An **[REDACTED]** *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* **[REDACTED]** *in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could materially and adversely affect our business, financial condition, and results of operations. The* **[REDACTED]** *of our H Shares could significantly decrease due to any of these risks, and you may lose all or part of your* **[REDACTED]**.

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 "Forward-looking Statements" in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

The in-vehicle intelligent connectivity solution industry is highly competitive.

We operate in a highly competitive in-vehicle intelligent connectivity solution industry. We primarily provide in-vehicle communication solutions, E-call solutions and sensing and domain control solutions, and compete with both established market participants and new entrants across the relevant value chain. In particular, we compete with multinational and domestic T-Box and communication-module suppliers in the in-vehicle communication solution market, with both global and local safety-system vendors in the E-call market, and with providers of central gateways, body and cockpit domain controllers and emerging zonal controllers in the sensing and domain control area. According to the F&S Report, the top five market players in the in-vehicle communication solution market in China is accounted for 35.7% of the overall market by shipment volume in 2025, reflecting the intensity of competition among incumbent suppliers. In 2025, we ranked fifth among all suppliers and fourth among all domestic suppliers in China's in-vehicle communication solution market, with a market share of 4.9% by shipment volume.

Our ability to maintain and improve our competitive position depends on a number of factors, many of which are difficult to predict and are not entirely within our control. These include the performance, quality, safety, reliability and technological advancement of our solutions as compared with those of our competitors; our ability to keep pace with industry trends such as 5G and satellite communication adoption, increasing penetration of intelligent connected vehicles, and the migration from distributed ECUs to domain- and zonal-centralized electronic architectures; our success in developing modular and highly customizable platforms; our reputation, track record of mass-production delivery and brand recognition among OEMs; our ability to attract, retain and motivate skilled engineers and research and development personnel; and our ability to scale our own and outsourced production capacity efficiently while maintaining stringent automotive-grade quality and timely delivery. The industry is also characterized by rapid technological change, evolving standards and demanding OEM requirements, which may intensify pricing pressure and increase the risk of customer loss if our offerings are perceived as less competitive. If we fail to compete effectively in technology, quality, safety, software capability, pricing, customer service or platform support, our business, financial condition and results of operations could be materially and adversely affected.

We are subject to the risk of customer concentration.

We are subject to the risk of customer concentration, as a large portion of our revenue is derived from a small number of customers. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, revenue generated from our five largest customers in each year/period during the Track Record Period amounted to RMB200.8 million, RMB385.0 million, RMB429.1 million and RMB172.1 million, respectively, accounting for approximately 97.6%, 96.7%, 95.6% and 96.0% of our total revenue during these periods. For the same years/periods, revenue from our largest customer in each year/period during the Track Record Period were RMB149.3 million, RMB361.7 million, RMB384.4 million and RMB138.8 million, respectively, accounting for 72.6%, 90.8%, 85.6% and 77.4% of our total revenue, respectively. For more details, please refer to "Business – Our Customers – Major Customers". This customer concentration has been a key feature of our revenue structure, and we expect this trend to continue for the foreseeable future.

The reliance on a small number of key customers, particularly our largest customer, exposes us to risks that could adversely impact our financial performance. Specifically, fluctuations in the demand for our products from these major customers, driven by factors such as market shifts, changes in customer strategies, or product preferences, could result in significant volatility in our revenue. The loss of any of these customers, or a reduction in the volume of orders placed by them, could materially harm our business. Similarly, any shift in the product mix or a consolidation of our key customers could limit the number of customers to whom we can sell our products and solutions, reducing overall demand and negatively impacting our sales.

Furthermore, as we are heavily reliant on the continued collaboration with a few major customers, a disruption in our relationships with these customers, due to issues like failure to meet customized specifications, changes in their business models, or their shift towards those integrated solutions suppliers, could significantly reduce the demand for our products. This could further intensify the competitive pressures we face in the market, making it harder to secure new business or diversify our customer base.

Our historical results may not be indicative of future performance, which makes it difficult to evaluate our business prospects and financial performance.

We commenced our operations in China in May 2016 and have since experienced steady growth. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2025 and 2026, we achieved revenue of RMB205.8 million, RMB398.2 million, RMB449.3 million, RMB130.8 million and RMB179.3 million, respectively. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2025 and 2026, we recorded gross profits of RMB48.4 million, RMB108.9 million, RMB118.3 million, RMB27.6 million and RMB42.2 million, respectively. Our gross profit margins for the same year/periods were 23.5%, 27.4%, 26.3%, 21.1% and 23.6% respectively. We expect to continue growing our business, expanding our market share, and exploring new opportunities. However, our historical growth may not be indicative of future performance, and there is no assurance that we will maintain or replicate our past growth rates in future periods.

Our industry is rapidly evolving, and as a result, our business faces many of the challenges commonly encountered by fast-growing companies in dynamic industries. According to the F&S Report, automotive intelligence technology suppliers typically require two to three years to establish full collaboration with OEM customers. This extended timeframe, coupled with the ever-changing demands of the automotive market, makes it difficult to predict the future scale and timing of our collaborations with OEMs. This unpredictability complicates forecasts regarding future revenue and expenses, and any projections made based on our historical performance may not fully capture the complexities of the evolving industry landscape.

The risks arising from export controls, sanctions, trade restrictions, cross-border data-flow rules and geoeconomic supply-chain risks could materially and adversely affect our business, results of operations, and financial condition.

The automotive industry is increasingly exposed to export controls, sanctions, trade restrictions, cross-border data-flow rules and broader geoeconomic supply-chain risks. Such measures may restrict access to advanced communication chips, SoCs or security modules, limit sourcing options for key components or software from certain jurisdictions, increase compliance, certification and audit costs, especially for vehicle models destined for markets with stringent intelligent connected vehicle, E-call and data-security requirements, and disrupt suppliers or logistics networks involving cross-border transfers of technology or data. Our business is sensitive to the availability of critical materials and components, including communication modules, chips and other automotive-grade parts, and our ability to select suppliers autonomously is in certain cases constrained by OEM customer approval requirements. Accordingly, if cross-border regulatory, sanctions or export-control measures reduce sourcing flexibility, extend lead times or impair the availability of key components, our production, delivery and cost control may be adversely affected.

For instance, in recent years, the United States has expanded sanctions and export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the United States Department of Commerce (the "**BIS**"). BIS has imposed a series of restrictive measures targeting China's advanced computing and artificial intelligence sectors since October 2022. BIS also maintains a list of foreign persons (including businesses, research institutions, government and private organizations, individuals and other types of legal persons) that are subject to specific license requirements for the export, reexport, and/or transfer (in-country) of items (commodities, software, and technology) subject to the EAR (the "**Entity List**"). 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 generally is prohibited unless the specified license requirements are met. During the Track Record Period, certain suppliers of ours were on the Entity List. As advised by our International Sanction Adviser, the Entity List does not restrict a party from purchasing or receiving items from persons on the Entity List as long as the purchase does not involve the export, reexport, or transfer (in-country) of an item subject to the EAR to the persons on the Entity List or where there is otherwise a violation of the EAR. As advised by our International Sanction Adviser, and as concurred by the Sole Sponsor, since we did not transfer any items (including software or technology) subject to the EAR to any of the suppliers on the Entity List and we were not aware of any EAR violations in connection with the items we purchased, our procurement from such suppliers was not in violation of the EAR. However, if in the future, certain of our customers and suppliers are listed on the Entity List and subject to restrictions from sourcing or selling technologies, software, or products from/to us, there is no guarantee that we will be able to obtain as well as extend and maintain the requisite regulatory permits in relation to our transactions with these customers and suppliers, or that such permits will cover all our existing and potential transactions with such customers and suppliers. We cannot be certain what additional export control actions the U.S. government may take that could impact our products, suppliers or customers. The U.S. government could further expand the scope of items subject to the EAR in a manner that captures our products. Furthermore, other countries may continue to adopt automotive-focused export controls that could impact our products and operations.

On January 14, 2025, BIS released a final rule, effective March 17, 2025, prohibiting specific transactions involving the U.S. import or sale of connected vehicles and certain hardware and software with a sufficient nexus to the PRC or Russia ("**Connected Vehicle Rule**"). Among other things, the Connected Vehicle Rule places restrictions on two systems: Vehicle Connectivity Systems ("**VCS**") and Automated Driving Systems ("**ADS**"). As defined in the Connected Vehicle Rule, VCS means a hardware ("**VCS Hardware**") or software ("**VCS Software**") item installed in or on a completed connected vehicle that directly enables the function of transmission, receipt, conversion, or processing of radio frequency communications at a frequency over 450 megahertz. Starting from Model Year 2027, manufacturers will be prohibited from knowingly importing or selling in the U.S. connected vehicles that incorporate covered software that is designed, developed, manufactured, or supplied by persons owned by, controlled by, or subject to the jurisdiction or direction of the PRC or Russia. Starting from Model Year 2030 (or January 1, 2029, for components without a model year), manufacturers are prohibited from knowingly importing into the U.S. VCS Hardware that is designed, developed, manufactured, or supplied by persons owned by, controlled by, or subject to the jurisdiction or direction of the PRC or Russia. We do not sell our products to customers in the United States or to customers who incorporate them into products for sale to the United States and have no intention to do so, but the Connected Vehicle Rule or similar regulations could still limit the potential market for our solutions, specifically for end users in the United States market. Other countries could also consider and adopt similar technology restrictions. Accordingly, we may be adversely affected by such trade restrictions, and our business, financial condition and results of operation may suffer as a result.

In addition, the U.S. and other jurisdictions or organizations, including the European Union, the United Kingdom and the United Nations, have, through executive order, passing of legislation or resolution or other governmental or intergovernmental means, implemented measures that impose economic sanctions against targeted countries, territories, governments, industry sectors, items of services, and companies or persons. If new sanctions and export controls measures were to include a complete or more restrictive ban on products sales to certain entities, it could impact not only our ability to continue supplying our products to affected customers, but could also negatively affect our customers' demand for our products, and could even lead to changes in supply chains of our products, to the extent they involve the use of items subject to the EAR or other applicable regulations. As our products become more technologically advanced, there is also a greater likelihood of sanctions and export controls regulations restricting our ability to obtain the components or technologies necessary to produce them or otherwise to export or transfer our products. Even if our products are not directly targeted by these types of sanctions and export controls, we may nonetheless face higher costs and expenses in our supply chain due to new sanctions and export controls measures as our customers and business partners may be negatively affected by sanctions and export controls measures directed at China. Any failure to comply with applicable sanctions or export controls rules may expose us to negative legal and business consequences, including civil or criminal penalties, and government investigations, which could be detrimental to our reputation and cooperations with our customers and suppliers despite our effort to be law-abiding and rule-compliant.

These risks may be further exacerbated by geopolitical tensions, changes in international trade policy, tariff increases, sanctions regimes and tighter regulation of cross-border technology and data flows. All of our revenue during the Track Record Period was generated from customers in the PRC, and we did not record any revenue from overseas customers. However, we may supply for vehicle models manufactured by PRC OEM customers and intended for sale in overseas end markets. As a result, changes in overseas regulatory, sanctions or data-security requirements may increase compliance burdens, delay market access or reduce demand for such models. In addition, the global automotive supply chain has in recent years been affected by chip shortages, geopolitical uncertainty and regulatory restrictions, and OEM production planning may be adversely affected by disruptions in the availability of 4G/5G communication chips and other automotive-grade components. We may therefore face increased procurement costs, longer lead times, delayed product delivery, constraints on cooperation with certain technology partners, additional compliance and certification burdens, or reduced ability to support certain export-oriented vehicle programs. Any of the foregoing could materially and adversely affect our business, results of operations and financial condition.

Disruptions in the supply chain may materially and adversely affect our business and profitability.

We rely on a network of third-party suppliers, primarily located overseas, for key materials and components used in our in-vehicle communication solutions, E-call solutions and sensing and domain control solutions, including suppliers of communication modules, T-Box units, and other structural components. Disruptions in the supply of these materials and components could materially and adversely affect our business, operations, and profitability. Our success is partially dependent on our ability to manage the supply chain effectively to ensure the timely manufacturing and delivery of our solutions. We depend on the efficient procurement of critical materials and components, but our ability to select suppliers autonomously is constrained by the need for OEM customer approvals for certain sourcing decisions.

However, the global supply chain is increasingly vulnerable to geopolitical tensions, trade sanctions, export controls, and other international political challenges. In recent years, rising trade barriers, including tariffs and embargoes, have significantly impacted the delivery timelines of international suppliers. For example, escalating geopolitical tensions, such as the U.S.-China trade conflict and global sanctions, have created additional uncertainty and risks in securing key components for our solutions. These disruptions have heightened the volatility in our cost structure, making it difficult to predict supply costs and delivery times. Any disruptions in the supply chain such as delays, shortages, or price fluctuations could adversely affect our ability to meet customer demands, compromise our ability to control costs, and lead to lost opportunities. Geopolitical factors such as sanctions or restrictions on technology transfer can limit our access to crucial components, further exacerbating supply chain vulnerabilities. These challenges may increase costs, disrupt production schedules, or force us to seek alternative suppliers on less favorable terms.

Additionally, international trade restrictions and embargoes such as the U.S. export controls on advanced microchips and automotive technologies could impose further limitations on our ability to secure the necessary raw materials or components for our products. These factors may also impact our operational efficiency, forcing us to absorb higher costs for certain critical components or delay product deliveries to customers. Given the global interconnectedness of the automotive supply chain, any restrictions on exports or imports could hinder our ability to maintain the required pace of product development and delivery, leading to potential delays and increased costs. Our reliance on overseas suppliers also exposes us to risks related to lead times for critical components, which limits our ability to rapidly adjust production volumes or delivery schedules. For example, in the event of a component shortage or pricing instability, we may face delays in meeting production targets, leading to the accumulation of excess inventory and potential write-offs. In order to mitigate potential shortages, we may be forced to maintain higher levels of inventory, further increasing our working capital requirements and impacting profitability.

If our products and solutions fail to meet the evolving market need in the automotive industry, or if the adoption of automotive intelligence solutions and technologies declines, our business, results of operations, and financial condition could be adversely affected.

The automotive industry is evolving rapidly toward software-defined vehicles, modular and platform-based electronic architectures, and greater functional integration across vehicle domains. OEM customers are increasingly emphasizing platform-based development, modularity and software-defined architectures, and may prefer suppliers that can provide end-to-end in-vehicle intelligent connectivity solutions at scale, offer cross-domain controllers or bundle connectivity with intelligent-driving or cockpit functions. Certain OEMs are also increasing their internal development of connectivity, smart cockpit and domain controller capabilities. In addition, certain emerging sub-sectors, such as smart cockpit solutions and other integrated vehicle electronics solutions, may incorporate functionalities traditionally provided by our solutions, including in-vehicle communication and E-call functions. If OEM customers increasingly adopt vertically integrated procurement models, shift to suppliers with broader cross-domain or bundled offerings, or internalize a greater portion of such capabilities, our addressable market, ability to secure new programs and market share could be adversely affected.

Our products and solutions must also continue to evolve in line with OEM technical requirements, vehicle architecture changes, regulatory requirements and end-market demand. Demand from OEM customers is increasingly focused on development support capability, delivery timeliness, supply-chain reliability, functional safety, cybersecurity, compliance with applicable intelligent connected vehicle and E-call standards and the ability to support different vehicle platforms, regions and configurations, rather than solely on price. Given the high degree of customization required for different vehicle platforms, regions and configurations, delays in our research and development, validation, certification, product iteration or mass-production ramp-up may have a disproportionate impact on OEM assembly lines and may cause OEMs to reduce order volumes, shift programs to alternative suppliers or exclude us from future platform tenders.

Our long-term growth further depends on the continued penetration of intelligent connected vehicles and the increasing adoption of embedded in-vehicle communication solutions, E-call solutions and sensing and domain control solutions. According to the F&S Report, China's intelligent connected vehicle output reached 11,383.1 thousand units in 2025, representing 33.0% of China's total automobile production, and industry technology evolution is continuing toward domain-centralized, cross-domain and zonal architectures. However, if the adoption of automotive intelligence solutions and technologies, including intelligent connected vehicle-related functions and embedded communication and control solutions, progresses more slowly than expected, if OEMs reduce budget allocations to intelligent-connectivity features, or if the market increasingly favors bundled or cross-domain solutions that we do not offer competitively, our business, results of operations and financial condition could be materially and adversely affected.

Delivery timeline pressures may materially and adversely affect our business, financial condition and results of operations.

We primarily supply in-vehicle communication solutions, E-call solutions and sensing and domain control solutions to OEM customers, who typically possess significant bargaining power in contract negotiations due to their scale, procurement concentration, and the competitive nature of the automotive supply chain. In line with industry practices, OEMs often require their suppliers to meet stringent delivery timelines, which can be particularly challenging in fast-paced automotive manufacturing environments. These pressures are compounded by the need to deliver high-quality, customized solutions while adhering to tight production schedules and frequently changing vehicle model requirements.

To maintain our competitiveness, we must ensure that we can deliver our products within the required timelines, all while meeting OEM specifications. Delays or disruptions in our delivery schedules could result in production stoppages for our customers, harming their operations and negatively impacting our reputation. Given that OEMs often have multiple suppliers for different components, any delays in our delivery can lead to the selection of competitors with more reliable delivery records, which would adversely affect our market share. We cannot guarantee that we will always be able to meet the ever-increasing demands for faster delivery. If we fail to do so, our relationships with OEMs could be damaged, and our overall profitability could be adversely affected.

In addition, various factors, such as fluctuations in raw material and component availability, logistical challenges, and technological upgrade cycles, could further strain our ability to meet customer delivery expectations. If we are unable to effectively manage these challenges or introduce more efficient solutions to meet tight deadlines, our ability to maintain customer relationships and market leadership could be significantly impacted.

Our continuous success will rely on our research and development efforts, and such investment may not generate the results we expect to achieve.

Our continuous success is heavily reliant on our research and development efforts, which are central to driving technological innovation and the development of new in-vehicle communication solutions, E-call solutions and sensing and domain control solutions. We allocate substantial resources to enhance our existing solutions and develop new technologies that meet the evolving needs of our customers. These investments are essential to maintaining our competitive edge and ensuring the continued growth and success of our business. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2025 and 2026, our research and development expenses amounted to RMB30.2 million, RMB32.5 million, RMB31.3 million, RMB13.4 million and RMB14.9 million, respectively. We will continue to invest significantly in research and development to stay at the forefront of technological advancements in in-vehicle connectivity and sensing and domain control solutions, ensuring the long-term growth and success of our business.

Investing in research and development, developing new solutions, and enhancing existing technologies can be costly and time-consuming. We cannot guarantee that these activities will yield significant, marketable solutions or improvements to our current offerings, nor that they will result in cost reductions, revenue increases, or other expected benefits. If we invest substantial resources without achieving a corresponding return, our business, financial condition, and operational results may be materially and adversely impacted.

We are subject to the risk of supplier concentration.

We are subject to the risk of supplier concentration, as a large portion of our revenue is derived from a small number of suppliers. In particular, we depend on a small group of suppliers for key elements such as semiconductor chips, communication modules, and raw materials. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, purchase amount from our five largest suppliers in each year/period during the Track Record Period was RMB87.9 million, RMB160.6 million, RMB162.6 million and RMB83.8 million, respectively, accounting for 56.4%, 53.5%, 51.1% and 49.0% of our total purchase amounts, respectively. This high supplier concentration exposes us to various operational risks, including the potential for supply disruptions, delays, and increased costs if our suppliers encounter difficulties, such as capacity constraints, raw material shortages, or geopolitical tensions. Any deterioration in our relationship with key suppliers, or any disruption in the supply of essential materials and components, could materially and adversely affect our business, results of operations, and financial condition.

Engaging outsourcing manufacturers for certain projects exposes us to risks related to quality, delivery, and cost control, which could materially and adversely affect our business, financial condition, and results of operations.

We have engaged third-party outsourcing manufacturers during the Track Record Period, and may engage more third-party outsourcing manufacturers for specific projects, particularly in hardware production in the foreseeable future, to meet the varying demands of our OEM customers. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, our outsourcing production outputs accounted for approximately 45.7%, 31.5%, 15.8% and 8.1% of our total production outputs, respectively. Please refer to the section headed "Business – Our Production – Outsourcing Production" in this document for more details. The outsourcing arrangements with outsourcing manufacturers are typically project-based, with manufacturers selected according to the unique requirements of each project. While outsourcing allows us to manage production costs and improve operational efficiency, it also introduces several risks beyond our direct control.

These risks include potential fluctuations in manufacturing capacity, labor disputes, shortages of key materials, variations in production yields, and inconsistencies in quality standards at our third-party manufacturers. Any of these issues could result in delays in delivery, missed deadlines, increased rework, and higher warranty and after-sales service costs. If products or solutions fail to meet our stringent technical specifications or acceptance criteria, they may be rejected by our customers, further damaging our reputation and customer relationships.

The increasing complexity of our projects, combined with the criticality of meeting OEM customer timelines, amplifies the risks associated with outsourcing. As the automotive industry places more emphasis on delivery timelines rather than just cost control, any delay or disruption in the manufacturing process could have a significant negative impact on our ability to meet customer expectations and could adversely affect our revenue and profitability.

There is no guarantee that we will be selected by OEM customers, obtain design-wins or generate actual sales orders or expected sales volumes from design-wins.

We consider obtaining design-wins to be a critical milestone in our relationship with OEM customers as it opens up further collaboration opportunities and plays a vital role in developing products and solutions. Therefore, we make significant efforts in presenting our products and solutions to OEMs to obtain design-wins. However, OEM customers typically evaluate potential suppliers based on a range of factors, including product performance and reliability, technical compatibility with the relevant vehicle model, software and hardware integration capabilities, validation and testing results, delivery capability, quality control, pricing, after-sales support and the supplier's responsiveness during the development process. There is no assurance that we will satisfy these selection criteria for any particular vehicle program or that OEM customers will select us over other suppliers. If we fail to obtain nomination or design-win for a vehicle program, we may not be able to participate in the subsequent mass production and commercialization stage for that program, which could adversely affect our future revenue and business growth.

Upon obtaining design-wins from certain OEMs, we develop customized products and solutions to be equipped on specific vehicle models of OEM customers. We generally enter into contracts with our OEM customers, which set forth the salient terms such as product specification, pricing, warranty and indemnifications. However, our contracts with OEM customers generally do not specify a fixed purchasing quantity. Instead, we typically receive preliminary estimates from OEMs regarding their anticipated production volumes for vehicle models associated with the design-wins. Such estimates are subject to potential revisions by the OEMs, which may be significantly higher or lower than initially estimated, resulting in uncertainty to our revenue. Additionally, OEMs may experience delays or cancellations in the development of the models, which may result in extended timelines or even the abandonment of certain models. As a result, obtaining the design-win is not a guarantee. Even after a design-win is obtained, OEM customers may reduce, defer or cancel purchase orders, adjust the configuration of the relevant vehicle model, change their production plan, select additional or alternative suppliers, or otherwise allocate a lower-than-expected purchase volume to us. In addition, if actual production volumes are lower than estimated, we may not cancel excess supplies in a timely manner, or at all, and the inventory may accumulate, leading to increased storage costs and potential obsolescence, which may materially and adversely affect our business, financial condition and results of operations.

The industry we operate in is characterized by rapid technological changes and advancements. Technological changes and advancements in the industry could render our solutions less competitive or obsolete, which may adversely impact our business, financial condition and results of operations.

The in-vehicle intelligent connectivity solution industry is characterized by rapid technological changes and advancements, which present both significant opportunities and risks. As technologies related to in-vehicle communication solutions, E-call solutions and sensing and domain control solutions continue to evolve, there is a risk that our solutions could become less competitive or even obsolete. For example, emerging technologies like 5G integration, vehicle-to-everything ("**V2X**") communication, and autonomous driving systems could shift customer expectations and market dynamics, rendering existing solutions less relevant.

To maintain our competitive position in this fast-evolving market, we must consistently design, develop, and introduce new or improved solutions that meet changing market demands and technological standards. However, the pace of innovation and the complexity of the technologies we rely on introduce inherent risks. Delays in product development, challenges in technology iteration, or market disruptions caused by new entrants or competitors could adversely impact our ability to keep pace with industry advancements. For instance, if we fail to incorporate next-generation technologies such as artificial intelligence, machine learning, or next-gen connectivity into our solutions in a timely manner, we risk losing ground to competitors who may be quicker to adopt these advancements.

Moreover, external factors such as regulatory changes, supply chain disruptions, and unforeseen technological breakthroughs by competitors may further complicate our ability to stay ahead of market trends. These factors are largely outside of our control and could result in delays, increased costs, or shifts in consumer preferences, which in turn could negatively affect our market position. If we fail to respond effectively to these technological changes or if our competitors manage to introduce more advanced or cost-effective solutions faster than we do, our solutions could be rendered uncompetitive or obsolete, leading to a material adverse impact on our business, financial condition, and results of operations.

Any production interruption or incident may have a material and adverse impact on our business, financial condition and results of operations.

As of the Latest Practicable Date, we owned and operated a production facility in Deqing, Zhejiang Province ("**Deqing Facility**"), which is responsible for the sourcing of raw materials, production, assembly, testing, packaging, and warehousing of our final solutions. The success of our operations hinges on seamless coordination across all of these processes, and any disruptions, whether caused by equipment malfunctions, labor disputes, or supply chain issues, could lead to production delays and negatively impact our ability to meet customer demand.

Given the complexity of our manufacturing processes, we rely on specialized equipment and technology to meet the high-quality standards required by our OEM customers. Any failure or breakdown of critical production equipment could cause significant delays, resulting in costly repairs, extended downtime, and reduced production capacity. These delays could further strain our relationships with OEM customers, potentially leading to penalties, customer dissatisfaction, or lost business opportunities. Additionally, maintenance issues or delays in the availability of spare parts may exacerbate these disruptions, leading to further inefficiencies and increased operational costs.

Furthermore, our manufacturing operations are susceptible to risks arising from natural disasters, adverse weather conditions, or other unforeseen catastrophic events such as power interruptions, fires, or geopolitical conflicts. These events could halt production at our facility, damage inventory, or interrupt the logistics required to fulfill customer orders. Such disruptions would have serious consequences for our ability to meet the timelines agreed upon with OEMs, potentially leading to financial losses and reputational damage.

The expansion of our production facility may be subject to delays, disruptions, cost overruns, or may not produce expected benefits.

With the support of our self-owned Deqing Facility, our production capacity for our in-vehicle communication solutions and E-call solutions was 510 thousand units per year, 820 thousand units per year, 1,130 thousand units per year for the years ended December 31, 2023, 2024 and 2025, 490 thousand units per period and 470 thousand units per period for the five months ended May 31, 2025 and 2026, respectively, and the utilization rate was 71.9%, 91.5%, 82.0%, 63.0% and 77.5%, for each respective period. Our growth prospects and future profitability depend on, among other things, our ability to upgrade the production capability and increase production capacity, either generally or with respect to demand from customers for certain solutions. As part of our efforts to upgrade production capability, we are preparing to conduct a new facility in Wuhu, Anhui Province (the "**Wuhu Facility**"), which will specifically support increased demand from one of our key customers. After the fully completion of our Wuhu Facility by 2028, we will have an aggregated designed production capacity of 1.2 million units of intelligent connected vehicle onboard communication terminals per year and the estimated utilization rate over 80%. For details, please refer to "Business – Our Production – Production Facilities – Expansion Plan" in this document. To successfully upgrade our production capability and expand production capacity, we need to formulate cost-effective and efficient upgrade and expansion plans, expand and construct new facilities, maintain and procure production equipment, and recruit and train the professionals necessary to operate such facilities and equipment. These efforts may be adversely affected by a number of factors, including the availability of working capital for facility construction and equipment purchases, delays, cost overruns or quality issues in our construction projects, particularly any unpredictable delays arising from governmental supervision and approval procedures, shortages of or delays in the delivery of equipment, especially specialized production equipment critical to our production process, difficulties or delays in equipment installation, and challenges in implementing new production processes.

We cannot guarantee that our upgrade or expansion plan, if implemented, will be operationally or financially successful and substantiated by sufficient market demand for or profit margin of our solutions. If we are unable to implement the upgrade or expansion plan cost-effectively and efficiently, our business and profitability may be adversely affected. In addition, if we do not receive sufficient orders from our customers to effectively utilize our production facilities, we may be subject to low utilization rates of production capacity or over-capacity for our production facilities, which may hurt our profitability and results of operations. Furthermore, if market demand declines in the future, we may not be able to recoup the costs incurred for construction of any new production facilities or expansion of any existing facilities and maintenance of expanded production capacity. In addition, we have entered, and may in the future enter, into agreements for our expansion plans. Any delay or cancellation of our expansion plan or any failure to fulfil related commitments could also subject us to penalties or disputes with various counterparties. As a result, our business, financial condition, results of operations and prospects may be materially and adversely affected.

We have experienced negative operating cash flows during the Track Record Period

We recorded a net cash outflow from operating activities during the Track Record Period, which could indicate potential liquidity challenges. For the year ended December 31, 2023, our net cash used in operating activities amounted to RMB39.4 million. This trend is primarily attributable to significant investments in product development, technological innovation, and customer acquisition, which are essential for scaling our business. If we continue to face negative operating cash flows, it could restrict our ability to fund operations and growth. This may result in a need for additional external financing, which may not be available on favorable terms or at all, further adversely impacting our financial condition and operational flexibility.

Our success depends on the continued contribution of our core management and research personnel, and any loss of key talent may disrupt our innovation capabilities and adversely affect our business.

Our business depends on the continued service and performance of our core management and research personnel. In light of the technology-driven nature of our business, the loss of any key management member, engineer, researcher or other core technical personnel could disrupt our research and development, product iteration and commercialization process, impair project execution and customer relationships, and adversely affect our business prospects. Competition for qualified management and technical talent is intense, and we may not be able to attract, retain or replace such personnel in a timely or cost-effective manner. If any of our key personnel join competitors or establish competing businesses, or if we experience difficulty in recruiting and retaining qualified personnel to support our business growth and technological development, our innovation capabilities, operating efficiency and ability to execute our business strategy may be materially and adversely affected.

We may not be successful in implementing our business plans and strategies effectively or at all, which could materially and adversely affect our business, financial condition and results of operations.

Our business plans and strategies are based on certain assumptions about future market developments, customer needs, and technological advancements. We have formulated plans to focus research and development efforts on our in-vehicle communication solutions, E-call solutions and sensing and domain control solutions and technologies, which is critical to our global business expansion. For details, please refer to "Business – Strategies" in this document. However, there can be no assurance that we will be able to successfully execute these strategies or achieve the expected outcomes. Our ability to grow and maintain profitability depends on factors such as the successful development of our products, market conditions, regulatory changes, and the execution of our strategic initiatives. If we fail to implement our business plans and strategies effectively, or if market conditions change in ways that are unfavorable to our operations, our business, financial condition, and results of operations could be materially and adversely affected.

We may pursue acquisitions of businesses, brands or other assets, which involve valuation uncertainties, integration risks and the risk that we may fail to realize the expected benefits of such acquisitions.

As part of our future growth strategy, we may selectively pursue acquisitions of businesses, brands or other assets. Such acquisition activities involve significant risks and uncertainties. In particular, we may misjudge the value, condition or prospects of an acquisition target, pay a purchase price that is not justified by its business fundamentals or expected performance, or fail to identify liabilities, operational issues, contractual constraints or other risks during the evaluation process. In addition, any acquired business or brand may be difficult to integrate into our existing operations, and we may encounter challenges in combining technologies, products, personnel, management systems, corporate cultures, distribution channels or brand positioning. We may also be unable to retain key employees, customers, suppliers or business partners of an acquired business. Furthermore, any expected benefits, synergies, cost savings, operational efficiencies or strategic advantages from an acquisition may not materialize as anticipated or at all, and may take longer to achieve than expected. If any of the foregoing occurs, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Any failure to offer high-quality customer services for our customers may harm our relationships with them and, consequently, our business, financial condition and results of operations.

We provide a range of services to our OEM customers, including pre-sale activities such as product sampling, testing, and customization, as well as post-sale maintenance and support. The level of service we provide is integral to maintaining strong customer relationships and ensuring the continued demand for our solutions. As our customer base grows and becomes more diverse, it may be challenging to offer solutions tailored to the specific needs of our OEM customers, as well as to maintain high-quality customer services. Moreover, some of our customers pay for these services, contributing to our service fee revenue, while in other cases, we may absorb the associated costs. Any failure to deliver high-quality services, whether due to operational inefficiencies, resource constraints, or misalignment with customer expectations, could negatively impact our relationships with OEMs and lead to customer dissatisfaction. This could, in turn, affect our ability to retain existing customers, attract new business, and meet financial targets, thereby materially and adversely impacting our business, financial condition, and results of operations.

Our products may experience defects, errors, or performance issues, which could affect safety, market acceptance, and lead to liability risks.

Our in-vehicle communication solutions, E-call solutions and sensing and domain control solutions are primarily sold to OEMs for integration into their vehicle models. These solutions are highly technical and complex, requiring strict adherence to manufacturing standards. However, due to their intricate nature, they may contain errors, defects, security vulnerabilities, or software issues that are difficult to detect and address, especially during initial releases or when introducing new versions or updates. If such issues arise, we may face challenges in resolving them to meet the expectations of our OEM customers, which could harm our reputation and limit future collaboration opportunities with other OEMs. Whether real or perceived, product errors, defects, or service interruptions can undermine consumer confidence and damage the trust that our OEM customers place in our solutions. This could lead to financial losses for our customers and damage our business relationships. There is no assurance that we may address these issues promptly enough to avoid production disruptions or meet customer expectations. In such cases, we may need to allocate significant resources to correct the problems, which could further strain our operations. Additionally, unresolved issues could expose us to product liability claims, potentially resulting in lawsuits from OEMs, consumers, or other parties.

We may incur inventory obsolescence and inventory write-down risks due to the highly customized nature of our products and fluctuations in OEM customers' production schedules and demand.

Our products are generally developed and manufactured based on the specifications, technical requirements and production schedules of specific OEM customers and vehicle models. As a result, a portion of our raw materials, work in progress and finished goods may be highly customized and may not be readily reusable or resalable for other customer programs without additional modification, rework or cost. If OEM customers adjust vehicle model specifications, postpone production schedules, reduce procurement demand, or cancel orders after we have procured materials or commenced production, the relevant inventory may become slow-moving, excess or obsolete. In particular, certain inventory items, including customized communication modules, PCBs, structural components and semi-finished or finished products manufactured for designated vehicle platforms, may have limited alternative use once customer requirements change or the relevant vehicle program is delayed, suspended or terminated. In such circumstances, we may not be able to consume, redeploy or dispose of such inventory in a timely manner or at all, and may therefore be required to record inventory write-downs, write-offs or impairment losses.

As of December 31, 2023, 2024 and 2025 and May 31, 2026, we had inventories of RMB40.5 million, RMB71.2 million, RMB68.9 million and RMB105.7 million, respectively. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, our inventory turnover days were 93 days, 73 days, 79 days and 98 days, respectively. Extended inventory turnover times, particularly during periods of low demand or when customers alter or cancel orders post-production, could significantly affect our working capital, liquidity, and overall financial performance. Any failure to identify, monitor and address slow-moving or obsolete inventory in a timely manner, or any material inventory write-downs or write-offs resulting therefrom, could have a material and adverse impact on our gross profit margin, profitability, liquidity, financial condition and results of operations.

Failure to adequately protect, maintain and enforce our intellectual property and confidential information could erode our competitive advantages, increase costs and harm our brand and operating results.

We rely on a combination of patents, copyrights, trademarks, trade secrets, and other proprietary rights to protect our technologies, products, and brand assets. As of May 31, 2026, we owned 31 patents, ten registered trademarks, 27 copyrights, and one domain name. These intellectual property assets are crucial to safeguarding our in-vehicle communication solutions, E-call solutions and sensing and domain control solutions and other proprietary technologies. However, legal protections and contractual measures may not fully prevent unauthorized use, copying, or disclosure of our intellectual property. Many of our core innovations such as proprietary algorithms, design files, process parameters, and datasets are protected primarily as trade secrets. Securing this information is challenging, especially considering employee mobility, remote work dynamics, and the need to share sensitive data with suppliers, manufacturing partners, consultants, and joint development partners. We cannot guarantee that our employees, contractors, vendors, or partners will fully comply with confidentiality, IP assignment, or usage restrictions, or that these obligations will be enforceable in all jurisdictions.

Our pending patent applications may not be granted, may be granted with narrower claims than anticipated, or may face opposition, re-examination, or invalidation by third-parties. In addition, the ongoing maintenance, renewal, and recorded of our issued patents are essential for their protection. Any lapse, missed fee, defect in chain of title, or ambiguity in our joint development or licensing arrangements could weaken our IP protection. If we are unable to prevent third-parties from using technologies, designs, or brand assets that are identical or substantially similar to ours, or if we must allocate significant resources to monitor and enforce our IP, our market differentiation, pricing power, partner confidence, and market share could be adversely affected, leading to increased operating costs and managerial distraction.

We are subject to credit risk due to delay in payment and defaults of customers.

We are exposed to credit risks related to delays and defaults of our trade and bills receivables due from our customers or related parties in the ordinary course of our business. We typically grant credit terms of 30 to 120 days to our major customers. As of December 31, 2023, 2024 and 2025 and May 31, 2026, our trade and bills receivables measured at amortized cost were RMB127.4 million, RMB153.6 million, RMB81.0 million and RMB36.7 million, respectively. For the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, our average trade receivables turnover days were 97 days, 89 days, 87 days and 52 days, respectively. Fluctuations and extension of trade and bills receivables turnover may adversely affect our cash flow and liquidity. Please refer to "Financial Information – Discussion of Selected Tie Key Balance Sheet Items – Trade and Other Receivables" for details. If the credit-worthiness of our customers deteriorates or if our customers fail to settle their trade and bills receivables for any reason, we may incur additional impairment loss. We may not be able to recover our trade and bills receivables in a timely manner, or at all. As a result, our financial condition and results of operations may be adversely affected.

The grant of equity-settled awards may result in increased equity-settled share-based payment expenses and may adversely affect our results of operations.

We have granted, and may continue to grant, equity-settled awards to employees, directors and other eligible persons as part of our incentive arrangements. Any such grants would result in the recognition of equity-settled share-based payment expenses over the relevant vesting periods, which could increase our operating expenses and reduce our profit for the relevant periods. Our equity-settled share-based payment expenses amounted to RMB0.4 million, RMB1.0 million, RMB1.6 million and RMB1.0 million for the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, respectively. If we grant additional equity-settled awards in the future, or if the scale or timing of such grants differs from our current expectations, our equity-settled share-based payment expenses may increase further, which could materially and adversely affect our financial condition and results of operations.

We recorded net current liabilities as of December 31, 2023, and we may need to recognize impairment losses on contract assets, which could adversely affect our liquidity, financial condition and results of operations.

As of December 31, 2023, we recorded net current liabilities of RMB24.0 million, as our current liabilities exceeded our current assets as of that date. Our net current liability position at that time reflected, among other things, the relatively high level of current liabilities, including trade and other payables, bank loans and redemption liabilities. There can be no assurance that we will always be able to maintain sufficient working capital, cash flow or financing resources to meet our obligations as they fall due. In addition, our contract assets are subject to expected credit loss assessment. If there are delays or disputes in customer acceptance, pricing confirmation, payment, or if the creditworthiness of our customers deteriorates, we may need to recognize additional impairment losses on contract assets. Any such impairment losses could reduce our profit and adversely affect our financial condition and results of operations.

Any failure or perceived failure to comply with data privacy and security laws could subject us to potential liabilities.

We are subject to various laws and regulations concerning data security and privacy. Recently, the governments worldwide have placed increasing emphasis on privacy and data protection regulations. The Chinese government, in particular, has implemented a series of laws, regulations and policies to safeguard personal data. We must comply with applicable laws and regulations throughout the entire life cycle of personal information, including its collection. storage, use, processing, transmission, provision, disclosure and deletion. Failure to comply with the increasingly stringent data and personal information protection laws in the PRC, as well as evolving data security and privacy regulations in other jurisdictions where we operate or plan to operate, could result in significant legal and regulatory penalties, reputational damage, and adverse effects on our business, financial condition, and results of operations.

As data privacy laws and industry standards continue to evolve globally, we will need to implement and maintain robust internal controls, compliance mechanisms, and risk management policies. Ensuring compliance with these requirements may require substantial resources. personnel, and capital investment. The unauthorized access, loss or misuse of data and personal information, whether by our company or our partners, could lead to significant consequences, including increased cybersecurity expenditures, regulatory investigations, enforcement actions, fines, litigation, indemnification obligations, remediation costs, and operational disruptions. In addition, defending against potential legal claims arising from such incidents may result in further financial and reputational exposure. Even unsubstantiated concerns raised by customers, employees, or third-parties regarding our handling of data and personal information could harm our reputation and undermine trust in our brand, which may, in turn, negatively impact our business prospects and market perception.

Disruptions and unauthorized access such as cyberattacks to our IT systems or those of third-party service providers could have a material adverse effect on our business operations, results of operations, reputation and financial condition.

Our solutions and technologies may provide us with access to sensitive and/or confidential data or information, which pose a tempting target for malicious actors who may seek to carry out cyberattacks against us or our suppliers or service providers. We cannot assure you that our IT systems or those of third-party service providers are fully protected against third-party intrusions, viruses, hacker attacks, ransomware attacks and other cyberattacks, information or data theft or other similar threats. Additionally, software authorized or licensed by third-parties which is incorporated into our technologies may present certain risks related to cybersecurity, such as the general lack of support for such software which could result in vulnerabilities that could compromise the security of our systems. Any security deficiencies in our IT systems or third-party infrastructure could precipitate breaches, potentially resulting in operational disruptions, compromise of our proprietary or customer data assets, and multifaceted legal consequences including class-action litigation, indemnity claims under customer agreements, regulatory sanctions, and severe reputational damage. Such events may trigger customer/partner attrition and necessitate substantial remediation costs. To the extent we experience a cyberattack or security breach, we may be unsuccessful in implementing remediation plans to address exposure and future harm., while potential gaps in cybersecurity insurance coverage could exacerbate financial exposure. These risks collectively pose material threats to business continuity, operational stability, and financial performance.

We may from time to time be subject to claims, disputes, lawsuits and other legal and administrative proceedings.

From time to time, we are or may be a party to various litigation claims, legal or arbitral proceedings, government, and regulatory inquiries and/or proceedings, including, but not limited to, intellectual property, fraud, unfair business practices, product liability, employee related claims, breach of contract claims and securities actions. Additionally, alleged non-compliance and breaches of laws and regulations may also lead to litigation, legal proceedings, government, and regulatory inquiries and/or proceedings. We may also initiate legal proceedings against business partners for material breach of contractual obligations, third-parties engaged in intellectual property infringement or trade secret misappropriation, current or former employees involved in fraudulent or corrupt activities, as well as any party whose unlawful acts materially and adversely impact our substantive rights, business operations, or corporate reputation. Any negative publicity arising from such proceedings, claims, litigation or disputes, regardless of the accuracy of such negative publicity, could damage our reputation and brand.

Defending these proceedings and/or addressing such negative publicity can be time consuming and result in significant ongoing expenditures and the diversion of our management's time and attention from the day-to-day operation of our business, which could have a negative impact on our business operations. Due to the inherent uncertainty of the litigation process, there is no guarantee that we will succeed in defending ourselves against such claims or proceedings, or that the management's assessment of the materiality of these matters, including the accounting provisions made in connection therewith, will be consistent with the ultimate outcome of such claims or proceedings. Unfavorable outcomes or developments relating to any proceedings, such as judgments for monetary damages, penalty fees, injunctions, product recalls or denial or revocation of licenses or permits, could have a material adverse effect on our business, prospects, and financial condition. Our failure to successfully defend or settle any litigation, legal or arbitral proceedings or to assess accurately the materiality of a claim could result in liabilities that, to the extent not covered or only partially covered by our insurance, could have a material and adverse effect on our business, financial condition, and prospects.

We may face litigation over alleged infringement of third-party intellectual property rights, which could be time-consuming and would cause us to incur substantial costs.

We operate in fields characterized by dense and rapidly evolving patent landscapes. We may face allegations that our technologies, designs, processes, content or data practices infringe patents, copyrights, trademarks, mask works or misappropriate trade secrets owned by competitors, non-practicing entities or other rightsholders. Adverse outcomes could include injunctions or import bans, recalls, product holds, mandatory feature removals, significant damages, attorneys' fees, destruction of inventory, and requirements to pay past and ongoing royalties or accept licenses on unfavorable terms.

Defending or prosecuting IP disputes is inherently uncertain, expensive and time-consuming, and may divert the attention of our management and engineers, require intrusive discovery into our confidential information, and generate adverse publicity. Future matters could be similar or more complex. Even allegations that lack merit can be costly to resolve and may prompt customers to delay purchases, require contractual safeguards, or select alternative suppliers. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

Negative publicity, whether substantiated or not, may harm our reputation and adversely affect our business and prospects.

Our business performance and customer relationships are closely tied to our reputation in the industry. Any negative publicity, whether resulting from actual or alleged product defects, service failures, employee misconduct, data security concerns, regulatory inquiries, or association with third-parties, may damage public perception of our brand and credibility, even if such claims are unfounded or unrelated to our core operations. In the era of instant online communication and global media coverage, such incidents may be amplified across social media platforms or industry forums, especially in the case of government customers or high-profile deployments. If we are unable to respond effectively to adverse public narratives, restore stakeholder confidence, or correct misinformation in a timely manner, our ability to retain customers, win new business, or attract partners may be materially and adversely affected.

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

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. Our current insurance coverage may not be sufficient to prevent us from any loss and we cannot assure you that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or if the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

Our performance depends on favorable labor relations with our employees, and any deterioration in labor relations, shortage of labor or material increase in wages may have a material adverse effect on our business, financial condition and results of operations.

Our business is highly dependent on a skilled and qualified workforce, especially technical talent, to support the deployment and expansion of our solutions. As of May 31, 2026, we had 274 full-time employees, and 54.4% of them are research and development personnel. Please refer to "Business – Employees". As we continue to scale our operations, we face increasing challenges related to labor availability and costs. The automotive industry, including the sector for in-vehicle communication solutions, E-call solutions and sensing and domain control solutions, is experiencing a shortage of skilled workers, particularly in the fields of engineering, research, and development. This has resulted in rising labor costs as demand for such talent intensifies, and we expect this trend to continue as competition for skilled labor increases. If labor costs rise significantly, our profitability could be materially affected, as we may not be able to absorb the increased expenses without passing them on to customers, which could lead to pricing pressures and decreased competitiveness. Furthermore, an inability to retain skilled labor, or failure to recruit qualified personnel in a timely manner, could lead to delays in project completion, increased operational costs, or even financial losses due to missed deadlines or liquidated damages.

Labor-related challenges, such as strikes, labor disputes, or dissatisfaction with wages and working conditions, could disrupt our operations and have a significant impact on our ability to meet customer demands and fulfill orders within the expected timeframes. Such disruptions could also force us to hire temporary workers or implement contingency plans to mitigate the effects of labor shortages, leading to additional operational expenses. The inability to attract and retain skilled workers may also impact our ability to innovate, maintain quality standards, and meet customer expectations, further harming our financial condition.

Additionally, as our projects become more complex and require higher levels of expertise, any sustained rise in labor costs or worsening labor relations could make it more difficult for us to maintain competitive pricing while ensuring high-quality outputs. This, in turn, could result in a deterioration of our competitive position in the market, which would negatively affect our business, financial performance, and future growth prospects.

Any reduction or termination of our government grants and preferential tax treatment could adversely affect our financial condition.

We have historically benefited from various forms of government support, including project-specific grants, talent subsidies, equipment incentives, and preferential tax treatment such as high and new technology enterprise ("**HNTE**") status or local tax incentives. These forms of financial and policy support have contributed positively to our operating results and cash flows during the Track Record Period. In the statements of profit or loss and other comprehensive income, for the year ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2025 and 2026, we recorded government grants of RMB3.0 million, RMB10.4 million, RMB5.4 million, RMB1.7 million and RMB0.1 million, respectively. In addition, our Company is entitled to a preferential tax rate of 15% during the Track Record Period and a 100% research and development deduction rate for expenses incurred from October 1, 2022. For details, please refer to "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income – Income Tax Credit/(Expense)". However, such government support is subject to periodic review, administrative discretion, and policy changes at both the central and local levels. Many of the grants or tax benefits we receive are contingent upon our continued compliance with specific eligibility criteria, including technological qualifications, research and development investment intensity, headcount thresholds, or regional contribution assessments. We cannot assure you that we will continue to meet such requirements in future periods, especially as our business model, operational scale, or geographic footprint evolves.

Furthermore, preferential policies may be suspended, reduced, or restructured due to changes in fiscal priorities, policy orientation, or macroeconomic conditions. In some jurisdictions, local governments may face budget constraints or apply more stringent scrutiny over incentive programs, particularly for cross-border enterprises or high-growth technology firms. If we are no longer eligible for certain grants or tax benefits, or if existing policies are withdrawn or curtailed, we may experience a corresponding increase in our effective tax rate, higher cost of doing business, or reduced funding for research and development. Such developments could adversely affect our financial condition, profitability, and investment capacity.

Failure to comply with the PRC Social Insurance Law and the Regulation on the Administration of Housing Provident Funds or other PRC labor related regulations may subject us to fines and other legal or administrative sanctions.

During the Track Record Period, we did not make full or timely social insurance and housing provident fund contributions for certain employees, which was not in strict compliance with applicable PRC laws and regulations. The total shortfall amount of social insurance contributions was approximately RMB1.4 million, RMB2.6 million, RMB3.7 million and RMB2.0 million for the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, respectively. The shortfall amount of housing provident fund contributions was approximately RMB54 thousand, RMB55 thousand, RMB85 thousand and RMB25 thousand for the years ended December 31, 2023, 2024 and 2025 and the five months ended May 31, 2026, respectively. As advised by our PRC Legal Advisers, if the validity of such arrangements is challenged by competent PRC authorities, we might be subject to additional contributions, late payment fees and/or penalties required by relevant PRC, laws and regulations for failing to discharge our obligations in relation to payment of social insurance and housing provident funds as an employer or be ordered to rectify such practice. The estimated maximum potential exposure in respect of the shortfalls, including the outstanding contribution amounts and late payment surcharges, was approximately RMB11.8 million as of the Latest Practicable Date. We might also be subject to labor disputes arising from such arrangements with the relevant employees. Please refer to "Business - Legal Proceedings and Compliance - Non-compliance Incidents - Social Insurance and Housing Provident Fund Contributions" for details.

In addition, as the interpretation and implementation of the Labor Contract Law, the Social Insurance Law and other labor related regulations are evolving, we cannot assure you that our employment practice do not and will not violate labor-related laws and regulations in the PRC, which may subject us to labor disputes or government investigations, we cannot assure that such risks we may be exposed to will not adversely affect our reputation, business, results of operations and financial condition or otherwise divert our resources in handling any lawsuits, legal proceedings or complaints.

Failure to comply with relevant regulations, or 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 future business. The interpretation and implementation of existing and future laws, regulations and policies governing our business activities may be further amended. We cannot assure you that we will not be found in violation of any future laws, regulations and policies or any of the laws, regulations and policies currently in effect due to further interpretation by relevant authorities of these laws, regulations and policies. 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.

We face risks related to natural disasters, health epidemics and other outbreaks of contagious diseases.

Our business could be adversely affected by natural disasters such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic or any severe epidemic disease such as SARS, Ebola, Zika or the COVID-19, acts of war, terrorism or other force majeure events beyond our control. These events may disrupt our research and development, manufacturing and commercialization activities and business operations, all of which could adversely affect our business, results of operations, financial condition and prospects. In particular, these natural disasters, outbreaks of contagious diseases and other adverse public health developments could severely disrupt our business operations by damaging our technology infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations.

RISKS RELATING TO DOING BUSINESS IN THE PRC

We may be subject to additional regulatory requirements under new laws and regulations on overseas [REDACTED] issued by PRC government authorities.

On July 6, 2021, the relevant PRC government authorities issued the Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law (《關於依法從嚴打擊證券違法活動的意見》), which emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by PRC-based companies. These opinions proposed to take effective measures, such as promoting the establishment of regulatory systems to address the risks and incidents faced by PRC-based overseas-listed companies.

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection of China, and the National Archives Administration of China jointly promulgated the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《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》) (the "**Archives Rules**"), which came into effect on March 31, 2023. The Archives Rules require that, in relation to the overseas securities offering and listing activities of domestic enterprises, either in direct or indirect form, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, must strictly comply with the requirements on confidentiality and archives management, establish sound internal systems, and take necessary measures to implement relevant management responsibilities.

As we are a PRC-based company seeking a **[REDACTED]** in Hong Kong, we are subject to the supervision regime under the aforementioned regulatory framework. The interpretation and implementation of these rules continue to evolve, and we cannot assure you that we will not be required to make further information disclosures, adjust internal policies or incur additional compliance costs. Failure to comply with the above requirements may materially and adversely affect our business, results of operations or financial condition.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with future capital raising activities.

On July 6, 2021, the relevant PRC government authorities issued Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law (《關於依法從嚴打擊證券違法活動的意見》). These opinions enhanced administration and supervision on overseas listing by the PRC-based companies and proposed to take effective measures, such as promoting the construction of relevant regulatory systems to deal with the risks and incidents faced by the PRC based oversea-listed companies.

On February 17, 2023, the CSRC released the Trial Administrative Measures for 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》) (the "**Trial Measures**"), together with five interpretative guidelines thereof, which became effective on March 31, 2023.The Trial Measures comprehensively improved and reformed the prior regulatory regime for overseas listing of securities of PRC domestic companies, and had regulated both direct and indirect overseas listing of PRC domestic companies' securities by adopting a filing based regulatory regime. According to the Trial Measures, we, as a PRC domestic company seeking to **[REDACTED]** securities in **[REDACTED]**, are required to apply for the filing procedure with the CSRC within three working days after submitting the **[REDACTED]** documents to the overseas supervisory authorities and report relevant information.

Furthermore, we cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements or restrictions on us or our financing activities. We may not be able to comply with such additional requirements in a timely manner or at all. In addition, we may be subject to adjustments by the CSRC or other PRC regulatory authorities for failure to seek CSRC filing or other government authorization for this **[REDACTED]**, and these regulatory authorities may impose fines and penalties on us, affect our operating activities in the PRC, affect our ability to pay dividends, delay or affect the repatriation of the **[REDACTED]** from the **[REDACTED]** into the PRC or take other actions to affect our financing activities, which could have a material adverse effect on our business, financial conditions and results of operations.

Holders of our H Shares may be subject to PRC income tax obligations.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares.

Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the dividends or gain from share transfer derived in China under Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法》) and its implementation guidelines. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between the PRC and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations.

Pursuant to the Arrangement between the Chinese 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 signed on August 21, 2006, the Chinese government may impose tax on dividends paid by a Chinese company to a resident of the Hong Kong Special Administrative Region (including natural person and legal entity), but such tax will not exceed 10% of the total amount of the dividends payable by the Chinese company. If an Hong Kong Special Administrative Region resident directly holds 25% or more of the equity interest in a Chinese company, such tax will not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol to the Arrangement between the Chinese 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 issued by the State Administration of Taxation effective on December 6, 2019 stipulates that the arrangements or transactions made for the primary purpose of obtaining the above-mentioned tax benefits are not subject to the above-mentioned provisions.

For non-PRC resident enterprises that do not have establishments or premises in the PRC, and for those who have establishments or premises in the PRC but whose income is not related to such establishments or premises, under the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法》), dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are typically subject to PRC EIT at a 20% rate. In accordance with the Circular on Issues Relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) issued by SAT, such tax rate has been reduced to 10%, subject to a further reduction under a special arrangement or an applicable treaty between the PRC and the jurisdiction of the residence of the relevant non-PRC resident enterprise.

Despite the arrangements mentioned above, the interpretation and application of applicable PRC tax laws and regulations are subject to the then relevant laws and regulations due to several factors, including whether the relevant preferential tax treatment will be revoked in the future such that all non-PRC resident individual holders will be subject to PRC individual income tax at a flat rate of 20%. In addition, the interpretation and application of applicable PRC tax laws and rules by the PRC' Ss tax authorities are still evolving, including the taxation of capital gains by non-PRC resident enterprises, individual income tax on dividends to non-PRC resident individual holders of our H Shares and on gains realized on the sale or other disposition of our H Shares. The PRC's tax laws, rules and regulations may also change. If there is any change to applicable tax laws and rules and interpretation or application with respect to such laws and rules, the value of your **[REDACTED]** in our H Shares may be materially affected.

We are subject to PRC laws and regulations that could require us to modify our current business practices and incur increased costs.

We are subject to extensive national, provincial and local governmental regulations, policies and controls, covering, among others and in addition to specific industry-related regulations, the following aspects: (i) consumer protection and product liability: (ii) cybersecurity, data security and protection of personal information; (iii) security laws and regulations; (iv) establishment of or changes in shareholder of foreign investment enterprises; (v) foreign exchange; and (vi) taxes, duties and fees.

The liabilities, costs, obligations and requirements associated with these laws and regulations may cause interruptions to our operations or impact our financial position and results of operations. Failure to comply with the relevant laws and regulations in our operations may result in various penalties, including, among others, the suspension of our operations and thus adversely and materially affect our business, prospects, financial condition and results of operations. Additionally. there can be no assurance that the relevant government agencies will not change such laws or regulations or impose additional or more stringent laws or regulations. Compliance with such laws or regulations may require us to incur material capital expenditures or other obligations or liabilities. Legal requirements are frequently changed and subject to interpretation, and we are unable to predict the ultimate cost of compliance with these requirements or their effect on our operations. We may be required to make significant expenditures or modify our business practices to comply with existing or future laws and regulations, which may increase our costs and materially limit our ability to operate our business.

You may have limited recourse in effecting services of legal process or enforcing overseas judgments against us, our Directors and our senior management.

We are a company incorporated under the laws of the PRC, and almost all of our assets, subsidiaries and all of our Directors and senior management, are located in China. As a result, it may not be possible for **[REDACTED]** to effect services of process upon us, or our Directors or senior management who reside in China. China has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions.

On July 14, 2006, the Supreme People's Court of the PRC and Hong Kong entered into 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 (《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》), or the 2006 Arrangement. Under the 2006 Arrangement, where any designated PRC court or any designated Hong Kong court has made an enforceable final judgment requiring payment of money in a civil or commercial case under a choice of court agreement in writing, any party concerned may apply to the relevant PRC court or Hong Kong court for recognition and enforcement of the judgment. On January 18, 2019, the Supreme People's Court of the PRC and Hong Kong entered into 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 the PRC court and Hong Kong court. The New Arrangement shall only take effect after the promulgation of a judicial interpretation by the Supreme People's Court of the PRC and the completion of the relevant legislative procedures in Hong Kong. Upon its effectiveness on January 29, 2024, the New Arrangement superseded the 2006 Arrangement.

Our payment of dividends is subject to restrictions under applicable laws and regulations.

We may receive dividend from our subsidiaries for cash requirements, including services of any debts our Group may incur. Our payment of dividends is subject to restrictions under applicable laws and regulations. For example, under the current PRC law, 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). Our distributable net profit 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 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.

We could be subject to changes in our tax rates, the adoption of new tax legislation or exposure to additional tax liabilities.

The PRC EIT Law imposes a tax rate of 25% on business enterprises. We are entitled to preferential tax treatment. During the Track Record Period, our Company is entitled to a preferential tax rate of 15% and a 100% research and development deduction rate for expenses incurred from October 1, 2022. Please refer to "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income – Income Tax Credit /(Expense)" in this document. To the extent there are any changes in the laws and regulations governing preferential tax treatment, or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, the PRC government may amend or restate regulations on income, withholding, value-added, and other taxes. Non-compliance with the PRC tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to PRC tax laws and regulations and tax penalties or fines could affect our businesses, financial condition and results of operations.

Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Companies operating in the PRC are required to participate in various government sponsored employee benefit plans, including certain social insurance, housing funds and other welfare-oriented payment obligations, and contribute to the plans in amounts equal to certain percentages of salaries, including bonuses and allowances, of our employees up to a maximum amount specified by the local government from time to time at locations where we operate our businesses. The requirement of employee benefit plans has not been implemented consistently by the local governments in the PRC given the different levels of economic development in different locations. The relevant government authorities may examine whether an employer has made adequate payments of the requisite employee benefit payments, and employers who fail to make adequate payments may be subject to late payment fees, fines and/or other penalties.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] for our H Shares and the liquidity and [REDACTED] of our H Shares may be volatile.

Prior to the **[REDACTED]**, there has been no **[REDACTED]** for our H Shares. The initial **[REDACTED]** for the H Shares was the result of negotiations between us and the **[REDACTED]** (for itself and on behalf of the **[REDACTED]**), and the **[REDACTED]** may differ significantly from the **[REDACTED]** for our H Shares following the **[REDACTED]**. We cannot assure you that an active **[REDACTED]** for our H Shares will develop or be sustained after the **[REDACTED]** or that the **[REDACTED]** of our H Shares will not decline below the **[REDACTED]**. The **[REDACTED]** for our H Shares may be highly volatile and subject to wide fluctuations in response to a number of factors, some of which are beyond our control.

The [REDACTED] of our H Shares may be volatile, which could result in substantial losses to you.

The **[REDACTED]** of our H Shares may be volatile and could fluctuate significantly due to factors beyond our control. Such factors include, but are not limited to, variations in our revenue, earnings and cash flow, changes in our operating results, changes in analysts' estimates, perceptions of our industry and regulatory developments in the PRC and elsewhere. The **[REDACTED]** have from time-to-time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the **[REDACTED]** of our H Shares.

Additionally, under PRC law, all existing Shareholders are restricted from disposing of any of their Shares within the first 12 months following the **[REDACTED]**. This lock-up period may affect the **[REDACTED]** and **[REDACTED]** of our H Shares shortly after the **[REDACTED]**. These factors, independent of our actual business performance, could contribute to substantial **[REDACTED] [REDACTED]** and potential losses for **[REDACTED]** in our H Shares.

[REDACTED] of [REDACTED] in the [REDACTED] may experience immediate dilution and may experience further dilution if we [REDACTED] in the future.

The **[REDACTED]** of **[REDACTED]** in the **[REDACTED]** may be higher than the net tangible book value per H Share immediately prior to the **[REDACTED]**. As a result, **[REDACTED]** of **[REDACTED]** in the **[REDACTED]** may experience immediate dilution in net tangible book value. In addition, we may need to raise additional funds in the future and may **[REDACTED]** convertible into Shares. **[REDACTED]** of **[REDACTED]** may experience further dilution in the net tangible book value per Share if we **[REDACTED]** or securities in the future.

Future sales or perceived sales of substantial amounts of [REDACTED] could adversely affect the [REDACTED] and dilute shareholder holdings.

The **[REDACTED]** of **[REDACTED]** could decline as a result of future sales of a substantial number of our Shares or other securities relating to **[REDACTED]** in the **[REDACTED]**, the **[REDACTED]** of **[REDACTED]** or other **[REDACTED]**, or the perception that such **[REDACTED]** may occur. Future sales, or perceived sales, of substantial amounts of our **[REDACTED]**, including any future **[REDACTED]**, could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. Equity-linked **[REDACTED]** issued by us may also confer rights and privileges that take priority over those conferred by the Shares.

Additionally, **[REDACTED]** who **[REDACTED]** to shares in the **[REDACTED]** may not be subject to any disposal restrictions on their H Shares, and they may have existing arrangements or agreements to sell part or all of their H Shares immediately after the **[REDACTED]** for various legal, regulatory, business, or market reasons. These sales, especially if occurring in a short period after the **[REDACTED]**, could exert downward pressure on the **[REDACTED]** and create substantial volatility in the **[REDACTED]** of our H Shares.

Our Controlling Shareholders have substantial control over our Company and their interests may not be aligned with the interests of the other Shareholders.

Prior to and immediately following the completion of the **[REDACTED]**, our Controlling Shareholders will retain substantial control over our Company. Subject to our Articles of Association and the PRC Company Law, the Controlling Shareholders will be able to exercise significant control and exert significant influence over our business or otherwise on matters of significance to us and other Shareholders by voting at the general meeting of the Shareholders and at Board meetings. The interests of our Controlling Shareholders may differ from the interests of other Shareholders and they are free (other than on any matters that they are required to abstain from voting) to exercise their votes according to their interests. To the extent that the interests of the Controlling Shareholders conflict with the interests of other Shareholders, the interests of other Shareholders can be disadvantaged and harmed.

Our historical dividends may not be indicative of our future dividend policy, and there is no assurance of future dividend payments.

Our Board has discretion as to whether to distribute dividends. The amount of dividends we have paid in the past is not indicative of our future dividend policy or dividend amounts. The declaration and payment of dividends will be at the discretion of our Board and will depend on various factors, including our business prospects, financial performance, cash flow, capital requirements and the terms of our financing arrangements. There can be no assurance that we will declare and pay dividends in the future in any amount.

We have significant discretion as to how we will use the net [REDACTED] of the [REDACTED], and you may not necessarily agree with how we use them.

Our management may spend the net **[REDACTED]** from the **[REDACTED]** in ways you may not agree with or that do not yield a favorable return to our Shareholders. For further details on our plans to use net **[REDACTED]** from the **[REDACTED]**, please refer to "Future Plans and Use of **[REDACTED]**" in this document. However, our management will have discretion as to the actual application of our net **[REDACTED]**. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific uses we will make of the net **[REDACTED]** from this **[REDACTED]**.

Certain facts, forecast and other statistics in this document obtained from publicly available sources have not been independently verified and may not be reliable.

Certain facts, forecasts, and other statistics included in this document are derived from various publicly available official government resources. While our Directors believe these sources to be appropriate and have taken reasonable care in obtaining and reproducing the information, we cannot guarantee the accuracy, quality, or reliability of the underlying source materials. This data has not been independently verified by us or any other parties involved in the **[REDACTED]** and no representation is given as to their accuracy.

Additionally, we cannot assure our **[REDACTED]** that this information has been compiled on a basis or with the same level of accuracy as similar data presented elsewhere. Therefore, **[REDACTED]** are advised to carefully consider the weight and importance they place on such facts and statistics when evaluating this document.

Our forward-looking statements are subject to uncertainties, and future results could differ materially from those expressed or implied.

This document contains forward-looking statements about our business based on management's current beliefs, assumptions, and information available at the time. Forward-looking statements are identified by terms such as "aim," "anticipate," "believe," "could," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "will," and similar expressions. These statements reflect management's views on future events, operations, liquidity, and capital resources; however, they are inherently subject to risks, uncertainties, and assumptions.

If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results could differ significantly from those suggested by these forward-looking statements. Factors beyond our control and future business decisions could impact outcomes, many of which are discussed in the "Risk Factors" section of this document.

In light of these uncertainties, forward-looking statements should not be considered assurances of specific plans or objectives, and **[REDACTED]** are cautioned not to place undue reliance on them. All forward-looking statements in this document are qualified by these cautionary statements. Subject to ongoing disclosure obligations under the Listing Rules or Hong Kong Stock Exchange requirements, we do not intend to publicly update or revise forward-looking statements due to new information, future events, or other factors.

[REDACTED] should rely solely on this document and not on media reports when making [REDACTED] decisions.

The **[REDACTED]** is being made solely on the basis of the information and representations contained in this document, which are true and accurate to the best of our knowledge and belief. Any information not contained in this document should not be relied upon in making an **[REDACTED]** decision with respect to the **[REDACTED]** being **[REDACTED]**.

Prior to the publication of this document, there has been coverage in the media regarding us and the **[REDACTED]**, which may have contained, among other things, certain financial information, projections, valuations and other forward-looking information about us and the **[REDACTED]**. **[REDACTED]** should be aware that information and opinions published by third-party sources may have been based on outdated, incomplete, or inaccurate information. These sources may also have conflicts of interest, and their opinions may not be independent or objective. The media's coverage of our Company and the **[REDACTED]** may be influenced by a wide range of factors, including the bias of individual journalists, the preferences of media outlets and the demands of advertisers.