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**Mobvoi Inc.**  
**出門問問有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2438)**

**ANNUAL RESULTS ANNOUNCEMENT FOR  
THE YEAR ENDED DECEMBER 31, 2024**

The Board of the Company is pleased to announce the audited consolidated results of the Group for the year ended December 31, 2024.

**FINANCIAL HIGHLIGHTS**

For the year ended December 31, 2024, the Group's revenue was RMB390.3 million, of which RMB221.7 million was from AIGC solutions, RMB16.4 million was from AI enterprise solutions, and RMB152.2 million was from Smart Devices and Other Accessories.

Among which, our AIGC business has grown rapidly, achieving scaled growth. For the years ended December 31, 2021, 2022, 2023 and 2024, the revenue from AIGC solutions was RMB6.8 million, RMB39.9 million, RMB117.6 million and RMB221.7 million, respectively, accounting for 1.7%, 8.0%, 23.2% and 56.8% of the Group's total revenue, respectively.

As the Group actively adjusts its business strategy and ceases to increase revenue through traditional project-based revenue generating model, the following highlights are all comparisons with data from the full year of 2023 after deducting the revenue of RMB138.8 million from IP rights arrangements with Automotive Sub A:

- The Group's revenue increased by 6.0%, from RMB368.3 million for the year ended December 31, 2023 to RMB390.3 million for the year ended December 31, 2024.
- Revenue from AIGC solutions maintained a high growth momentum, significantly increasing by 88.5% from RMB117.6 million for the year ended December 31, 2023 to RMB221.7 million for the year ended December 31, 2024.

# RESULT REVIEW AND STRATEGIC OUTLOOK

## I. OVERVIEW

In 2024, we achieved a performance characterized by both ground-breaking progress and robust resilience.

This year, our AIGC business achieved a historic leap, with revenue reaching RMB221.7 million, representing a year-on-year increase of 88.5%. As the core business of the Group, the proportion of revenue from AIGC solution business has been steadily increasing year by year, demonstrating a strong growth momentum. We proactively and decisively changed our business strategy by ceasing to expand revenue derived from traditional project-based models, and completed a healthy transformation into an AIGC enterprise during the Reporting Period. Specifically, for the years ended December 31, 2021, 2022, 2023 and 2024, the revenue from AIGC solutions was RMB6.8 million, RMB39.9 million, RMB117.6 million and RMB221.7 million, respectively, accounting for 1.7%, 8.0%, 23.2% and 56.8% of the Group's total revenue, respectively. We have demonstrated the value of being the "AIGC First Share" through our actions.

In 2024, our technological research and development (R&D) continued to lead the industry, with comprehensive advancements in areas such as AI Agent, large language model and digital avatar, reaching internationally leading standards. With the support of the technologies, our AIGC product matrix has been continuously enriched and iterated. The core products include: the AI voiceover assistant "Moyin Workshop" (overseas version "DupDub"), the AI avatar "Weta365" (overseas version "LivGen"), the enterprise AI interactive digital employee generation platform "AI Ask365", and the AI video creation platform "Yuan365".

At the same time, we have continuously refined our business model, establishing a differentiated competitive track through the ToSMB/ToPC model, and persistently exploring a healthy and sustainable AIGC business model.

We have never stopped our steps in going overseas and strategizing our global ecological deployment. Over the past year, beyond our product layout in the United States and Europe, we have collaborated with numerous globally recognized enterprises to jointly build technological high grounds. These efforts have continuously gained recognition from both domestic and international media, further amplifying our brand influence on a global scale.

All of this stems from our unwavering commitment to our core strategic focus—forging a technological moat through the integration of production and models, and driving sustainable growth with a healthy business model. Amid the global popularity of

DeepSeek, we have become even more convinced that product companies with genuine model iteration capabilities will embrace a more certain potential for sustained growth. We seek to rise steadily with the tide brought by enhancement of large language model capabilities, rather than be engulfed by unrestrained and disorderly growth.

Our reflections on 2024 serve not only as a milestone in the commercialization of our technology, but also as a key step toward the evolution of AGI. Moving forward, we will continue to anchor long-term value through our strategy of product and model integration, a healthy and sustainable business model, and an open approach to building a global ecosystem, striving to build a future driven by AGI.

Our performance during the Reporting Period is as follows:

Revenue by each business segment, inclusive of revenue from the IP rights arrangements with Automotive Sub A, is as follows:

	<b>For the year ended December 31,</b>		<i>% of change</i>
	<b>2024</b>	2023	
	<b>RMB'000</b>	RMB'000	
Disaggregated by major products or service lines			
AI Software Solutions			
— AIGC solutions	<b>221,677</b>	117,605	88.5%
— AI enterprise solutions	<b>16,423</b>	225,642	(92.7%)
Smart Devices and Other Accessories	<b>152,248</b>	163,813	(7.1%)
	<b>390,348</b>	507,060	(23.0%)

Revenue by each business segment, exclusive of revenue from the IP rights arrangements with Automotive Sub A, is as follows:

	<b>For the year ended December 31,</b>		<i>% of change</i>
	<b>2024</b>	2023	
	<b>RMB'000</b>	RMB'000	
Disaggregated by major products or service lines			
AI Software Solutions			
— AIGC solutions	<b>221,677</b>	117,605	88.5%
— AI enterprise solutions	<b>16,423</b>	86,890	(81.1%)
Smart Devices and Other Accessories	<b>152,248</b>	163,813	(7.1%)
	<b>390,348</b>	368,308	6.0%

## II. PERFORMANCE REVIEW

**1. AIGC’s annual revenue was RMB221.7 million, representing a year-on-year increase of 88.5% and achieving revenue at scale**

As the core segment of the Group’s strategic layout, focusing on the creative needs of diversified user groups, our AIGC business has established an AIGC product matrix covering audio, video, graphics and other fields, including core products such as the AI voiceover assistant “Moyin Workshop” (overseas version “DupDub”), the AI avatar “Weta365” (overseas version “LivGen”), the enterprise AI interactive digital employee generation platform “AI Ask365”, and the AI video creation platform “Yuan365 (元創島)”. In 2024, our AIGC business recorded revenue of RMB221.7 million, achieving revenue at scale. Looking back at the entire development journey of the Group’s AIGC business, its growth trajectory is clearly visible. For the years ended December 31, 2021, 2022, 2023 and 2024, the revenue from AIGC solutions was RMB6.8 million, RMB39.9 million, RMB117.6 million and RMB221.7 million, respectively.



Meanwhile, with the refinement of our business and further enhancement of our operational capabilities and brand influence, we have achieved dual growth in both user numbers and ARPPU (average revenue per paying user). As at December 31, 2024, the number of our AIGC registered users exceeded 10 million, the number of paying users exceeded 1 million. We continue to serve users globally, including those from China, North America, Europe and Southeast Asia.

**2. Adhering to the development strategy of “product and model integration”, and aiming to become a product company with model iteration capabilities**

As a pioneer in the field of large language models in China, we position ourselves as a product company with model iteration capabilities. Building on our self-developed large language models “Sequence Monkey”, we have successively integrated globally leading large language models such as DeepSeek, continuously enhancing our product strength and competitiveness. We seek to rise steadily with the tide brought by enhancement of large language model capabilities, rather than be engulfed by unrestrained and disorderly growth.

In contrast to traditional large language model companies or single-product companies, we adopt a “product and model integration” approach as our fulcrum to bridge the gap between R&D and scenario applications, enabling us to establish a development model that combines technological depth with commercial viability. The core advantage of this strategy lies in our end-to-end user-in-the-loop data capability — whereby high-quality data accumulated through product scenarios is fed back into model training, creating a “data flywheel” effect and enabling an automated cycle from demand insight to technological upgrades and then to product iteration.

**3. Continuous technological upgrades and leadership, achieving multiple significant technological breakthroughs throughout the year**

In 2024, we continuously upgraded our technologies and achieved significant technological breakthroughs in fields such as AI Agent, voice, text-to-image generation, image-to-video generation, video understanding, and digital avatar:

***In the field of AI Agent:***

- In 2024, we made early strides in the field of Agent, successively collaborating with leading enterprises across various sectors to launch products such as enterprise knowledge assistants, data analysis assistants, and custom process assistants. For instance, our enterprise knowledge

assistant (a relatively mature Agent) developed in partnership with a private bank enriches the knowledge reserves of large language model by integrating private knowledge bases.

At the same time, we have also developed a product that integrates large language models, embodied intelligence and AI Agent — Xiaowen Mobile Digital Human. Xiaowen Mobile Digital Human features a flexible and mobile body capable of intelligent following, customized route cruising and smart obstacle avoidance. It also possesses a smart brain, capable of intelligent Q&A, empowered by leading large language models such as “Sequence Monkey” and “DeepSeek”.

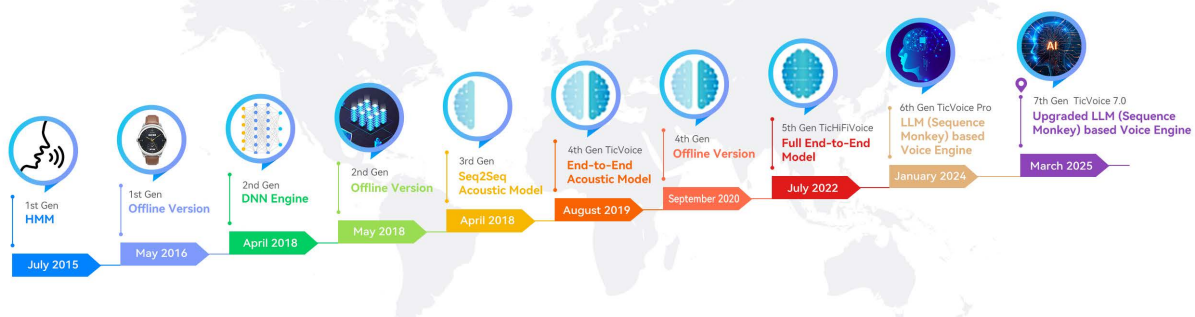
### *In the field of text:*

- We released the first open-source large language models dataset for “Sequence Monkey” on GitHub, driving the development of the large language model industry;
- “Sequence Monkey” has passed multiple Huawei Ascend certifications, accelerating the application and iteration efficiency of large language models and fully meeting users’ core needs.

### *In the field of voice:*

- We launched a large language model based voice engine, achieving revolutionary upgrade by leveraging the capabilities of large language models;

## Evolution of Mobvoi's LLM based Voice Engine

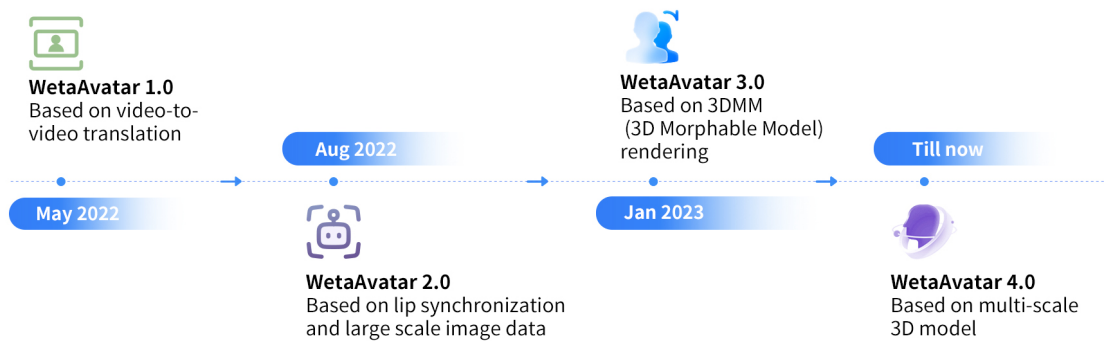


- We introduced a video translation feature that retains the original speaker’s voice timbre, provides accurate language translation, and quickly matches lip movements. This feature is applicable to various scenarios, including business negotiations, watching TV shows and movies, and online learning.

### *In the field of digital avatar:*

- We continuously expanded our digital avatar capabilities and launched the fourth generation of 2.5D digital avatar, WetaAvatar 4.0, with exquisite appearance, rapid responsiveness, and diverse customization options, setting a new standard for smart living;

## Evolution of Mobvoi's Avatar Engine



- We released digital avatar capable of real-scene walking, delivering more natural and realistic interaction effects and reshaping the dimensions of digital interaction;
- We launched the new generation photo-based digital avatar engine, WetaAvatar 4.0 Talking Photo, which offers doubled synthesis speed, enhanced person-background separation, precise replication of teeth and lip movements, and supports animal-driven animations;
- We launched the AI video dubbing feature leveraging WetaAvatar 4.0 and TicVoice Pro, which enables rapid voice and image cloning, reduces the difficulty of video production, and easily facilitates live streaming and video creation. For example, in 2024, our collaborative case video with the Yiwu Small Commodity Market made a striking appearance, dominating the screens in New York Times Square. Moving forward, both parties will continue to work together to provide better technical services for over 65,000 small merchants. Weta365 avatar of Mobvoi allows local shops to engage in global dialogue, breaking down the boundaries of business.

*In the field of videos/images:*

- Our self-developed anime text-to-image model has undergone four generations of updates in one year, ushering in a new era of creativity. It can accurately interpret text descriptions, quickly generate high-quality, diverse-style anime images, and help enterprises and creators unleash their limitless creative potential;
- We launched the “Sequence Monkey” video understanding large language model, capable of processing video frames of any aspect ratio with precision and detailed multi-dimensional analysis. With powerful OCR and fast reasoning capabilities, it efficiently empowers content creation.

In addition, in 2024, we have obtained several technology-related certifications. For instance, our “Sequence Monkey” voice large language model has completed the filing for generative AI services, demonstrating the Group’s strong capabilities in the field of multi-modal large language models.

**4. Continuously building a healthy and sustainable business model, and fully transforming into an AIGC innovative leader**

The Group has always centered on efficient allocation of resources and technological innovation, successfully establishing a business model that embodies both resilience and growth potential.

Leveraging the vertical integration of large language models and applications, we have developed a distinctive ToSMB/ToPC business model. This approach not only avoids the pitfalls of the project-based approach of traditional ToB but also sidesteps the competition with ToC internet giants for stagnant traffic growth. Simultaneously, in 2024, we proactively and assertively changed our business strategy, ceasing to increase revenue through traditional project-based model, and completed a healthy transformation into an AIGC enterprise during the Reporting Period, with AIGC solutions accounting for 56.8% of the Group’s total revenue.

As a “block-building” company, we have adopted a standardized and modular business system that disassembles the complex ecosystem into flexible and functional units. This approach not only significantly reduces production and collaboration costs and enhances resource utilization efficiency, but also enables us to swiftly respond to market demand changes, maintaining strategic flexibility in technological iteration and business expansion, and building a differentiated risk-resistance capability.

## **5. Driven by the global strategy, successfully achieving innovation in AI products and breakthroughs in the market**

The Group initiated its overseas strategy at an early stage, taking the lead in deploying operations across North America, Europe, Southeast Asia and other regions.

We possess valuable experience in global business development, as well as resources in global sales teams and media. At the same time, our product-oriented development framework ensures that our products can be more quickly and efficiently localized and brought to market.

Leveraging our global accumulation and brand influence in consumer hardware, our overseas AI dubbing product “DupDub” has gained high recognition from global creators immediately after its launch. In 2024, we launched “LivGen”, a one-stop digital avatar generation platform, which not only brings an exceptional creation experience to creators but also helps enterprises build a “24-hour AI employees without borders” with its rich digital avatar images and multilingual advantages, truly achieving cost reduction and efficiency improvement.

## **6. Anchoring a global ecosystem strategy, and building an open and win-win innovation community**

We have consistently regarded ecosystem collaboration as the core engine for technological evolution and business breakthroughs. Adhering to the principle of “global vision and local focus”, we continuously refine our cross-regional and cross-domain ecosystems.

Simultaneously, we are deeply integrating into the global innovation system with an open posture. We adhere to the internationalization of our technology ecosystem and have established partnerships with numerous globally recognized enterprises. On another front, we are also actively enhancing our influence in the global market. During the Reporting Period, we have received authoritative awards such as “Top 50 Large Language Models in China” and “Selection of 2024 Forbes China AI Technology Enterprises Top 50”. Our technological innovation capabilities have been professionally recognized by prestigious awards such as the CIC “Shining Star” Enterprises and “the Most Valuable China AGI Innovative Organizations Top 50”, our ESG practices have been selected as benchmark cases for listed companies, further strengthening our brand influence in international markets.

### III. STRATEGIES AND OUTLOOK

#### 1. Deepening the “product and model integration” strategy and continuously breaking innovation boundaries

Looking ahead, we will continue to anchor the “product and model integration” as our core strategy, driving the deep integration and iterative development of technology and scenarios, and striving to become a global benchmark practitioner of product and model collaborative innovation, including:

- Modeling driven by product, deepening scenario feedback efficiency: By leveraging real-time feedback data from our multi-scenario product matrix, we accelerate model iteration through data flywheel in vertical domains, enabling precise alignment of “user demand — model optimization — product upgrades”.
- Product expansion driven by modeling, breaking innovation boundaries: Building on the generalization capabilities of our self-developed large language models and multi-modal technological reserves, we will explore the native application forms of AI, focusing on cutting-edge directions such as Agent interaction and AI hardware.

We will always adhere to our strategy of “product and model integration” by deeply embedding technology into scenarios, nurturing innovation with data, and forging irreplaceable industrial value through the process of continuously solving complex problems in the real world.

#### 2. Adhering to a healthy and sustainable AIGC business model and establishing a three-dimensional profit moat

We will continue to anchor our core strategy of “health and sustainability”, and aim to establish a growth paradigm that balances innovation vitality with risk resilience across three key dimensions: technological popularization, commercial closed-loop, and ecological win-win.

On one hand, we will upgrade our modular architecture to achieve a spiral enhancement of “highly flexible R&D investment — scenario-based technology transformation — cash flow feedback for innovation”. On the other hand, we will increase the annual iteration rate of core product lines such as TicWatch, while simultaneously expanding subscription-based service revenues, thereby constructing a three-dimensional profit moat of “hardware + software + services”.

### **3. Building an Agentic AI hardware engine, and reshaping the development of the industry ecosystem**

Against the backdrop of accelerating iteration of global AI technology, AI hardware, as a crucial vehicle for technology implementation, is becoming a core engine driving industrial upgrading and consumer transformation.

Recognizing the development and future of AI Agent, we are committed to building general Agent capabilities. Building upon our existing foundations in multi-modal exploration and accumulation, we are pursuing deep integration between AI Agent and AI hardware, with a focus on both business (B-end) and consumer (C-end) application scenarios, so as to unlock greater product potential.

In terms of product operation strategies, we will accelerate the process of technology export and brand internationalization through global layout and localized operations, aiming to secure a leading position in the AI hardware sector.

In addition, by fully integrating world-leading large language models such as DeepSeek, we are enabling our hardware devices with the capability for continuous evolution, reinforcing our advantages in voice by continuously upgrading our large language models, TicVoice (now in its seventh generation, offering higher quality and more natural sound), and collaborating with university laboratories to conduct research on multi-modal interaction technologies and open-source related technologies (Spark TTS).

The development of AI hardware and AI Agent represents not only a technological revolution but also a reconstruction of the industrial ecosystem. We will steadfastly implement the “AI + Agent + hardware” strategy, creating long-term value for shareholders and contributing technological strength to society through continuous innovation and resource integration.

### **4. Comprehensively embracing organizational AI-ization, and becoming an explorer in the era of intelligent commerce**

We firmly believe that “organizational AI-ization” will become the core pathway for enterprise evolution. Moving forward, we will use AI Agent as our strategic fulcrum to continue driving dual leaps in both our organization and products.

Leveraging our proprietary technology, we will form a “digital employee matrix” that covers the entire value chain, enabling AI to permeate organizational operations and management, enhancing collaboration between AI and humans, and driving the innovation of production relations, thereby achieving exponential gains in productivity.

We will embrace change with a reverence for technology and reconstruct the business ecosystem with an open posture, enabling every organizational cell to possess the capabilities of perception, thinking, and evolution. Through the deep practice of organizational AI-ization, we are committed to becoming an explorer and leader in the era of intelligent business.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Review of Financial Results

#### Revenue

Revenue by each business segment, inclusive of revenue from the IP rights arrangements with Automotive Sub A, is as follows:

	For the year ended December 31,		
	2024	2023	% of change
	RMB'000	RMB'000	
Disaggregated by major products or service lines			
AI Software Solutions			
— AIGC solutions	221,677	117,605	88.5%
— AI enterprise solutions	16,423	225,642	(92.7%)
Smart Devices and Other Accessories	152,248	163,813	(7.1%)
	<u>390,348</u>	<u>507,060</u>	<u>(23.0%)</u>

Revenue by each business segment, exclusive of revenue from the IP rights arrangements with Automotive Sub A, is as follows:

	For the year ended December 31,		
	2024	2023	% of change
	RMB'000	RMB'000	
Disaggregated by major products or service lines			
AI Software Solutions			
— AIGC solutions	221,677	117,605	88.5%
— AI enterprise solutions	16,423	86,890	(81.1%)
Smart Devices and Other Accessories	152,248	163,813	(7.1%)
	<u>390,348</u>	<u>368,308</u>	<u>6.0%</u>

The Group's revenue decreased from RMB507.1 million for the year ended December 31, 2023 to RMB390.3 million for the year ended December 31, 2024, mainly due to the Group's proactive change in business strategy in 2024, ceasing to develop business from AI enterprise solutions through traditional project-based model such as the business arrangement with Automotive Sub A.

Revenue from our AIGC solutions increased from RMB117.6 million for the year ended December 31, 2023 to RMB221.7 million for the year ended December 31, 2024, primarily attributable to the increase in the number of paying users and the launch of a wider variety of AIGC matrix products.

### ***Cost of sales***

For the year ended December 31, 2024, the Group's cost of sales was approximately RMB186.9 million, representing an increase of approximately RMB5.9 million or approximately 3.3% compared to RMB181.0 million for the year ended December 31, 2023. For the year ended December 31, 2023, the Group's cost of sales accounted for 35.7% of revenue, while for the same period in 2024, this proportion was 47.9%. Our cost of sales primarily consists of cost of inventories, fulfillment related expenses and staff costs. Increase in cost of sales was mainly due to the increase in the cost from Smart Devices and Other Accessories and AIGC solutions. Increase in cost of sales from Smart Devices and Other Accessories was mainly due to the increase in fulfillment related expenses. Increase in cost of sales from in AIGC solutions was mainly due to the increase pro-rata in revenue in AIGC solutions.

### ***Gross profit and gross profit margin***

The Group's gross profit decreased by 37.6% from RMB326.1 million for the year ended December 31, 2023 to RMB203.4 million for the year ended December 31, 2024. The Group's gross profit margins were 64.3% and 52.1% for the year ended December 31, 2023 and for the year ended December 31, 2024, respectively. The decline of the gross profit margin was primarily due to a decrease in revenue from the IP rights arrangements with Automotive Sub A, which contributed RMB138.8 million revenue for the year ended December 31, 2023 and the gross profit margin was close to 100%. If we exclude revenue from Automotive Sub A for comparison purpose, the gross profit and gross profit margin for the year ended December 31, 2023 were RMB187.3 million and 50.9%, respectively, which were generally in line with those for the year ended December 31, 2024.

### ***Research and development expenses***

The Group's research and development expenses decreased from RMB154.7 million for the year ended December 31, 2023 to RMB136.9 million for the year ended December 31, 2024, mainly due to an overall decrease in the number of employees and related research and development expenditures of the Group. The Group had material initial investment on UCLAI and "Sequence Monkey" in previous years. With the accumulation in technology, the Group was able to maintain the same operational level with less human expenditure.

### ***Selling and marketing expenses***

The Group's selling and marketing expenses increased from RMB150.7 million for the year ended December 31, 2023 to RMB196.0 million for the year ended December 31, 2024, mainly due to the revenue increase in AIGC solutions leading to the increase of corresponding sales promotion fees.

### ***Administrative expenses***

The Group's administrative expenses remained generally stable, amounting to RMB89.0 million and RMB88.3 million for the year ended December 31, 2023 and for the year ended December 31, 2024, respectively.

### ***Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares***

The Group had changes in the carrying amount of contingently redeemable preferred shares and ordinary shares, which decreased by 36.3% from RMB753.8 million for the year ended December 31, 2023 to RMB480.5 million for the year ended December 31, 2024. Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares (the "Changes"), which were affected primarily by the changes in the redemption price of the preferred shares and ordinary shares. We do not expect to record such changes in the future as our contingently redeemable preferred shares and ordinary shares had been automatically converted into equity upon completion of the Listing.

The redemption terms and conversion terms of the contingently redeemable preferred shares and ordinary shares are disclosed in Note 19(a) of this announcement. As disclosed in Note 19(a) to the financial statements in this announcement, the Company's obligation to redeem preferred shares upon the occurrence of a Maturity Redemption Event or Breach Redemption Event, or to repurchase the ordinary shares that cause a Governmental Authority to prohibit the distribution of earnings or to refuse to grant, revoke or suspend the Consent, gives rise to financial liabilities that are measured at the present value of the redemption amount (see IAS 32.25 & BC12). As the contingent redemption events are mutually exclusive, the financial liability is measured at the highest of the amounts that could be payable on a present value basis, i.e. the worst-case approach. The present value of redemption amount of the preferred

shares is the higher of (1) 100% of the issue price with an 8% compound per annum return calculated from the issue date plus any accrued but unpaid dividends; (2) 150% of the issue price plus any accrued but unpaid dividends; and (3) the fair value of the preferred shares. Under the worst-case approach, the carrying amounts of the financial liability arising from the redemption obligation on preferred shares are measured at the fair value of the preferred shares as of December 31, 2023 and the Listing Date (except for Series D-2 where 150% of the issue price plus any accrued but unpaid dividends is the worst-case scenario as of December 31, 2023).

The Company's obligation to repurchase the ordinary shares that cause a Governmental Authority to prohibit the distribution of earnings or to refuse to grant, revoke or suspend the Consent also gives rise to financial liabilities that are measured at the present value of the redemption amount (see IAS 32.25 & BC12). The present value of redemption amount of the ordinary shares is the higher of (1) the original subscription price; and (2) the fair value of the ordinary shares. Under the worst-case approach, the carrying amounts of the financial liability arising from the redemption obligation on ordinary shares are measured at the fair values of the ordinary shares as of December 31, 2023 and the Listing Date.

We would like to clarify that there have been no adjustment events or changes in the contractual terms of the preferred shares and ordinary shares from January 1, 2023 to the Listing Date that would have changed the basis for calculating the redemption prices. The Changes represent the difference between the carrying amounts of the financial liability arising from the redemption obligation that resulted in the highest present value of redemption price on December 31, 2023 and the Listing Date, respectively.

Given that the Company's obligation to redeem/repurchase its shares would expire or be terminated upon the completion of the Listing, changes in carrying amount of the financial liabilities arising from the redemption obligation would not be relevant to investors to assess its performance after the Listing.

The expiration of the contingently redeemable preferred shares and ordinary shares is disclosed in Note 19(b) to the financial statements in this announcement. As stated in the first paragraph of Note 19(b), all preferred shares were automatically converted into ordinary shares upon the Listing Date. We would like to clarify that the Company issued only one class of ordinary shares so there was no conversion from one class of ordinary shares to another. Prior to the Listing Date, the Company had an obligation to repurchase the ordinary shares upon the occurrence of contingent events. As stated in the second paragraph of Note 19(b), such obligation was terminated when the ninth amended and restated memorandum and articles of association of the Company became effective on the Listing Date. Following the automatic conversion of preferred shares to ordinary shares and the termination of the obligation to repurchase ordinary shares on the Listing Date, the financial liabilities arising from the obligation to redeem/repurchase preferred shares and ordinary shares are derecognized by reclassification to equity.

The Changes represent the difference of the carrying amounts of the financial liability arising from the redemption/repurchase obligation between each reporting date/Listing Date. The Changes is primarily attributable to the substantial change in the carrying amounts of the financial liability for the year ended December 31, 2024, mainly due to the increase in the underlying equity value of the Company, driven by the success of the initial public offering of ordinary shares. The offer price per share under the Global Offering serves as an observable benchmark for determining the fair value of both preferred shares and ordinary shares.

Following the automatic conversion of preferred shares to ordinary shares and the termination of the obligation to repurchase ordinary shares on the Listing Date, the financial liabilities arising from the obligation to redeem/repurchase preferred shares and ordinary shares are derecognized by reclassification to equity. There will not be any remeasurement of the financial liabilities after the Listing Date as they have already been derecognized.

### ***Non-GAAP measures***

To supplement our consolidated financial statements which are presented in accordance with GAAP, we also use adjusted net (loss)/profit (non-GAAP measure) as additional financial measure, which are not required by, or presented in accordance with, GAAP. We believe that this non-GAAP measure facilitates comparisons of operating performance from period to period and company to company and provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net (loss)/profit (non-GAAP measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-GAAP measure has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial conditions as reported under GAAP.

We define “adjusted net (loss)/profit” (non-GAAP measure) as loss for the year from continuing operations excluding changes in the carrying amount of contingently redeemable preferred shares and ordinary shares, share-based compensation and listing expenses. We have made adjustments to the following items consistently during the Reporting Period:

- Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares, which are affected primarily by the changes in the redemption price of the preferred shares and ordinary shares. We do not expect to record such changes in the future as our contingently redeemable preferred shares and ordinary shares will be automatically converted into equity upon completion of the Listing;
- Share-based compensation, which represents the non-cash employee benefit expenses incurred. It relates to the share rewards we offered to our employees under the Pre-IPO Share Option Scheme, which is a non-cash expense; and

- Listing expenses relating to the Global Offering.

Due to a decrease in revenue from the IP rights arrangements with Automotive Sub A, which contributed revenue of RMB138.8 million for the year ended December 31, 2023, we recorded an adjusted net loss (non-GAAP measure) for the year ended December 31, 2024 and recorded adjusted net profit (non-GAAP measure) for the year ended December 31, 2023.

The Group incurred a loss of RMB721.5 million for the year ended December 31, 2024 under IFRS Accounting Standards, mainly due to changes in the carrying amount of contingently redeemable preferred shares and ordinary shares of RMB480.5 million, share-based compensation of RMB12.9 million, listing expenses of RMB17.9 million, changes in fair value of financial assets of RMB33.4 million, staff reduction expenses of RMB20.1 million, inventory impairment of RMB19.5 million, and other net losses of RMB137.2 million.

### ***Liquidity and financial resources***

The Group has historically funded our cash requirements principally from capital contribution from shareholders, bank borrowings and business revenues.

As at December 31, 2024, the Group had cash and cash equivalents amounting to approximately RMB156.5 million (December 31, 2023: approximately RMB144.3 million), representing an increase of approximately 8.5%. The Group has completed the Listing on April 24, 2024, and the proceeds from issuance of shares by initial public offering has led to an increase in cash and cash equivalents.

### ***Bank loan***

The Group had bank loan of RMB20.0 million as at December 31, 2024. The bank loan was unsecured, bears a fixed interest rate of 2.9% and is repayable within one year.

### ***Gearing ratio***

As at December 31, 2024, gearing ratio of the Group (total liabilities/total assets) reached 42.1%, which was much lower than gearing ratio of 1,114.5% as at December 31, 2023, mainly due to the proceeds from the initial public offering and the expiration of the redemption rights upon the Listing of the Company's shares.

### ***Net current assets/(liabilities)***

The Group recorded net current assets of approximately RMB309.6 million as at December 31, 2024, while net current liabilities of approximately RMB4,121.2 million as at December 31, 2023. The current ratio, calculated by dividing the current assets by current liabilities, was approximately 2.5 as at December 31, 2024 (December 31, 2023: approximately 0.1). The net current liabilities as at December 31, 2023 were mainly composed of contingently redeemable preferred shares and ordinary shares that can be temporarily redeemed. Redeemable preferred shares and ordinary shares issued by the Group were converted from liabilities to equity due to their automatic conversion into ordinary shares, so they had been converted from net liabilities to net assets after the Listing.

### ***Capital structure***

The Company's capital comprises ordinary shares and reserves. The Group finances its working capital, capital expenditures and other liquidity requirements through a combination of its cash and cash equivalents, cash flows generated from operations, bank facilities, and net proceeds from the initial public offering of the Company.

### ***Contingent liabilities***

As at December 31, 2024, the Group did not have any material contingent liabilities.

### **Human Resources**

As at December 31, 2024, the Group had a total of approximately 222 full-time employees in Chinese Mainland and Hong Kong, China. For the year ended December 31, 2024, the total staff costs, including the directors' emoluments, amounted to RMB149.6 million.

The Group's emolument policies are formulated based on the performance and experience of employees and in line with the salary trends in Chinese Mainland and Hong Kong, China. Other employee benefits include annual bonuses, insurance and medical coverage and share options. The fair value of share options granted to employees is recognized as an employee cost with a corresponding increase in share-based payment reserve. The fair value is measured at grant date using the Binomial option pricing model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that are expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share-based payment reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share-based payment reserve) except where forfeiture is only due to failure to meet vesting conditions related to the market price of the Company's shares. The equity amount is recognized in the share-based payment reserve until either the option is exercised (in which case it is included in the amount recognized in share capital and share premium for the shares issued) or the option expires (in which case it is transferred directly to retained profits).

In terms of employee training, the Group has integrated a comprehensive approach tailored to development needs. This includes a continuous commitment to new employee onboarding training, deepening the cultivation of core workplace competencies, reinforcing our internal training team's capabilities, and vigorously supporting pivotal talent development programs. Additionally, the Group organizes professional and vocational training sessions to broaden the skill sets of its employees and enhance their overall competency.

## **Financial Risks**

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### **(a) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents, bills receivable is limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to represent low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account the remaining lease term and the period covered by the rental deposits.

**(b) *Liquidity risk***

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses, participation in supplier finance arrangements with banks and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realizable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

**(c) *Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from bank loans.

**(d) *Currency risk***

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD, EUR, TWD, GBP, HKD, SGD and AUD. The impact of the foreign exchange risk is low, therefore no financial instruments for hedging purposes are considered necessary. To enhance overall risk management, the Group will continue to keep track of the foreign exchange risk and take prudent measures to mitigate exchange risk, and take appropriate action where necessary.

## **OTHER INFORMATION**

### **Final Dividend**

After due consideration of the long-term interests of the Shareholders and the Company, the Board does not recommend the payment of any final dividend for the year ended December 31, 2024 (for the year ended December 31, 2023: RMBNil).

### **Corporate Governance**

Since the Company was listed on the Stock Exchange on April 24, 2024, the CG Code set out in Appendix C1 to the Listing Rules was not applicable to the Company prior to the Listing Date.

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. After the Listing, the Company has adopted the CG Code as its own code of corporate governance. Save as disclosed below, the Company has been in compliance with all applicable code provisions under the CG Code for the period from the Listing Date to the date of this announcement. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the code provisions under the CG Code.

Pursuant to code provision C.2.1 in the CG Code, the roles of chairman of the board and chief executive officer should be separate and should not be performed by the same individual. Dr. Li Zhifei is serving as the chairman of the Board as well as the chief executive officer of our Company. As Dr. Li Zhifei has been managing our Group's business and overall strategic planning for several years, our Directors consider that vesting the roles of chairman and chief executive officer in Dr. Li Zhifei is beneficial to the business prospects and management of our Group by ensuring consistent leadership within our Group. Taking into account all the corporate governance measures implemented by the Group, our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Accordingly, our Company had not segregated the roles of its chairman and chief executive officer. Our Board will continue to review and consider splitting the roles of chairman of our Board and the chief executive officer of our Company at an appropriate time if necessary, taking into account the circumstances of our Group as a whole.

### **Purchase, Sale or Redemption of the Company's Listed Securities**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) from the Listing Date to December 31, 2024. As at December 31, 2024, there is no treasury shares held by the Company.

### **Compliance with Model Code of Listing Rules**

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions of the Directors. Having made specific enquiry with all Directors, each Director has confirmed his/her compliance with the Model Code from the Listing Date to the date of this announcement.

## **Subsequent Events**

There were no significant events after December 31, 2024 and up to the date of this announcement that would have a material impact on the operating and financial performance of the Group.

## **Review of the Annual Results**

The Audit Committee, comprising three independent non-executive Directors, namely Mr. Chen Yilyu (chairman of the Audit Committee), Prof. Lu Yuanzhu and Mr. Yang Zhe, has reviewed the consolidated financial statements of the Company for the year ended December 31, 2024, with the Company's management. The Audit Committee has also reviewed the accounting policies and practices adopted by the Company and discussed matters related to (among others) the Group's risk management, internal controls, and financial reporting with the management and the auditors. Based on this review and discussions with the management, the Audit Committee is satisfied that the Group's consolidated financial statements have been prepared in accordance with applicable accounting standards and fairly present the financial position and performance of the Group for the year ended December 31, 2024.

## **Procedures Performed by the Auditors on the Annual Results**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in this announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on this announcement.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at <https://www.chumenwenwen.com/>.

The 2024 annual report of the Company will be published on the website of the Stock Exchange and the website of the Company in due course.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2024

(Expressed in Renminbi (“RMB”))

		Year ended December 31,	
	Note	2024	2023
		RMB'000	RMB'000
<b>Revenue</b>	5	<b>390,348</b>	507,060
Cost of sales		<u>(186,940)</u>	<u>(180,981)</u>
<b>Gross profit</b>		<b>203,408</b>	326,079
Other income and loss, net	6	<b>16,263</b>	24,708
Research and development expenses		<b>(136,916)</b>	(154,746)
Selling and marketing expenses		<b>(196,004)</b>	(150,711)
Administrative expenses		<b>(88,313)</b>	(88,987)
Impairment losses recognized on trade receivables		<u><b>(5,505)</b></u>	<u>(3,885)</u>
<b>Loss from operations</b>		<b>(207,067)</b>	(47,542)
Finance costs	7(a)	<b>(611)</b>	(253)
Gain on disposal of subsidiaries		<b>—</b>	773
Changes in fair value of financial assets		<b>(33,351)</b>	—
Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares	19	<u><b>(480,455)</b></u>	<u>(753,785)</u>
<b>Loss before taxation</b>	7	<b>(721,484)</b>	(800,807)
Income tax	8(a)	<u><b>(6)</b></u>	<u>(1,795)</u>
<b>Loss for the year attributable to equity shareholders of the Company</b>		<u><b>(721,490)</b></u>	<u>(802,602)</u>

		<b>Year ended December 31,</b>	
	<i>Note</i>	<b>2024</b>	<b>2023</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Other comprehensive income for the year (after tax):</b>			
Item that will not be reclassified to profit or loss:			
Exchange differences on translation of financial statements		<b>12,388</b>	(38,803)
Items that may be reclassified subsequently to profit or loss:			
Change in the fair value of financial assets measured at fair value through other comprehensive income		<b>401</b>	1,783
Exchange differences on translation of financial statements of overseas subsidiaries		<u><b>(30,363)</b></u>	<u>(27,821)</u>
<b>Other comprehensive income for the year</b>		<u><b>(17,574)</b></u>	<u>(64,841)</u>
<b>Total comprehensive income for the year attributable to equity shareholders of the Company</b>		<u><b>(739,064)</b></u>	<u>(867,443)</u>
<b>Loss per share</b>	<b>9</b>		
Basic and diluted ( <i>RMB</i> )		<u><b>(0.59)</b></u>	<u>(1.28)</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

(Expressed in RMB)

		As at December 31,	
	Note	2024	2023
		RMB'000	RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		2,607	2,343
Right-of-use assets		7,885	3,293
Intangible assets		5,199	5,291
		<u>15,691</u>	<u>10,927</u>
<b>Current assets</b>			
Inventories	10	66,874	66,734
Trade receivables	11	48,292	57,981
Prepayments, deposits and other receivables	12	48,821	44,484
Financial assets measured at fair value through profit or loss (“FVPL”)	13	65,319	34,844
Financial assets measured at fair value through other comprehensive income (“FVOCI”)	14	122,400	47,066
Restricted deposits		1,313	780
Cash and cash equivalents	15	156,535	144,324
		<u>509,554</u>	<u>396,213</u>

		As at December 31,	
	Note	2024	2023
		RMB'000	RMB'000
<b>Current liabilities</b>			
Trade payables	16	33,659	24,552
Other payables and accruals	17	67,719	63,312
Contract liabilities		61,238	53,131
Bank loan	18	20,000	—
Lease liabilities		4,540	3,148
Contingently redeemable preferred shares and ordinary shares	19	—	4,353,833
Current taxation		10	975
Warranty provisions		12,795	18,479
		<u>199,961</u>	<u>4,517,430</u>
<b>Net current assets/(liabilities)</b>		<u>309,593</u>	<u>(4,121,217)</u>
<b>Total assets less current liabilities</b>		<u>325,284</u>	<u>(4,110,290)</u>
<b>Non-current liabilities</b>			
Lease liabilities		4,656	313
Non-current contract liabilities		16,330	19,738
		<u>20,986</u>	<u>20,051</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>304,298</u>	<u>(4,130,341)</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		501	138
Reserves		303,797	(4,130,479)
<b>TOTAL EQUITY/(DEFICIT) ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY</b>		<u>304,298</u>	<u>(4,130,341)</u>

# NOTES TO THE FINANCIAL STATEMENTS

*(Expressed in RMB)*

## 1 Corporate information

Mobvoi Inc. (“**the Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands on August 31, 2012. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on April 24, 2024 (the “**Listing**”). The Company is an investment holding company. The Company and its subsidiaries, (together, “**the Group**”) are principally engaged in rendering of Artificial Intelligence (“**AI**”) software solutions and sale of smart devices and other accessories to enterprise and individual customers.

## 2 Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“**IASB**”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 4 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

## 3 Basis of preparation of the financial statements

The consolidated financial statements for the year ended December 31, 2024 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

— investments in debt and equity securities.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### 4 Changes in accounting policies

The Group has applied the following amendments to IFRS Accounting Standards issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to IAS 1, *Presentation of financial statements — Non-current liabilities with covenants* (“**2022 amendments**”)
- Amendments to IFRS 16, *Leases — Lease liability in a sale and leaseback*
- Amendments to IAS 7, *Statement of cash flows* and IFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 5 Revenue and segment reporting

### (a) Revenue

The principal activities of the Group are providing AI Software Solutions and sale of Smart Devices and Other Accessories. AI Software Solutions mainly include making use of AIGC solutions and innovative full-stack AI enterprise solutions. Smart Devices and Other Accessories include the sale of smart devices. Further details regarding the Group's principal activities are disclosed in Note 5(b).

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue from contracts with customers</b>		
<b>within the scope of IFRS 15</b>		
Disaggregated by major products or service lines		
AI Software Solutions		
— AIGC solutions	<b>221,677</b>	117,605
— AI enterprise solutions	<b>16,423</b>	225,642
Smart Devices and Other Accessories	<b>152,248</b>	163,813
	<b>390,348</b>	<b>507,060</b>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Notes 5(b)(i) and 5(b)(iii) respectively.

For the years ended December 31, 2024 and 2023, the Group's customers with whom transactions have exceeded 10% of the Group's revenue in the respective years are as follows.

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Automotive Sub A*	<i>Note</i>	138,752
Customer A**	<b>72,753</b>	<b>59,523</b>

*Note:* Less than 10% of the revenue of the respective year

\* Revenue from AI enterprise solutions services.

\*\* Revenue from Smart Devices and Other Accessories.

- (ii) *Revenue expected to be recognized in the future arising from contracts with customers in existence at the reporting date*

As at December 31, 2024, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB16,330,000 (2023: RMB19,738,000). This amount represents revenue expected to be recognized in the future from sales contracts entered into by the customers with the Group. The Group will recognize the expected revenue in future when performance obligations are satisfied which is expected to occur over the next 12 to 24 months.

The Group has also applied the practical expedient in paragraph 121(a) of IFRS 15 and to its sales contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales that had an original expected duration of one year or less.

**(b) *Segment reporting***

The Group manages its businesses by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker (“**CODM**”) for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- **AI Software Solutions:** this segment includes AI enterprise solutions and AIGC solutions.

AI enterprise solutions: this segment includes innovative full-stack AI-based solutions primarily to enterprise customers; and

AIGC solutions: this segment includes the use of AI technologies to assist users to generate content.

- **Smart Devices and Other Accessories:** this segment includes the sale of smart devices.

**(i) *Segment results***

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those. The measure used for reporting segment result is gross profit.

The Group's CODM monitors the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities information are presented.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the years ended December 31, 2024 and 2023 is set out below.

	For the year ended December 31, 2024			
	AI software solutions			
	AIGC solutions	AI enterprise solutions	Smart Devices and Other Accessories	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Disaggregated by timing of revenue recognition				
Point in time	57,421	12,288	152,248	221,957
Over time	164,256	4,135	—	168,391
Revenue from external customers and reportable segment revenue	221,677	16,423	152,248	390,348
Reportable segment gross profit	191,437	10,193	1,778	203,408
	For the year ended December 31, 2023			
	AI software solutions			
	AIGC solutions	AI enterprise solutions	Smart Devices and Other Accessories	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Disaggregated by timing of revenue recognition				
Point in time	12,364	212,939	163,813	389,116
Over time	105,241	12,703	—	117,944
Revenue from external customers and reportable segment revenue	117,605	225,642	163,813	507,060
Reportable segment gross profit	108,384	182,517	35,178	326,079

(ii) *Reconciliations of reportable segment results*

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Reportable segment adjusted gross profit	<b>203,408</b>	326,079
Other income and loss, net	<b>16,263</b>	24,708
Research and development expenses	<b>(136,916)</b>	(154,746)
Selling and marketing expenses	<b>(196,004)</b>	(150,711)
Administrative expenses	<b>(88,313)</b>	(88,987)
Impairment losses recognized on trade receivables	<b>(5,505)</b>	(3,885)
Finance costs	<b>(611)</b>	(253)
Gain on disposal of interest in subsidiaries	<b>—</b>	773
Changes in fair value of financial assets	<b>(33,351)</b>	—
Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares	<b>(480,455)</b>	(753,785)
Loss before taxation	<b>(721,484)</b>	(800,807)

(iii) *Geographic information*

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

	<b>Revenues from external customers</b>	
	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Mainland China	<b>227,045</b>	328,512
Other countries or regions	<b>163,303</b>	178,548
	<b>390,348</b>	507,060

## 6 Other income and loss, net

	Year ended December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	4,584	19,748
Interest income	10,971	3,896
Net foreign exchange loss	(2,285)	(1,474)
Value added tax and other tax refund	692	1,148
Others	2,301	1,390
	<u>16,263</u>	<u>24,708</u>

## 7 Loss before taxation

### (a) Finance costs

	Year ended December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Interest on the bank loan	355	19
Interest on lease liabilities	256	234
	<u>611</u>	<u>253</u>

### (b) Staff costs

	Year ended December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Salaries, wages and other benefits	136,725	172,727
Equity-settled share-based payment expenses	12,851	41,698
	<u>149,576</u>	<u>214,425</u>

(c) *Other items*

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
Depreciation charge		
— property, plant and equipment	1,499	956
— right-of-use assets	5,268	6,694
Amortization cost of intangible assets	6,465	3,500
Impairment losses recognized		
— trade receivables	5,505	3,885
Listing expenses	17,885	24,654
Auditors' remuneration		
— audit services	2,561	182
(Decrease)/increase in warranty	<u>(5,684)</u>	<u>2,012</u>

8 **Income tax**

(a) *Taxation in the consolidated statements of profit or loss and other comprehensive income represent:*

	Year ended December 31,	
	2024	2023
	RMB'000	RMB'000
<b>Current tax</b>		
Provision for the year	<u>6</u>	<u>1,795</u>

*Notes:*

- (i) Under the PRC Income Tax Laws, an enterprise which qualifies as a High and New Technology Enterprise (the “HNTe”) is entitled to a preferential tax rate of 15% provided it continues to meet HNTe qualification standards on an annual basis.

Beijing Yushanzhi Information Technology Company Limited, Wenwen Smart Information Technology Company Limited and Shanghai Mobvoi Information Technology Company Limited qualify as an HNTe and is entitled for a preferential tax rate of 15% from 2023 to 2025. Mobvoi Information Technology Company Limited

qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2024 to 2026. Mobvoi Innovation Technology Company Limited qualifies as an HNTE and is entitled for a preferential tax rate of 15% from 2022 to 2024. In addition to the preferential PRC Corporate Income Tax rate, these subsidiaries are also entitled to an additional tax deductible allowance calculated at 100% of their qualified research and development costs incurred in corresponding period, other subsidiaries are entitled to an additional tax deductible allowance calculated at 100% of qualified research and development costs incurred from October 1, 2022.

All other PRC subsidiaries of the Group are subject to the statutory enterprise income tax rate of 25%.

- (ii) The Company was incorporated in the Cayman Islands and it is tax exempted under the tax laws of the Cayman Islands.
- (iii) The provision for Hong Kong Profits Tax for the year ended December 31, 2024 is calculated at 16.5% of the estimated assessable profits for the year, except for one subsidiary of the Group which is under the two-tiered profits tax rate regime, i.e. the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2023.

**(b) Reconciliation between tax expense and accounting loss at applicable tax rates**

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Loss before taxation	<b>(721,484)</b>	(800,807)
Tax at the PRC income tax rate of 25%	<b>(180,371)</b>	(200,202)
Tax effects of:		
— additional deduction on research and development expenses	<b>(24,974)</b>	(39,220)
— preferential tax rate	<b>7,327</b>	(3,321)
— different tax rates of foreign jurisdictions	<b>150,077</b>	208,443
— non-deductible expenses	<b>16,938</b>	686
— utilization of tax losses and deductible temporary difference previously not recognized	<b>(2,941)</b>	(27,547)
— tax losses and deductible temporary difference not recognized	<b>33,950</b>	62,956
Income tax	<b><u>6</u></b>	<b><u>1,795</u></b>

(c) *Pillar Two income taxes*

The Group is in the process of making an assessment of the Group's exposure from the enactment of the Pillar Two model rules published by the Organization for Economic Co-operation and Development and considers that the enactment of the rules is unlikely to have a significant impact on the consolidated financial statements.

9 **Loss per share**

(a) *Basic and diluted loss per share*

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB721,490,000 (2023: RMB802,602,000) and the weighted average of 1,228,587,000 ordinary shares (2023: 626,458,000 ordinary shares) deemed to be in issue during the year, calculated as follows:

Notwithstanding that most of the issued ordinary shares are classified as puttable financial instruments and the Company's obligation to redeem those ordinary shares give rise to a financial liability until the ninth amended and restated memorandum and articles of association of the Company becomes effective on the date of Listing, the calculation of weighted average number of ordinary shares was determined based on all issued ordinary shares (including those that give rise to a financial liability) as all of these ordinary shares are of the same class having the same rights to receive dividends.

*Weighted average number of ordinary shares*

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>No. of shares</b>	<b>No. of shares</b>
	<b>'000</b>	<b>'000</b>
Issued ordinary shares at January 1,	<b>626,458</b>	626,458
Effect of conversion of contingently redeemable preferred shares to ordinary shares	<b>535,238</b>	—
Effect of ordinary shares issued by initial public offering and over-allotment option	<b>64,435</b>	—
Effect of share options exercised	<b>2,456</b>	—
	<hr/>	<hr/>
Weighted average number of ordinary shares at December 31,	<b><u>1,228,587</u></b>	<b><u>626,458</u></b>

For the year ended December 31, 2024 and 2023, the contingently redeemable preferred shares (Note 19), the share options issued under the Company's share option scheme and the restricted shares granted under the Restricted Share Unit Scheme were not included in the calculation of diluted loss per share as their inclusion would have been anti-dilutive. Accordingly, diluted loss per share for the year ended December 31, 2024 and 2023 are the same as basic loss per share for the respective years.

**(b) Adjusted basic and diluted loss per share**

As disclosed in Note 19, the changes in the carrying amount of the financial liability arising from the Company's obligation to redeem those ordinary shares classified as puttable financial instruments is recognized in profit or loss. Consistent with treating all issued ordinary shares (including those that give rise to a financial liability) as outstanding and included in the calculation of weighted average number of ordinary shares above, the following additional information is provided to adjust for the changes in the carrying amount of the above-mentioned financial liability in arriving at the "adjusted loss attributable to ordinary equity shareholders of the Company":

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Loss attributable to ordinary equity shareholders of the Company	<b>(721,490)</b>	(802,602)
Changes in the carrying amount of contingently redeemable ordinary shares	<b>260,074</b>	374,715
Adjusted loss attributable to ordinary equity shareholders of the Company	<b><u>(461,416)</u></b>	<b><u>(427,887)</u></b>
	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Basic and diluted loss per share excluding changes in the carrying amount of contingently redeemable ordinary shares (RMB)	<b><u>(0.38)</u></b>	<b><u>(0.68)</u></b>

The denominators used in the calculation of adjusted basic and diluted loss per share for the year ended December 31, 2024 and 2023 are the same as those detailed in the calculation of basic and diluted loss per share.

## 10 Inventories

	As at December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Finished goods	91,115	87,397
Raw materials	4,121	9,041
	<u>95,236</u>	<u>96,438</u>
Less: write down of inventories	(28,362)	(29,704)
	<u>66,874</u>	<u>66,734</u>

The analysis of the amount of inventories recognized as an expense and included in the consolidated statement of profit or loss and other comprehensive income is as follows:

	Year ended December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of inventories sold	94,422	100,166
Write down of inventories	34,898	21,974
	<u>129,320</u>	<u>122,140</u>

## 11 Trade receivables

	As at December 31,	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts due from third parties	60,184	69,266
Less: loss allowance	(11,892)	(11,285)
	<u>48,292</u>	<u>57,981</u>

All of the trade receivables are expected to be recovered or recognized as expense within one year.

### *Aging analysis*

As at the end of each reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Within 90 days	<b>47,796</b>	56,592
90–360 days	<b>496</b>	1,389
	<b>48,292</b>	<b>57,981</b>

Trade receivables are generally due within 90 days from the invoice date.

## **12 Prepayments, deposits and other receivables**

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Prepayments for:		
— Commissioned processing fee and inventory	<b>1,299</b>	1,912
— Marketing fees	<b>9,840</b>	4,133
— Costs incurred in connection with the proposed listing of the Company's shares	<b>—</b>	1,666
	<b>11,139</b>	7,711
Deductible input VAT	<b>14,312</b>	9,321
Refundable VAT for export sales	<b>14,258</b>	17,637
Deposits	<b>3,333</b>	4,083
Due from a related party	<b>4,971</b>	4,971
Others	<b>862</b>	815
	<b>37,736</b>	36,827
Less: loss allowance	<b>(54)</b>	(54)
	<b>37,682</b>	36,773
	<b>48,821</b>	<b>44,484</b>

### 13 Financial assets measured at fair value through profit or loss

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Wealth management products ( <i>Note (i)</i> )	65,319	—
Other investment in equity securities ( <i>Note (ii)</i> )	—	34,844
	<u>65,319</u>	<u>34,844</u>

*Notes:*

- (i) As at July 22, 2024, the Board announced that the Company subscribed for the Wealth Management Product issued by HTIFP (Huatai International Financial Products Limited) with its own funds with a subscription amount of US\$8,877,000. The Wealth Management Product is linked to the credit of collateralized loan obligation. The principal amount and expected returns of these wealth management products are not guaranteed.
- (ii) As at December 31, 2024, management assessed that the fair value of the other investment in equity securities is close to Nil.

### 14 Financial assets measured at fair value through other comprehensive income

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Investment in unlisted equity securities	12,783	—
Certificates of deposit	109,617	47,066
	<u>122,400</u>	<u>47,066</u>

### 15 Cash and cash equivalents

	As at December 31,	
	2024	2023
	RMB'000	RMB'000
Cash at bank	19,936	31,001
Time deposits and highly liquid investments with initial terms within three months	136,599	113,323
	<u>156,535</u>	<u>144,324</u>

As at December 31, 2024, cash and cash equivalents situated in Chinese Mainland amounted to RMB125,828,000 (December 31, 2023: RMB18,442,000). Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

## 16 Trade payables

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Amount due to third parties	<b>33,659</b>	<b>24,552</b>

As at the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Within one year	<b>33,659</b>	<b>24,552</b>

All of the trade payables are expected to be settled within one year or are repayable on demand.

## 17 Other payables and accruals

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Payables for services	<b>2,010</b>	6,602
Payables for advertising	<b>2,262</b>	8,851
Payables for research and development related costs	<b>19,192</b>	1,402
Others	<b>1,176</b>	2,417
<b>Financial liabilities measured at amortized cost</b>	<b>24,640</b>	19,272
Payroll and welfare payable	<b>12,635</b>	18,005
Other tax payables	<b>30,444</b>	26,035
	<b>67,719</b>	<b>63,312</b>

## 18 Bank loan

As at December 31, 2024, the bank loan was unsecured, bore a fixed interest rate of 2.9% per annum and repayable within one year.

## 19 Contingently redeemable preferred shares and ordinary shares

	<b>As at December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
Contingently redeemable preferred shares	—	2,458,493
Contingently redeemable ordinary shares	—	1,895,340
	<u>—</u>	<u>1,895,340</u>
	<u><u>—</u></u>	<u><u>4,353,833</u></u>

The movements of the contingently redeemable preferred shares and ordinary shares during the years ended December 31, 2024 and 2023 are set out as below:

	<b>2024</b>	<b>2023</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
At January 1,	<b>4,353,833</b>	3,536,115
Changes in the carrying amount of financial liabilities	<b>480,455</b>	753,785
Extinguishment of contingently redeemable ordinary shares of the Company upon the Listing	<b>(2,158,590)</b>	—
Conversion of contingently redeemable preferred shares into ordinary shares of the Company upon the Listing	<b>(2,689,306)</b>	—
Effect of foreign exchange rate changes	<b>13,608</b>	63,933
	<u><u>—</u></u>	<u><u>63,933</u></u>
At December 31,	<u><u>—</u></u>	<u><u>4,353,833</u></u>

*(a) Issuance of the contingently redeemable preferred shares and ordinary shares*

The key terms of the preferred shares and ordinary shares are summarized as follow:

*Redemption features*

Upon the occurrence of certain specified triggering events including failure of a qualified IPO or share sale by a specified date (“**Maturity Redemption Event**”) and the earlier of 1) captive structure of certain entities within the Group becoming invalid, illegal or unenforceable pursuant to applicable laws and 2) a material breach of the representations and warranties or undertakings (“**Breach Redemption Event**”), which are not all within the control of the Company, the Company shall redeem all or part of the then issued and outstanding preferred shares upon request at the redemption price of 100% of the issue price with an 8% compound per annum return calculated from the issue date, plus any accrued but unpaid dividends upon a Maturity Redemption Event, or 150% of the issue price plus any accrued but unpaid dividends upon a Breach Redemption Event.

In addition to the above redemption rights, in the event that, as a result of any person holding a direct or indirect interest in any shares (the “**Subject Shares**”), any Governmental Authority shall (a) prohibit any of the group companies from distributing all or any part of the earnings or cash or other assets thereof to its shareholders based outside of the PRC, or (b) refuse to grant, revoke or suspend any consent, approval, license or permit (the “**Consent**”) necessary for the operation, maintenance, ownership or status of any Group Company, or the conduct of its business in the ordinary course, and the Person holding such interest fails to cure such situation within 30 days after receiving written notice from the Company, then to the extent necessary to eliminate such prohibition or to secure such Consent, the Company shall, at the request of the Board or the Majority Investors, repurchase up to all of such Subject Shares (the “**Redeemed Shares**”) at the redemption price per share equal to the higher of (i) (A) with respect to the Ordinary Shares, the original subscription price thereof (as adjusted for any share dividends, combinations, splits, recapitalizations and the like), (B) with respect to the Preferred Shares, the breach redemption price, and (ii) the fair market value thereof as determined by an independent appraiser as appointed by the Board of Directors in good faith. Subject to the restriction under the Cayman Companies Act, the Company’s obligation to repurchase ordinary shares and preferred shares will not cause the Company to redeem all its shares such that there will be at least one share that is not puttable to the Company.

Except for the share that is not puttable to the Company due to the restriction under the Cayman Companies Act, the issued ordinary shares and preferred shares of the Company are puttable financial instruments, which include the contractual obligation for the Company to repurchase the shares upon the occurrence of the event as mentioned above. The Company's obligation to redeem the ordinary shares and preferred shares give rise to a financial liability, which is measured at the present value of the redemption amount under the worst-case approach. Changes in the carrying amount of the financial liability arising from the remeasurement of the redemption amount is recognized in profit or loss as "Changes in the carrying amount of contingently redeemable preferred shares and ordinary shares".

#### *Liquidation preference*

In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or in the event of any Deemed Liquidation Event, all assets and funds of the Company legally available for distribution shall be distributed at the issue price of the preferred shares in the following order: Series D Preferred shares, Series C Preferred shares, Series B Preferred shares, Series A-2 preferred shares, Series A-1 Preferred shares and Series A Preferred shares. After the preference amount of preferred shares have been paid in full, the remaining assets and funds of the Company available for distribution shall be ratably distributed among all ordinary shareholders and preferred shareholders on an as-converted basis.

#### *Conversion features*

Any preferred share may, at the option of the holder, be converted at any time after the date of issuance of such shares into fully-paid and non-assessable ordinary shares based on the applicable then-effective conversion Price.

Each preferred share shall automatically be converted, based on the applicable then-effective conversion price into fully-paid and non-assessable ordinary shares upon the earlier of (i) the closing of a Qualified IPO, or (ii) the date specified by written consent or agreement of the majority of certain series of preferred shareholders.

The then-effective conversion price shall initially be the issue price of preferred shares and shall be subject to adjustment and readjustment from time to time as including but not limited to share splits and combinations, provided that the conversion price shall not be less than the par value of the ordinary Shares.

***(b) Expiration of the contingently redeemable preferred shares and ordinary shares***

The preferential rights to redeem the preferred shares upon the occurrence of a Maturity Redemption Event or a Breach Redemption Event and the liquidation priority of the preferred shares have expired when the preferred shares were automatically converted into ordinary shares upon the Listing of the Company's shares on the Stock Exchange.

The contractual obligation for the Company to repurchase the ordinary and preferred shares upon the occurrence of the event as mentioned under redemption features in Note 19(a) has been terminated upon the ninth amended and restated memorandum and articles of association of the Company becoming effective on the date on which the Company's shares are listed on the Stock Exchange.

Accordingly, the carrying amount of the financial liabilities arising from the Company's contingent redemption obligation were reclassified to share capital, share premium and capital reserve within equity.

**20 Dividends**

No dividends were paid by the Group during the reporting period. The Company did not declare and pay any dividends since its incorporation.

## DEFINITION

“AGI”	artificial general intelligence
“AI”	artificial intelligence
“AI Software Solutions”	comprise AIGC solutions and AI enterprise solutions
“AIGC”	AI-generated content, meaning leveraging artificial intelligence to automate content generation and to generate personalized content according to user-inputted keywords or requirements
“Audit Committee”	the audit committee of the Board
“Automotive Sub A”	a limited liability company incorporated under the laws of China and principally engages in investment and research and development in technologies, which is a subsidiary of Automotive Corporation Group. Please refer to the section headed “Business — Our Solutions — AI Software Solutions — AI enterprise solutions — IP rights arrangements with Automotive Sub A” of the prospectus for the details of the IP rights arrangements between Automotive Sub A and the Company
“Board”	board of directors
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Mobvoi Inc. (出門問問有限公司), an exempted company with limited liability incorporated in the Cayman Islands on August 31, 2012, the Shares of which were listed on the Main Board of the Stock Exchange (stock code: 2438)
“Director(s)”	the director(s) of the Company
“DupDub”	an overseas integrated version of certain of the applications in our Group’s AIGC solution matrix, namely (i) “Moyin Workshop”, (ii) “AI Ask365”, (iii) “Qi Miao Wen” and (iv) “Weta365”

“end-to-end”	the process from users beginning to interact with a machine till the machine has completed the generation of outcomes, and specifically includes the procedures of noise reduction, voice recognition, semantic understanding, searching and voice synthesis
“Global Offering”	has the meaning ascribed thereto in the prospectus of the Company dated April 16, 2024
“Group”, “our”, “we” or “us”	the Company and our subsidiaries from time to time or, where the context so requires, in respect of the period before the Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IAS”	International Accounting Standards
“IFRS”	IFRS Accounting Standards issued by the International Accounting Standards Board
“large language model”	a large-scale model that is trained with more than 1 billion parameters and is able to perform multi-domain tasks, understand and generate humanized text
“Listing”	the listing of the Shares on the Main Board
“Listing Date”	April 24, 2024, being the date on which dealings in the Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“multi-modal”	an ability of a large language model to generate diverse content that incorporates, integrates and encompasses multiple modes and modalities from difference sources, such as texts, audios, images and videos

“paying user”	in any given year/period, a user who makes payment(s) for subscription, renewal and/or other purchases on any of our content creation platforms among our AIGC solutions
“PRC” or “China”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of PRC and Taiwan
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by our Company on October 19, 2015, the principal terms of which are set out in the section headed “Statutory and General Information — D. Share Incentive Schemes — 1. Pre-IPO Share Option Scheme” in Appendix IV in the prospectus of the Company
“prospectus”	the prospectus of the Company dated April 16, 2024
“registered user”	a user account that registered for any of our content creation platforms among our AIGC solutions
“Reporting Period”	from January 1, 2024, to the year ended December 31, 2024
“RMB”	Renminbi, the lawful currency of the PRC
“Sequence Monkey”	an upgraded large language model self-developed by our Company based on UCLAI in 2023, which is equipped with multi-modal generative capability (i.e. being able to generate image, video and speech recognition in addition to text) and possesses natural language understanding, knowledge, logic and reasoning capabilities, and is able to conduct much larger scale of model trainings than UCLAI
“Share(s)”	ordinary share(s) of nominal value of US\$0.0000479889 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Smart Devices and Other Accessories”	comprise hardware-software smart devices such as AI smart watches and AI smart treadmills that are integrated with AI modules, IoT, voice AI interaction technologies and software apps, and other accessories
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“treasury share(s)”	has the meaning ascribed thereto under the Listing Rules
“UCLAI”	a universal Chinese language AI, a large language model self-developed by our Company in 2020
“user-in-the-loop”	enhancing model training and optimizing output through utilization of human-machine interaction data
“%”	per cent.

By order of the Board

**Mobvoi Inc.**

**Dr. Li Zhifei**

*Chief Executive Officer, Chairman and Executive Director*

Hong Kong, March 27, 2025

*As at the date of this announcement, the Board of the Company comprises Dr. Li Zhifei and Ms. Li Yuanyuan as executive Directors; and Mr. Chen Yilyu, Prof. Lu Yuanzhu and Mr. Yang Zhe as independent non-executive Directors.*