 2024 to RMB613.4 million as of December 31, 2025, primarily due to an increase of RMB35.0 million in our current liabilities, mainly attributable to the increase of RMB28.7 million in redemption liabilities, and the increase of RMB27.9 million in bank loans, partially offset by an increase of RMB31.8 million in our current assets, mainly attributable to the increase of RMB35.5 million in trade receivables, and the increase of RMB17.1 million in cash and cash equivalents, partially offset by the decrease of RMB31.4 million in inventories.

Our net current liabilities increased from RMB448.7 million as of December 31, 2023 to RMB610.3 million as of December 31, 2024, primarily due to an increase of RMB270.2 million in our current liabilities, mainly attributable to the increase of RMB188.1 million in redemption liabilities and the increase of RMB57.6 million in bank loans, partially offset by an increase of RMB108.7 million in our current assets, mainly attributable to the increase of RMB67.8 million in cash and cash equivalents and the increase of RMB30.7 million in inventories.

Our net liabilities increased from RMB412.5 million as of December 31, 2023 to RMB580.5 million as of December 31, 2024, primarily due to recognition of redemption liabilities in 2024 of RMB170.0 million and loss for the year in 2024 of RMB38.3 million, partially offset by issuance of ordinary shares with redemption rights in 2024 of RMB33.0 million. Our net liabilities further increased to RMB588.8 million as of December 31, 2025, primarily due to loss for the year in 2025 of RMB14.4 million, partially offset by equity settled share-based payment expenses in 2025 of RMB6.2 million.

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Summary of Consolidated Statements of Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the years indicated:

	For the year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Net cash (used in)/generated from operating activities	(28,669)	(5,292)	12,250
Net cash used in investing activities	(3,477)	(13,215)	(17,916)
Net cash generated from financing activities	18,608	86,296	22,844
Net (decrease)/increase in cash and cash equivalents	(13,538)	67,789	17,178
Cash and cash equivalents at the beginning of the year	54,006	40,471	108,285
Effects of exchange rate changes on the balance of cash held in foreign currencies	3	25	(39)
Cash and cash equivalents at end of the year	40,471	108,285	125,424

PATHWAY TO PROFITABILITY

During the Track Record Period, we recorded loss for the year of RMB91.8 million, RMB38.3 million and RMB14.4 million in 2023, 2024 and 2025, respectively. After eliminating the impact of items including (i) equity settled share-based payment expenses and (ii) changes in the carrying amount of redemption liabilities, we recorded adjusted net loss for the year (non-IFRS measure) of RMB66.8 million and RMB13.7 million in 2023 and 2024, respectively, and turned around and recorded adjusted net profit for the year (non-IFRS measure) of RMB20.5 million in 2025. For details, see “Financial Information — Non-IFRS Measure.” Our loss for the year during the Track Record Period was primarily attributable to: (i) significant investment in R&D; (ii) increase in staff costs; and (iii) changes in the carrying amount of redemption liabilities.

During the Track Record Period, we achieved strong revenue growth and significant improvement in profitability, demonstrating our ability to commercialize our solutions at scale. Our revenue increased from RMB208.2 million in 2023 to RMB367.6 million in 2024, and further to RMB468.9 million in 2025, representing a CAGR of 50.1%. Our gross profit increased from RMB54.8 million in 2023 to RMB133.8 million in 2024, and further to RMB176.3 million in 2025, primarily reflecting our revenue growth over the same period. Our overall gross profit margin improved from 26.3% in 2023 to 37.6% in 2025, primarily driven by increasing share of our business lines with higher gross profit margins.

Based on the following key initiatives we will continue to pursue to sustain our growth momentum, further enhance profitability and expand the commercialization of our perceptual interaction technologies, our Directors believe that our business is sustainable:

- (i) **Capturing market tailwind and industry opportunities.** We expect demand for our solutions to be supported by the continued growth of smart devices such as smartphones, smart glasses and embodied robotics, as well as by the broader adoption of human-machine

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interaction across an expanding range of application scenarios. Such demand creates broad commercialization opportunities for our perceptual interaction technologies across existing and emerging commercial settings. To capture these opportunities, we intend to closely monitor market developments and emerging use cases to identify high-growth application scenarios early and align our solution roadmaps with evolving market demand. We also plan to deepen our existing engagement with smart device brand companies to secure early involvement in their next-generation solution development cycles and leverage our approved supplier status to expand our market share. In addition, we intend to strengthen our partnerships with ecosystem players to enhance our market access and responsiveness to shifts in demand.

- (ii) **Accelerating customer validation and commercialization of new product lines.** In addition to our smartphone solutions, which have a proven track record of mass production shipments over years, our smart glasses and embodied robotics product lines have undergone years of dedicated R&D and have developed specific products that are now entering the customer validation stage. Based on our experience with prior projects, the typical timeline from project initiation to mass production is 6 to 12 months, and we plan to leverage this experience to accelerate the commercialization of our new product lines.
- (iii) **Further improving technological capabilities and solution competitiveness.** We will therefore continue to invest in R&D with a focus on (a) iterating our proprietary perceptual interaction foundation model, which is the foundation of our business; (b) further strengthening our edge deployment capabilities through the deep integration of our foundation model capabilities, multi-modal sensing technologies and device-side architectures; and (c) consolidating our leading position in the smartphone and smart glasses end-markets by deepening the integration of our model capabilities with our optical systems, simplifying overall hardware architectures, boosting model performance in challenging optical environments and improving the perceptual response speed of our smart glasses solutions, in order to capture new opportunities arising from successive generations of intelligent device functionality.
- (iv) **Deepening and broadening market penetration.** We intend to further deepen our cooperation with key brands in the smartphone and smart glasses end-markets by engaging with smart device brands earlier in their product development cycles, expanding our solution adoption into additional solution lines and new solution generations, converting existing NRE projects into mass-production supply agreements, and securing additional design wins and increase our share of customer purchases. We also plan to expand our solution matrix and accelerate large-scale commercialization in emerging application areas, in particular embodied robotics, in collaboration with leading industry partners through joint product launches and other strategic initiatives.
- (v) **Enhancing our operational efficiency and economies of scale.** Our profitability and results of operations are materially affected by our cost structure and operational efficiency, and we expect that our continued revenue growth will allow us to capture further benefits of operating leverage. We intend to optimize our cost of sales, enhance the productivity of our R&D activities, improve the efficiency of our sales and marketing activities, and optimize our administrative functions by introducing enterprise resource planning systems and AI-assisted tools to streamline workflows, automate routine tasks and improve management oversight as we scale.

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For details, see “Business — Pathway to Profitability.”

RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to invest in our Shares. Some of the major risks we face include: (i) the markets for our solutions are constantly changing, and the industry in which we operate is highly competitive. If we fail to respond effectively to these changes and compete with our competitors, our business, results of operations and financial condition may be materially and adversely affected; (ii) we have a limited track record in the commercialization of solutions other than smartphone solutions, which makes it difficult to forecast our future results of operations, and our historical growth may not be indicative of our future performance; (iii) if we are unable to develop and commercialize new or upgraded solutions, our future business, results of operations, financial condition and competitive position would be materially and adversely affected; (iv) we depend on a limited number of customers for a substantial portion of our revenue, and changes in customer demand or order patterns, including unexpected adjustments or cancellations of orders, could adversely affect our business, results of operations and financial condition; (v) the size of the markets in which we operate and the size of downstream end markets of our solutions may not increase as quickly as we anticipate; (vi) we face risks associated with our sales channels; (vii) we may face supply chain risks, including interruptions of supplies due to reliance on a limited number of suppliers, or failure by suppliers to achieve satisfactory yields or quality standards; and (viii) our proprietary foundation models may contain flaws, produce inaccurate or inappropriate outputs, or be misused, which could adversely affect our business and reputation.

OUR SHAREHOLDING STRUCTURE

Our Single Largest Group of Shareholders

As of the Latest Practicable Date, Mr. Chen controlled approximately 25.70% of the voting rights of the Company through (i) Jizhong Chuangxin, a limited partnership established under the laws of the PRC of which Mr. Chen was the general partner, holding 13.72% of our total issued share capital; and (ii) Haohong Xinqin, a limited partnership established under the laws of the PRC of which Mr. Chen was the general partner, holding 11.98% of our total issued share capital. Jiaying Jiqian I, Jiaying Jiqian II, Jiaying Jikun, Jiaying Jicheng and Jiaying Jitong, being the limited partners of Jizhong Chuangxin, and Jiaying Haozai, Jiaying Haoquan, Jiaying Haoru, Jiaying Haoqi and Jiaying Haoyu, being the limited partners of Haohong Xinqin, are indirect employee incentive platforms of our Company, each managed by Mr. Chen as their respective general partner. Consequently, Mr. Chen and his controlled entities (Jizhong Chuangxin, Haohong Xinqin, Jiaying Jiqian I, Jiaying Jiqian II, Jiaying Jikun, Jiaying Jicheng, Jiaying Jitong, Jiaying Haozai, Jiaying Haoquan, Jiaying Haoru, Jiaying Haoqi and Jiaying Haoyu) constitute our Single Largest Group of Shareholders, and were collectively entitled to exercise the voting rights attached to approximately 25.70% of our total issued share capital as of the Latest Practicable Date.

Immediately following the completion of the [REDACTED], assuming the [REDACTED] is not exercised, our Single Largest Group of Shareholders are expected to exercise the voting rights attached to approximately [REDACTED]% of our total issued Shares. For details, see “Relationship with Our Single Largest Group of Shareholders.”

SUMMARY

Pre-[REDACTED] Investors

Since the establishment of our Group, we have attracted a broad and diversified base of Pre-[REDACTED] Investors through equity financings and share transfers. For details of our Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments” in this document.

[REDACTED]

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. 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 the successful commercialization of our solutions as well as our earnings, capital requirements, overall financial condition and contractual restrictions, and will require approval at our shareholders’ meeting. Currently, we do not have a dividend policy or pre-determined dividend payout ratio in place. Any future net profit that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

SUMMARY

We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above.

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED] commissions, fees and estimated expenses payable by us in connection with the [REDACTED], based on an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] range stated in this document) and assuming that the [REDACTED] is not exercised. We intend to use the [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]%, or HK\$[REDACTED], will be used for the R&D of our perceptual interaction foundation model, underlying algorithm platform and core technologies; (ii) approximately [REDACTED]%, or HK\$[REDACTED], will be used for solution deployment and commercialization capabilities; (iii) approximately [REDACTED]%, or HK\$[REDACTED], will be used for overseas customer expansion and project support; (iv) approximately [REDACTED]%, or HK\$[REDACTED], will be used to promote the industrialization of our technologies and integrate industry resources; (v) approximately [REDACTED]%, or HK\$[REDACTED], will be used to invest in upstream and downstream industry chain participants; (vi) approximately [REDACTED]%, or HK\$[REDACTED], will be used for working capital and other general corporate purposes.

[REDACTED] EXPENSES

[REDACTED] expenses to be borne by us are estimated to be approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share), representing approximately [REDACTED]% of the estimated [REDACTED] from the [REDACTED] assuming no Shares are [REDACTED] pursuant to the [REDACTED]. The [REDACTED] expenses consist of (i) [REDACTED]-related expenses, including [REDACTED] commission, of approximately HK\$[REDACTED], and (ii) non-[REDACTED]-related expenses of approximately HK\$[REDACTED], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK\$[REDACTED], and (b) other fees and expenses of approximately HK\$[REDACTED]. During the Track Record Period, no [REDACTED] expenses were charged to our consolidated statements of profit or loss and other comprehensive income, and no [REDACTED] costs were prepaid. After the Track Record Period, approximately HK\$[REDACTED] is expected to be charged to our consolidated statements of profit or loss and other comprehensive income, and approximately HK\$[REDACTED] is expected to be accounted for as a deduction from equity upon the [REDACTED]. We do not believe any of the above fees or expenses are material or are unusually high to us. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [REDACTED] of the Stock Exchange for the [REDACTED] of, and permission to [REDACTED], the H Shares in [REDACTED] and to be [REDACTED] pursuant to the [REDACTED] (including (i) any H Shares which may be [REDACTED] pursuant to the exercise of the [REDACTED]; and (ii) the H Shares to be converted from Unlisted Shares).

Our application is made on the basis that, among other things, we satisfy the [REDACTED]/revenue test under Rule 8.05(3) of the Listing Rules with reference to: (a) our revenue for the year ended December 31, 2025, being RMB468.9 million, equivalent to

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HK\$539.3 million, which exceeds HK\$500 million as required by Rule 8.05(3) of the Listing Rules; and (b) our expected [REDACTED] based on the [REDACTED] at the time of [REDACTED], which exceeds HK\$4 billion as required by Rule 8.05(3) of the Listing Rules.

RECENT DEVELOPMENTS

Business Updates

We have completed the development of the first generation of PoLi ID within our smartphone solutions, in the second quarter of 2026, and are now advancing to the customer validation and commercialization stage.

As of the Latest Practicable Date, our perceptual interaction solutions for the smart glasses had passed technical validation by four industry participants, including Xiaomi, Honor and others.

We completed the development of our ultra-thin 5mm sensor module under our embodied robotics solutions, in the second quarter of 2026, which is designed to be applied on human hands during data collection, producing higher-quality training data for robotic AI models.

No Material Changes

After due and careful consideration, 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 date on which the latest audited consolidated financial statements of our Group were prepared, as set out in Appendix I to this document, and up to the date of this document.