OVERVIEW

We are a recognized fabless high-speed mixed-signal chip design company, dedicated to upgrading the data transmission and video processing infrastructure for smart terminals and devices, as well as AI applications.

Our history can be traced back to November 2006, when our predecessor, Lontium Semiconductor Technology (Hefei) Co., Ltd. (龍迅半導體科技(合肥)有限公司), was established in the PRC. In September 2015, we were converted from a limited liability company into a joint stock limited company and renamed as Lontium Semiconductor Corporation (龍迅半導體(合肥)股份有限公司). In February 2023, our A Shares were listed on the Shanghai Stock Exchange under the stock code 688486. As at the Latest Practicable Date, our Controlling Shareholders controlled 44.24% of our total issued share capital.

MILESTONES

The following is a summary of our key business development milestones.

Year	Event
2006	Our predecessor, Lontium Semiconductor Technology (Hefei) Co., Ltd. (龍迅半導體科技(合肥)有限公司), was established.
2008	We launched our first HDMI1.3 product, marking the beginning of our innovation journey.
2009	Our Company was accredited as a National Integrated Circuit Design Enterprise (國家級集成電路設計企業).
2011	Our Company was recognized as a National High-Tech Enterprise (國家級高新技術企業).
2015	Our Company was converted from a limited liability company into a joint stock limited company and renamed as Lontium Semiconductor Corporation (龍迅半導體(合肥)股份有限公司).
2020	We entered the smart vehicles sector.
2021	Our Company was recognized as a National “Little Giant” Enterprise of Specialized, Refined, Distinctive, and Innovative Technology (國家級專精特新“小巨人”企業).
2023	Our A Shares were listed on Shanghai Stock Exchange (stock code: 688486).
	We achieved meaningful progress in the AR/VR sector.
2025	We began expanding our presence in the AI & HPC market.

OUR SUBSIDIARIES

The following table sets out the principal business activities, place of establishment and date of establishment of our subsidiaries:

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
Shenzhen Lontium.	PRC	May 17, 2013	100%	Design and sales of integrated circuit
Advanced Chiplet	Singapore	December 22, 2023	100%	Research and development of electronic products

For further details of our Company's subsidiaries, see "— Corporate Structure" in this section.

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Early Development and Conversion into a Joint Stock Company

Our Company was established on November 29, 2006, under the laws of the PRC as a limited liability company with an initial registered capital of USD5,500,000, which was to be contributed by Mr. Chen. In July 2008, the registered capital of our Company was adjusted to USD237,988, which was contributed by Mr. Chen.

In January 2013, our Company completed a merger by absorption with Hefei Lijie, a company established in June 2007 in the PRC and controlled by Mr. Chen, which was primarily engaged in integrated circuit research, design and sales, as well as related technical consulting services prior to the merger. Given the expected synergies between Hefei Lijie and our Company at the time, the merger was carried out to enhance operational efficiency through centralized management and streamline overall business operations. Upon the completion of such merger, the registered capital of our Company was increased to RMB14,866,415, which was held as follows:

Shareholder	Amount of registered capital	Percentage of shareholding
	(RMB)	
Mr. Chen (by himself and through nominees) .	9,954,555	66.96%
Lontium Semiconductor Corporation Holding Limited (now known as Lonex Holding Limited) ("**Lonex**")	1,308,242	8.80%
Hefei Saifu Heyuan Venture Capital Center (Limited Partnership) (合肥賽富合元創業投資中心(有限合夥)) ("**Hefei Saifu**")	1,274,256	8.57%
Anhui Hongtu Venture Capital Co., Ltd. (安徽紅土創業投資有限公司) ("**Anhui Hongtu**").	849,513	5.71%
Anhui Xingwan Venture Capital Co., Ltd. (安徽興皖創業投資有限公司) (now known as Anhui Xingwan Digital Intelligence Industry Investment Co., Ltd. (安徽興皖數智產業投資有限公司)) ("**Anhui Xingwan**")	849,513	5.71%

Shareholder	Amount of registered capital	Percentage of shareholding
	(RMB)	
Hefei Haiheng Investment Holding Group Co., Ltd. (合肥海恒投資控股集團公司) (now known as Hefei Haiheng Holding Group Co., Ltd. (合肥海恒控股集團有限公司)) ("**Hefei Haiheng**")	630,336	4.24%
Total	**14,866,415**	**100.00%**

In January 2015, the registered capital of our Company was increased to RMB15,583,244, as a result of capital increase subscribed by an employee shareholding platform, Xincaifu.

In September 2015, our Company was converted from a limited liability company to a joint stock company with limited liability, with Mr. Chen, Hefei Saifu, Xincaifu and other 12 then shareholders being our promoters and the registered capital of our Company being RMB15,583,244. Immediately after the conversion, our Company was held as follows:

Shareholder	Number of Shares	Percentage of shareholding
Mr. Chen (by himself and through nominees)	9,073,577	58.23%
Hefei Saifu(1)	1,651,820	10.60%
Anhui Hongtu(1)	1,101,220	7.07%
Anhui Xingwan(1)	1,101,220	7.07%
Lonex(1)	743,320	4.77%
Xincaifu	716,829	4.60%
Hefei Haiheng(1)	630,336	4.05%
Mr. WANG Jinhong (汪瑾宏)(2)	148,664	0.95%
Mr. WANG Congshui (王從水)(2)	148,664	0.95%
Mr. ZUO Jianjun (左建軍)(2)	148,664	0.95%
Mr. WANG Ping (王平)(2)	118,930	0.76%
Total	**15,583,244**	**100.00%**

Notes:

(1) Immediately after our conversion to a joint stock company, each of Hefei Saifu, Anhui Hongtu, Anhui Xingwan, Lonex and Hefei Haiheng was an institutional investor of our Company, each being an Independent Third Party.

(2) Immediately after our conversion to a joint stock company, each of Wang Jinhong, Wang Congshui, Zuo Jianjun and Wang Ping was an individual investor of our Company, each being an Independent Third Party.

Between September 2015 and November 2021, our Company underwent several rounds of share transfers and capital increases. The considerations for the share transfers and capital increases were determined based on arm's length negotiation among the respective investors and our Group or the then existing Shareholders. The registered capital of our Company was increased to RMB51,944,146 as of November 2021, and the shareholding structure of our Company was as follows:

Shareholder	Number of Shares	Percentage of shareholding
Mr. Chen	25,947,884	49.95%
Hefei Saifu(1)	5,285,824	10.18%
Anhui Hongtu(1)	3,523,904	6.78%

Shareholder	Number of Shares	Percentage of shareholding
Hefei Zhong'an Haichuang Venture Investment Partnership (Limited Partnership) (合肥中安海創創業投資合夥企業(有限合夥))[1]	2,493,318	4.80%
Ms. Qiu	2,389,431	4.60%
Lonex[1]	2,378,624	4.58%
Xincaifu	2,293,853	4.42%
Huafu Ruixing Investment Management Co., Ltd. (華富瑞興投資管理有限公司)[1]	2,077,765	4.00%
Hefei Haiheng[1]	2,017,075	3.88%
Chuzhou Zhong'an Venture Capital Emerging Industry Fund Partnership (Limited Partnership) (滁州中安創投新興產業基金合夥企業(有限合夥))[1]	1,030,586	1.98%
Mr. WANG Jinhong (汪瑾宏)[2]	475,725	0.92%
Mr. WANG Congshui (王從水)[2]	475,725	0.92%
Mr. ZUO Jianjun (左建軍)[2]	475,725	0.92%
Mr. WANG Ping (王平)[2]	380,576	0.73%
Mr. LIU Yongyue (劉永躍)[3]	249,331	0.48%
Mr. XIA Hongfeng (夏洪鋒)[4]	224,400	0.43%
Mr. SU Jin (蘇進)[5]	224,400	0.43%
Total	**51,944,146**	**100.00%**

Notes:

(1) At the time, each of Hefei Saifu, Anhui Hongtu, Hefei Zhong'an Haichuang Venture Investment Partnership (Limited Partnership), Lonex, Huafu Ruixing Investment Management Co., Ltd., Hefei Haiheng and Chuzhou Zhong'an Venture Capital Emerging Industry Fund Partnership (Limited Partnership) was an institutional investor of our Company, each being an Independent Third Party.

(2) At the time, each of Wang Jinhong, Wang Congshui, Zuo Jianjun and Wang Ping was an individual investor of our Company, each being an Independent Third Party.

(3) As of the Latest Practicable Date, Mr. LIU Yongyue is our deputy general manager. For details, please refer to "Directors and Senior Management".

(4) As of the Latest Practicable Date, Mr. XIA Hongfeng is an employee of our Group.

(5) As of the Latest Practicable Date, Mr. SU Jin is our executive Director and deputy general manager. For details, please refer to "Directors and Senior Management".

Listing on the Shanghai Stock Exchange and Subsequent Change of Share Capital

On February 21, 2023, our A Shares were listed on the Shanghai Stock Exchange under the stock code 688486. In connection with the A Shares listing (the "**A-Shares Listing**"), we issued an aggregate of 17,314,716 A Shares, accounting for approximately 25.00% of our enlarged share capital immediately following the completion of the A-Shares Listing. Immediately upon the completion of the A-Shares Listing, our registered capital was increased to RMB69,258,862, and Mr. Chen, Ms. Qiu and Xincaifu held approximately 37.47%, 3.45% and 3.31% of our Company's then share capital, respectively.

In March 2024, the registered capital of our Company was increased to RMB69,264,862, as a result of issuance of 6,000 A Shares under our Restrictive Shares Incentive Plan.

In August 2024 and June 2025, the registered capital of our Company was further increased to RMB102,280,590 and RMB132,704,525, respectively, as a result of conversion of capital reserve into share capital. In September 2025, the registered capital of our Company was further increased to RMB133,327,968, upon the vesting of restricted Shares previously granted under the 2024 Restricted Shares Incentive Plan.

In March 2026, the registered capital of our Company was reduced to RMB133,327,682, upon completion of the repurchase and cancellation of the restricted Shares previously granted but not vested under the 2024 Restricted Shares Incentive Plan.

In May 2026, the registered capital of our Company was increased to RMB133,727,285, upon the vesting of restricted Shares previously granted under the 2024 Restricted Shares Incentive Plan.

In June 2026, the registered capital of our Company was further increased to RMB186,871,209, as a result of conversion of capital reserve into share capital. As of the Latest Practicable Date, the total share capital of our Company was RMB186,871,209, divided into 186,871,209 A Shares.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any acquisitions, disposals or mergers that we consider material to us.

OUR A SHARE LISTING AND REASONS FOR THE H SHARE [REDACTED]

Since February 2023, our A Shares have been listed on the STAR Market of the Shanghai Stock Exchange. Our Directors confirmed that, and our PRC Legal Adviser is of the view that, the Company had no instances of material non-compliance with the applicable rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in all material respects during the Track Record Period and up to the Latest Practicable Date. To the best knowledge of our Directors having made all reasonable enquiries, there are no material matters in relation to our compliance record on the Shanghai Stock Exchange that should be brought to the attention of the Stock Exchange or potential **[REDACTED]** of the **[REDACTED]**. Based on the independent due diligence conducted by the Sole Sponsor with the assistance of the Sole Sponsor's onshore and offshore counsel teams, nothing has come to the Sole Sponsor's attention that would cause it to disagree with our Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange.

We seek to **[REDACTED]** our H Shares on the Stock Exchange to deepen our international strategic deployment, strengthen financing and operational capabilities, continuously attract and retain top talent, and further enhance the company's overall competitiveness. See "Business — Strategies" and "Future Plans and Use of **[REDACTED]**" in this document for more details.

PUBLIC FLOAT

Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules provides that, where a new applicant is a PRC issuer with 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, at the time of listing, must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000,000,000.

Our A Shares are listed on the Shanghai Stock Exchange. The total number of the H Shares to be **[REDACTED]** pursuant to the **[REDACTED]** represents not less than **[REDACTED]**% of the total **[REDACTED]** share capital of our Company (before any exercise of the **[REDACTED]**). Immediately following the completion of the **[REDACTED]** (before any exercise of the **[REDACTED]**), the total market value of the H Shares expected to be held by the public represents not less than **[REDACTED]**% of the total **[REDACTED]** share capital of our Company (excluding treasury shares), thereby satisfying the prescribed percentage of H Shares required to be held in public hands of 10.0% under Rule 19A.13A(2)(a) of the Listing Rules.

FREE FLOAT

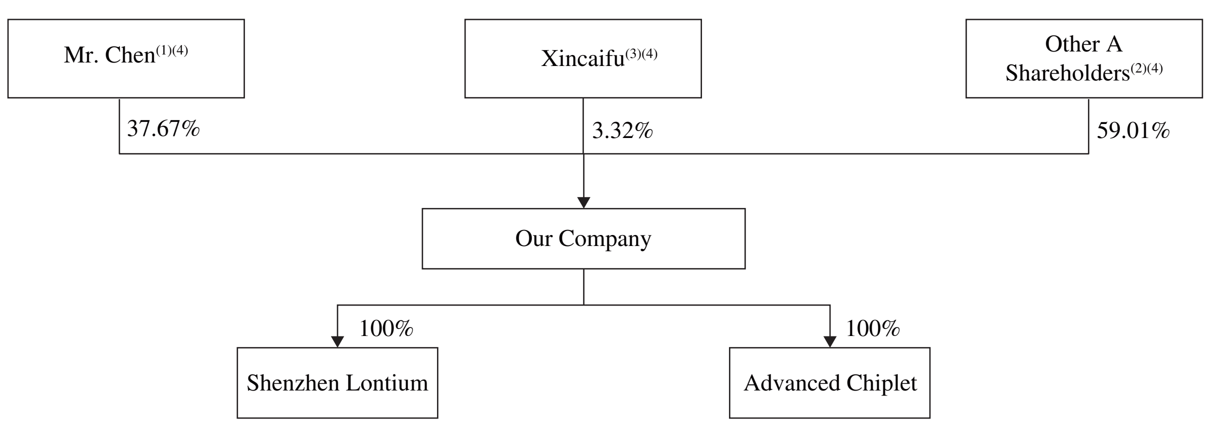
Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% 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.

[Each of the **[REDACTED]** has agreed to a lock-up period of six months following the **[REDACTED]**. As such, H Shares held by the **[REDACTED]** upon the **[REDACTED]** shall not be counted towards the free float of the H Shares of the Company at the time of **[REDACTED]**.] Based on an maximum **[REDACTED]** of HK$**[REDACTED]** per H Share, the Company will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately before the **[REDACTED]**, assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and **[REDACTED]**.



Notes:

(1) On November 9, 2021, Mr. Chen and Ms. Qiu entered into a voting rights entrustment agreement, pursuant to which, the voting rights attached to the entire Shares held by Ms. Qiu, representing approximately 3.46% of the Company's total issued Shares (excluding Treasury Shares) as of the Latest Practicable Date, were irrevocably entrusted to Mr. Chen, and such voting rights entrustment arrangement will continue following the **[REDACTED]**. The voting rights entrustment agreement commenced from November 9, 2021 and shall continue in full force indefinitely. Neither party may unilaterally terminate, revoke, or modify the agreement without the prior written consent of the other party.

(2) To the best knowledge of our Company, none of such A Shareholders held more than 5% interests in our Company as of the Latest Practicable Date.

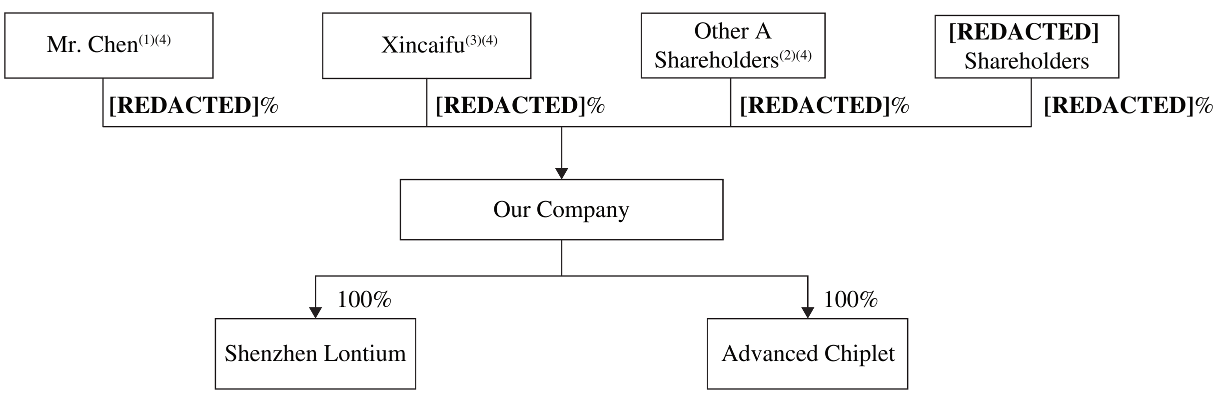
(3) As of the Latest Practicable Date, Xincaifu had 154 partners, all of whom are general partners, among which, (i) Mr. Chen, our executive Director, chairman of the Board and general manager, holding approximately 1.25% partnership interests therein; (ii) Mr. SU Jin (蘇進), our executive Director and deputy general manager, holding approximately 1.95% partnership interests therein; (iii) Ms. ZHAO Yu (趙彧), our secretary of the Board, holding approximately 1.63% partnership interests therein; (iv) Mr. WEI Yongxiang (韋永祥), our finance director, holding approximately 1.26% partnership interests therein; and (v) Ms. YANG Kaiyun (楊開雲), the supervisor of Shenzhen Lontium, holding approximately 1.63% partnership interests therein. As of the Latest Practicable Date, the remaining 149 general partners of Xincaifu comprised 116 employees and 31 former employees of our Group, and two early external investors of Xincaifu, which were all Independent Third Parties. None of the general partners holds a partnership interest of 3% or more in Xincaifu.

As the sole executive partner of Xincaifu, Mr. Chen is responsible for making key decisions and operation management of the partnership, including the exercise of all voting rights of the Shares held by Xincaifu.

(4) Excluding 867,474 A Shares held in our Company's stock repurchase account as Treasury Shares, representing 0.46% of our total issued Shares as of the Latest Practicable Date.

Corporate Structure Immediately Following the Completion of the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately following the completion the **[REDACTED]**, assuming the **[REDACTED]** is not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and **[REDACTED]**.



Notes: For notes (1) and (4), see "— Corporate Structure — Corporate Structure Immediately Before the **[REDACTED]**" in this section above.