OVERVIEW

The history of the Group traces back to 2005. After over 20 years of development, the Company has become a leader in intelligent control, evidenced by our global leadership in LCD controller boards. We also hold a leading position in the global commercial display industry with established market leadership in IFPDs for both education and enterprise collaboration applications.

MILESTONES

The following sets out the summary of the Company's key development milestones:

Year	Milestone
2005	The Company was established in Guangzhou.
2006	The Company hosted the industry seminar on China's LCD televisions to promote the popularity of LCD televisions in China.
2009	The Company launched its first independent brand, *seewo* (希沃) and became a pioneer of IFPD in China.
2011	The first "three-in-one" LCD controller board developed in-house was released by the Company.
	Shiyuan HK was established, which marked the Company's further expansion into overseas markets.
2017	The A Shares were listed on the Shenzhen Stock Exchange (stock code: 002841.SZ).
	The Company unveiled its second independent brand, *MAXHUB*, with focus on enterprise intelligent collaboration and the promotion of its global development.
2018	The Group completed the acquisition of Shanghai Xianshi Electronic Technology Co., Ltd. (上海仙視電子科技有限公司) and Xi'an Qingsong, entering into the industry of advertisement machines and LED displays.
2020	The Group's LCD controller board was awarded "Manufacturing Single Champion Product (製造業單項冠軍產品)" by the MIIT.
2021	The Group's *seewo* IFPD was awarded "Manufacturing Single Champion Product" by the MIIT.
2022	The Group launched the "*seewo* teacher digital capability enhancement support project (希沃教師數字化能力提升支持項目)" jointly with the Ministry of Education of the PRC (中國人民共和國教育部) and China Education Development Foundation (中國教育發展基金會).
	The Group's *MAXHUB* conference IFPD was awarded "Manufacturing Single Champion Product" by the MIIT.
	The Company was selected as the "chain master (鏈主)" enterprise of the UHD (ultra-high definition) video industry chain of the strategic industry clusters of Guangdong Province.

Year	Milestone
2023	The Group completed the acquisition of Shenzhen PVT, actively laying out in the field of automotive electronics.
	The Company launched the *seewo* educational model (希沃教學大模型) for the education sector and the *MAXHUB* enterprise collaboration model (*MAXHUB*領效智會大模型) for the conference sector.
	The Group's smart manufacturing facility primarily dedicated to IFPDs commenced trial production.
	Xi'an Qingsong was selected as the "chain master (鏈主)" enterprise of the new display industry chain of Shaanxi Province.
	MAXHUB launched its first product based on Microsoft Teams with Microsoft.
2024	The Group completed the filing of "CVTE Foundation Model (Self-developed) (CVTE大模型(自研))," which strengthened the development of industrial intellectualization.
	The Group collaborated with the Ministry of Higher Education, Science, Research and Innovation of Thailand on the outlook of digital education with aim to promote balanced development of global education in Thailand.
2025	The Group launched robotics products such as industrial-grade quadruped robots and intelligent flexible robotic arms, further enhancing its robotics product portfolio.

MAJOR SUBSIDIARIES

The following sets out the principal business activities, place of establishment/incorporation and date of establishment/incorporation of the Company's subsidiaries that made a material contribution to the Group's results of operations in terms of revenue, profits and total assets during the Track Record Period.

Name of subsidiary	Place of establishment/ incorporation	Date of establishment/ incorporation	Equity interest attributable to the Company	Principal business activities
Guangzhou Shikun	Chinese Mainland	August 28, 2015	100%	R&D design & sales of intelligent control components
Shirui Electronic	Chinese Mainland	July 11, 2008	100%	R&D design & sales of intelligent devices
Guangzhou Shicheng	Chinese Mainland	February 3, 2023	100%	Procurement of materials for devices
Shiyuan Innovation	Chinese Mainland	March 9, 2021	100%	Intelligent manufacturing
Shiyuan HK	Hong Kong	September 7, 2011	100%	Trading

Name of subsidiary	Place of establishment/ incorporation	Date of establishment/ incorporation	Equity interest attributable to the Company	Principal business activities
Guangzhou Shizhen	Chinese Mainland	August 22, 2011	100%	R&D design & sales of intelligent devices
Shiyuan Ruichuang	Chinese Mainland	August 28, 2014	100%	Intelligent manufacturing
Shihuan Electronic	Chinese Mainland	June 23, 2022	100%	Software development

MAJOR SHAREHOLDING CHANGES OF THE COMPANY

Early Development and Conversion into a Joint Stock Company

On December 28, 2005, the Company was established under the laws of the PRC as a limited liability company with an initial registered capital of RMB1,000,000 and was held as to 20% by each of (i) Ms. Wu Caiping (吳彩平), an Independent Third Party, (ii) Mr. Zhou Kaiqi, an executive Director, (iii) Ms. Chen Liwei (陳麗微), an Independent Third Party, (iv) Ms. Yu Wei, an executive Director, and (v) Mr. Ren Rui (任銳), a former supervisor of the Company, respectively.

Between 2006 and 2011, the Company underwent several rounds of capital increases and equity transfers, upon completion of which its registered capital increased to RMB33,000,000 in October 2011.

On December 31, 2011, the Company was converted into a joint stock company with limited liability and was renamed as Guangzhou Shiyuan Electronic Technology Company Limited (廣州視源電子科技股份有限公司). Upon completion of the conversion, the Company had a total share capital of RMB33,000,000 divided into 33,000,000 Shares. The shareholding structure of the Company immediately following its conversion into a joint stock company was as follows:

Shareholder	Number of Shares	Shareholding percentage
Mr. Wong Ching Chung	4,026,000	12.20%
Mr. Wang Yiran	3,904,000	11.83%
Mr. Sun Yonghui	3,599,000	10.91%
Ms. Yu Wei	3,416,000	10.35%
Mr. Zhou Kaiqi	2,623,000	7.95%
Guangzhou Shixun Investment Management Company Limited (廣州視迅投資管理有限公司, now known as Yunnan Shixun Enterprise Management Company Limited (雲南視迅企業管理有限公司)) ("**Shixun Investment**")(1)	2,500,000	7.58%
Mr. You Tianyuan	1,423,000	4.31%
Other Shareholders(2)	11,509,000	34.87%
Total	**33,000,000**	**100.00%**

Notes:

(1) Shixun Investment was established by the then core employees of the Company and its subsidiaries to align the interests of such employees and the Group.

(2) Other Shareholders included 27 individual Shareholders, each holding less than 4% of the Shares at that time.

After the Company's conversion into a joint stock company, the Company underwent further capital increases and share transfers, upon completion of which and immediately prior to the listing of A Shares on the Shenzhen Stock Exchange, the total share capital of the Company increased to RMB363,000,000 and its shareholding structure was as follows:

Shareholder	Number of Shares	Shareholding percentage
Mr. Wong Ching Chung	48,510,000	13.36%
Mr. Wang Yiran	47,410,000	13.06%
Mr. Sun Yonghui	47,047,000	12.96%
Shixun Investment	27,500,000	7.58%
Ms. Yu Wei	23,100,000	6.36%
Mr. Zhou Kaiqi	21,648,000	5.96%
Mr. You Tianyuan	17,050,000	4.70%
Other Shareholders(1)	130,735,000	36.02%
Total	**363,000,000**	**100.00%**

Note:

(1) Other Shareholders included 30 Shareholders, each holding less than 4% of the Shares at that time.

Listing on the Shenzhen Stock Exchange

In January 2017, the A Shares were listed on the Shenzhen Stock Exchange (stock code: 002841.SZ) (the "**A-Share Listing**"), pursuant to which, the Company offered a total of 40,500,000 A Shares, representing approximately 10% of the Company's enlarged share capital immediately following the completion of the A-Share Listing. Immediately upon the completion of the A-Share Listing, the share capital of the Company increased to RMB403,500,000, and the shareholding structure of the Company was as follows:

Shareholder	Number of Shares	Shareholding percentage
Mr. Wong Ching Chung	48,510,000	12.02%
Mr. Wang Yiran	47,410,000	11.75%
Mr. Sun Yonghui	47,047,000	11.66%
Shixun Investment	27,500,000	6.82%
Ms. Yu Wei	23,100,000	5.72%
Mr. Zhou Kaiqi	21,648,000	5.37%
Mr. You Tianyuan	17,050,000	4.23%
Other Shareholders(1)	171,235,000	42.43%
Total	**403,500,000**	**100.00%**

Note:

(1) Other Shareholders included other holders of A Shares, each holding less than 4% of the Shares at that time.

Issuance of the Convertible Bonds and Redemption in 2019 and 2020

To satisfy funding needs of the Company for, among others, the construction projects of the Company's efficient meeting platform and intelligent control products for home appliances, on March 11, 2019, the Company conducted public issuance of convertible bonds (the "**Convertible Bonds**") and raised gross proceeds of RMB941,830,400. The Convertible Bonds were listed on the Shenzhen Stock Exchange (bond code: 128059) on April 2, 2019. The conversion period of the Convertible Bonds commenced from the first trading day after six months from the date of completion of the issuance of the Convertible Bonds to the maturity date of the Convertible Bonds, i.e., from September 16, 2019 to March 11, 2025 with the initial conversion price of RMB76.25 per A Share, which was determined after taking into account, among other things, the average trading price of A Shares prior to the date of the offering circular in respect of the Convertible Bonds and was subject to adjustments under the circumstances including, among others, dividend distribution, increase in the share capital and new share issuance.

During the conversion period, the Company has the right to conditionally redeem part or all of the Convertible Bonds at its principal amount together with accrued and unpaid interest. On August 31, 2020, the Company exercised its conditional redemption rights to redeem all outstanding Convertible Bonds at the consideration of RMB1,018,042.56. During the conversion period from September 16, 2019 to August 28, 2020, a total of 12,548,321 A Shares were issued by the Company to the holders of the Convertible Bonds upon exercise of the conversion rights, and the Company's total issued share capital increased to RMB668,207,901 in August 2020. The Convertible Bonds were delisted from the Shenzhen Stock Exchange on September 8, 2020.

Private Placement of A Shares in 2022

As approved by the Shareholders in May 2021 and the CSRC in March 2022, the Company conducted a private placement of its A Shares to raise funds for the construction project of the intelligent interactive display and control product smart manufacturing base (the "**A Share Placement**"). Pursuant to the A Share Placement, a total of 29,466,839 A Shares were issued and the offer price was RMB67.72 per A Share which was determined based on various factors, including, among others, the average trading price of the A Shares of 20 trading days prior to the pricing date and the indicative investment interest of potential investors. The 29,466,839 new A Shares were eventually placed to 19 investors who were Independent Third Parties and held less than 5% of the A Shares upon completion of the A Share Placement, raising gross proceeds of approximately RMB1,995.5 million. The Company had utilized approximately RMB1,872.5 million of the proceeds from the A Share Placement, and had permanently allocated the remaining proceeds (including the interest income) to supplement the Group's working capital as of the Latest Practicable Date. Immediately following the completion of the A Share Placement, the Company's total issued share capital increased to RMB696,016,545 in August 2022.

MAJOR ACQUISITION, MERGER AND DISPOSAL

During the Track Record Period, the Group conducted several acquisitions in its ordinary course of business as detailed in Note 39 to the Accountants' Report as set out in Appendix I to this Document. As none of the applicable percentage ratios as defined under the Hong Kong Listing Rules in respect of such acquisitions exceeds 25%, the pre-acquisition financial information of the relevant targets is not required to be disclosed in this Document pursuant to Rule 4.05A of the Hong Kong Listing Rules.

The Company has applied for, and the Hong Kong Stock Exchange [has granted], a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules in respect of the acquisitions after the Track Record Period. See "Waivers from Strict Compliance with the Hong Kong Listing Rules — Waiver in respect of Acquisitions after the Track Record Period" for details.

Throughout the Track Record Period and up to the Latest Practicable Date, the Company did not conduct any material acquisitions, mergers or disposals.

LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE H SHARE [REDACTED]

Since January 2017, the A Shares have been listed on the Shenzhen Stock Exchange. The Directors confirm that, since the A-Share Listing and up to the Latest Practicable Date, there had been no instances of material non-compliance of the Company with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of the Directors, there are no material matters in relation to the compliance record of the Company on the Shenzhen Stock Exchange that should be brought to the attention of the Hong Kong Stock Exchange or potential investors of the [**REDACTED**]. The PRC Legal Advisor is of the view that, since the A-Share Listing and up to the Latest Practicable Date, there had been no instances of material non-compliance of the Company with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. Based on the independent due diligence conducted by the Joint Sponsors and the PRC Legal Advisor's view above, no material matter has come to the Joint Sponsors' attention that would cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

The Company seeks to [**REDACTED**] its H Shares on the Hong Kong Stock Exchange to raise additional capital for business growth and expansion, diversify its fundraising channels, reinforce its industry standing, enhance international brand awareness and competitiveness, and optimize its capital structure to support sustainable development and governance. See "Business — Our Strategies" and "Future Plans and Use of [**REDACTED**]" in this Document for more details.

PUBLIC FLOAT AND FREE FLOAT

Satisfaction of Public Float Requirement

Pursuant to Rules 8.08(1) (as amended and replaced by Rule 19A.13A) of the Hong Kong Listing Rules, as the Company has listed shares apart from the H Shares for which the [**REDACTED**] is sought, the H Shares that are held by the public, at the time of the [**REDACTED**], must (a) represent at least 10% of the Company's total number of issued Shares (excluding treasury shares); or (b) have an expected market value of not less than HK$3 billion.

The total number of the H Shares to be [**REDACTED**] pursuant to the [**REDACTED**] represents approximately [**REDACTED**]% of the enlarged issued share capital of the Company (assuming the [**REDACTED**] is not exercised). It is expected that upon [**REDACTED**] (assuming the [**REDACTED**] is not exercised), the H Shares that are held by the public represent approximately [**REDACTED**]% of the total issued share capital of the Company, which is higher than the prescribed percentage of the H Shares required to be held by the public of 10% under Rule 19A.13A(2) of the Hong Kong Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Hong Kong Listing Rules.

Satisfaction of Free Float Requirement

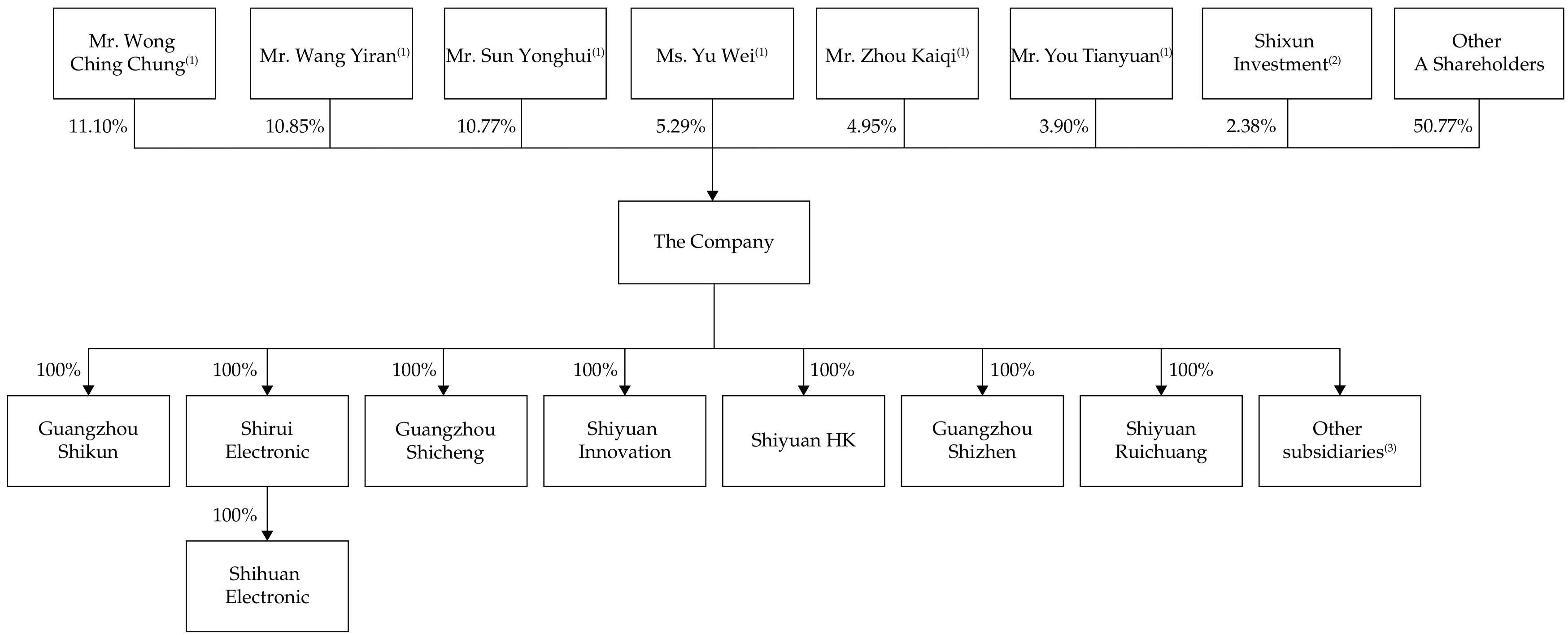
Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Hong Kong Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not 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.

Based on an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the low end of the indicative [**REDACTED**] range, the Company will satisfy the free float requirement under Rule 19A.13C(2) of the Hong Kong Listing Rules.

CORPORATE STRUCTURE

Corporate Structure immediately before the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of the Group immediately before the [**REDACTED**]:



Notes:

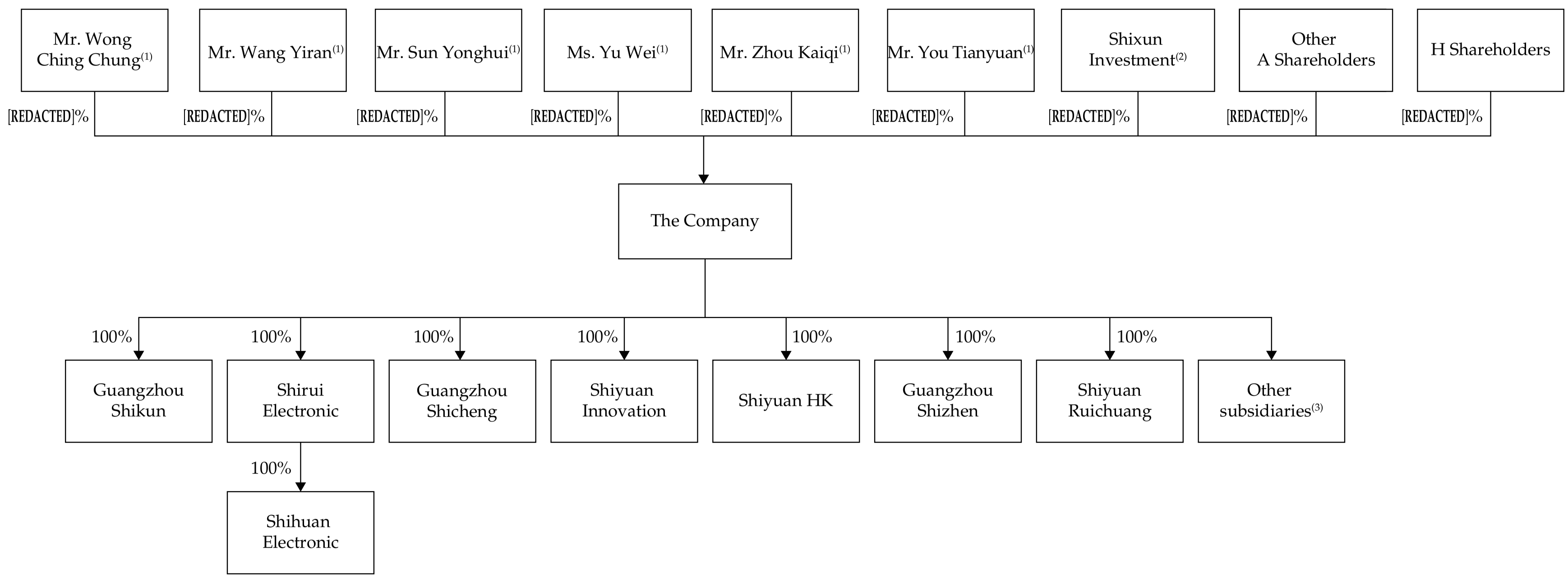
(1) Pursuant to the renewed Acting-in-Concert Agreement dated January 16, 2025, Mr. Wong Ching Chung, Mr. Wang Yiran, Mr. Sun Yonghui, Ms. Yu Wei, Mr. Zhou Kaiqi and Mr. You Tianyuan have agreed, among others, to act in concert when voting at general meetings of the Company and meetings of the Board until January 15, 2028. See "Relationship with the Controlling Shareholders" in this Document for details.

(2) As of the Latest Practicable Date, Shixun Investment was held by 47 individual shareholders who are current or former employees of the Group, each holding less than 30% of equity interest in Shixun Investment.

(3) As of the Latest Practicable Date, other subsidiaries include 127 subsidiaries established in the PRC (including Hong Kong), India, Singapore, the Netherlands, the United States, Thailand, Indonesia, Vietnam, the United Arab Emirates, Malaysia, Australia and Sweden.

Corporate Structure immediately after the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of the Group immediately after the completion of the [**REDACTED**] (assuming [**REDACTED**] is not exercised):



Notes:

(1) – (3) See "— Corporate Structure — Corporate Structure immediately before the [**REDACTED**]" in this section.