



robosense

RoboSense Technology Co., Ltd

速騰聚創科技有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 2498



2025

ANNUAL REPORT



robosense

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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Dr. Qiu Chunxin *(Chairman of the Board and Chief Scientist)*

Mr. Liu Letian *(Chief Technology Officer)*

Mr. Qiu Chunchao *(Chief Executive Officer)*

Non-executive Director

Dr. Zhu Xiaorui *(Scientific Advisor)*

Independent Non-executive Directors⁽¹⁾

Mr. Liu Ming

Mr. Ng Yuk Keung

Ms. Yang Rixin

AUDIT COMMITTEE

Mr. Ng Yuk Keung *(Chairperson)*

Mr. Liu Ming

Dr. Zhu Xiaorui

REMUNERATION COMMITTEE⁽¹⁾

Ms. Yang Rixin *(Chairperson)*

Mr. Liu Ming

Dr. Zhu Xiaorui

NOMINATION COMMITTEE⁽¹⁾

Dr. Qiu Chunxin *(Chairperson)*

Ms. Yang Rixin

Mr. Ng Yuk Keung

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Dr. Qiu Chunxin *(Chairperson)*

Mr. Liu Letian

Mr. Qiu Chunchao

AUTHORIZED REPRESENTATIVES

Mr. Qiu Chunchao

Ms. Lau Yee Wa

JOINT COMPANY SECRETARIES

Mr. Lau Wing Kee

Ms. Lau Yee Wa

COMPLIANCE ADVISOR

Maxa Capital Limited

Unit 2602, 26/F, Golden Centre

188 Des Voeux Road Central

Sheung Wan Hong Kong

REGISTERED OFFICE

Maples Corporate Services Limited

P O Box 309

Ugland House

Grand Cayman

KY1-1104, Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Building 9

Zhongguan Honghualing Industry

Southern District

1213 Liuxian Avenue, Taoyuan Street

Nanshan District, Shenzhen, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1912, 19/F

Lee Garden One, 33 Hysan Avenue

Causeway Bay, Hong Kong

CORPORATE INFORMATION

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER OFFICE IN THE CAYMAN
ISLANDS**

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman
KY1-1102, Cayman Islands

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

LEGAL ADVISOR AS TO HONG KONG LAWS

Linklaters

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

COMPANY WEBSITE

www.robosense.ai/en

PRINCIPAL BANKS

CMB Wing Lung Bank
Pingan Bank Co., Ltd., H.O., Offshore Banking
Department
Bank of China Limited, Shenzhen Nantou sub-branch

Note:

- [1] Mr. Feng Jianfeng resigned as an independent non-executive Director, the chairperson of the Remuneration Committee and a member of the Nomination Committee of our Company with effect from July 30, 2025. Ms. Yang Rixin was appointed as an independent non-executive Director, the chairperson of the Remuneration Committee and a member of the Nomination Committee of our Company with effect from July 30, 2025.



CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to present to all Shareholders the annual report for the year ended December 31, 2025.

The year 2025 marked a breakthrough for RoboSense on both the technological innovation and commercial fronts. At the beginning of the year, we announced our AI robotics strategy, sounding the clarion call for our march towards becoming a world-leading robotics company, and embarking on a new journey from building the “eyes of robots” to exploring “hand-eye coordination.”

In 2025, RoboSense LiDAR achieved robust growth of multiple times, with total sales volume approaching one million units. Among these, our robotics business experienced explosive growth, with annual LiDAR sales exceeding 300,000 units, representing a year-on-year increase of more than 11 times, ranking first globally⁽¹⁾.

These figures reflect our solid endeavors with global partners across four key sectors:

In the field of lawn mowing robots, we have become the global champion in LiDAR sales volume. In the Robotaxi sector, we are providing LiDAR combination solutions for the next-generation vehicle models of leading global companies. In the unmanned delivery sector, we stand alongside 90% of the industry's leading customers, building a new paradigm for more efficient and safer logistics and delivery. At the frontier of embodied intelligence, we are the top-selling LiDAR provider for humanoid robot applications, and are jointly exploring the future form of robotics with nearly 50 of the world's top innovative enterprises, including Unitree and AgiBot, among others.

In the field of intelligent driving, we deliver sustained empowerment through high-performance digital products. The digital product matrix we launched this year – from EM4, the world's only mass-producible ultra-500-beam digital LiDAR, to EMX, a 192-beam digital LiDAR targeting the intelligent driver assistance sector, and E1, the world's first fully solid-state blind-spot LiDAR – have all achieved generation-leading breakthroughs. We have already established partnerships with a number of the world's leading automotive enterprises, completing our global footprint spanning Asia-Pacific, North America, and Europe.

Underpinning all of this is the core technological breakthrough we have consistently focused on: full-stack in-house development of chip architecture.

Note:

[1] Source: GGII (Gaogong Robot Industry Research Institute), 2025 China 3D LiDAR Shipment Ranking in Robotics Industry



CHAIRMAN'S STATEMENT

In 2025, with our proprietary SPAD-SoC chip and 2D VCSEL chip having passed automotive-grade certification, RoboSense became the world's only technology enterprise to achieve full in-house development of the entire LiDAR transmission, reception, and processing chain of chips, all meeting automotive-grade standards.

As a result, our products have undergone a comprehensive digital upgrade, achieving large-scale application in the automotive and robotics sectors, delivering safer and smarter products to users.

This is not merely a product upgrade – it is a profound intelligent revolution. We believe that the era of physical AI is surging forward. RoboSense's ultimate purpose is to make robots a reliable extension of human productivity. We are committed to advancing through foundational technology, enabling robots to take on repetitive and hazardous labor, thereby liberating human beings to focus on creating and experiencing a better world.

Dr. Qiu Chunxin

Chairman of the Board, Executive Director and Chief Scientist

April 24, 2026



FINANCIAL SUMMARY

A summary of our results and assets and liabilities of our Group for the last five financial years, as extracted from the audited financial statements of our Group is set out below:

	For the year ended December 31,				
	2021	2022	2023	2024	2025
	(RMB in thousands)				
Revenue	331,063	530,322	1,120,149	1,648,902	1,941,008
Cost of sales	(190,795)	(569,617)	(1,026,509)	(1,365,349)	(1,426,856)
Gross profit/(loss)	140,268	(39,295)	93,640	283,553	514,152
Research and development expenses	(133,037)	(305,941)	(635,112)	(615,434)	(646,674)
Sales and marketing expenses	(46,891)	(67,381)	(86,010)	(110,284)	(128,073)
General and administrative expenses	(142,374)	(188,352)	(345,943)	(163,960)	(168,021)
Net impairment losses on financial assets	(2,884)	(2,502)	(2,288)	(11,769)	(1,174)
Other income	18,761	31,483	45,427	52,515	129,589
Other gains/(losses) – net	584	(44,118)	(10,296)	(18,826)	115,873
Operating loss	(165,573)	(616,106)	(940,582)	(584,205)	(184,328)
Finance (cost)/income – net	(928)	15,445	78,086	99,706	88,590
Share of net profit/(loss) of associates					
accounted for using the equity method	—	—	4,457	10,473	(13,398)
Impairment loss of an associate accounted					
for using the equity method	—	—	—	—	(16,531)
Fair value changes in financial instruments					
issued to investors	(1,487,788)	(1,484,649)	(3,471,058)	(2,799)	—
Loss before income tax	(1,654,289)	(2,085,310)	(4,329,097)	(476,825)	(125,667)
Income tax expenses	(237)	(803)	(1,869)	(4,980)	(19,299)
Loss for the period	(1,654,526)	(2,086,113)	(4,330,966)	(481,805)	(144,966)
(Loss)/profit attributable to:					
Owners of the Company	(1,658,730)	(2,088,652)	(4,336,629)	(481,827)	(145,922)
Non-controlling interests	4,204	2,539	5,663	22	956

FINANCIAL SUMMARY

	As of December 31,				
	2021	2022	2023	2024	2025
	(RMB in thousands)				
Total current assets	1,569,239	3,029,363	2,826,689	3,644,015	4,637,880
Total non-current assets	172,960	398,071	444,764	495,123	627,802
Total assets	1,742,199	3,427,434	3,271,453	4,139,138	5,265,682
Total current liabilities	4,317,313 ⁽¹⁾	8,378,094 ⁽¹⁾	12,246,480 ⁽¹⁾	911,187	1,206,923
Total non-current liabilities	60,805 ⁽¹⁾	86,598 ⁽¹⁾	94,812 ⁽¹⁾	154,772	253,320
Total liabilities	4,378,118	8,464,692	12,341,292	1,065,959	1,460,243
Total (deficits)/equity	(2,635,919)	(5,037,258)	(9,069,839)	3,073,179	3,805,439
Total (deficits)/equity and liabilities	1,742,199	3,427,434	3,271,453	4,139,138	5,265,682

Note:

- (1) Due to the Amendments to IAS 1 – Classification of Liabilities as Current or Non-current effective since January 1, 2024, the Group changed accounting policy on financial instruments issued to investors and reclassified the preferred shares as a current liability retrospectively by restating the balances as of December 31, 2021, 2022 and 2023.



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

RoboSense is an AI-driven robotic technology company that supplies advanced and reliable incremental components and solutions for the robotics industry. We are committed to becoming “a global leader in robotic technology platforms,” and our mission is to make “Safer world, Smarter life.” RoboSense was established in 2014 with its headquarters located in Shenzhen, China. We currently employ over 1,800 professionals and employees who are working in our offices in various countries and regions, including Shanghai, Suzhou and Hong Kong in China, Stuttgart in Germany, and Detroit and Silicon Valley in the United States.

BUSINESS REVIEW AND OUTLOOK

Review of our core strategic deployment and key achievements in 2025

2025 was an extremely challenging yet highly productive year for RoboSense.

Starting from the first quarter of 2025, our cooperation with one major OEM and one Tier-1 supplier was suspended.

At the same time, we observed highly positive signals in LiDAR industry. On one hand, intelligent driving technologies and commercial applications gradually formed a reinforcing cycle, driving a sharp surge in the demand for LiDAR. On the other hand, the rapid development of robotics and physical AI has led to the emerging of different LiDAR application scenarios, and each application scenario is expanding at a scale comparable to the size of the automotive market. We firmly believe that 2025 marked an inflection point for LiDAR industry and a critical year for our business development. It represented a key window for the Company to expand our businesses to other markets and the optimal time to optimize our business structure so as to mitigate performance volatility from over-reliance on a single market or a small number of key customers. In 2025, we led the industry into the digital era of LiDAR.

In the first quarter of 2025, leveraging our long-accumulated digital architecture, we launched a full portfolio of digital LiDAR products including EMX, EM4, E1R and Airy, officially initiating the paradigm shift of LiDAR from analog to digital architecture. This technological transformation is revolutionary, analogous to the shift from film cameras to digital cameras. In terms of resolution, it is challenging for traditional analog architecture using discrete components to mass produce LiDAR products that exceed 128 laser-beam channels. In contrast, digital LiDAR can easily surpass 1,000 laser-beam channels, while maintaining high cost-performance. Digital LiDAR fundamentally overturns the stereotype that LiDAR is limited in performance and prohibitively expensive.

In the second quarter of 2025, we started our market expansion activities. To date, our digital LiDAR products have achieved encouraging progress across Robotaxi, ADAS and general robotics segments, securing a large number of purchase orders.

MANAGEMENT DISCUSSION AND ANALYSIS

In the third quarter of 2025, alongside with our market expansion strategy, we also fully focused on preparing for mass production of digital LiDAR products, including production capacity expansion and supply chain optimization, making final preparations for large-scale product delivery expected to occur in the fourth quarter of 2025. During this quarter, a series of our self-developed semi-conductor chips obtained automotive-grade certification, and were ready for product reliability verification. Production lines for the digital LiDAR products launched in the first half of 2025 began the trial production operations. Products delivery performance in the first three quarters of 2025 largely reflected the final phase of legacy analog products. The mass production readiness and order backlog of digital products are the key factors to define and determine our future.

In the fourth quarter of 2025, all these efforts came to fruition – large-scale delivery of digital LiDAR products to customers officially commenced for the first time. In the automotive sector, both EM4 and EMX products entered into large-scale mass production stage. Notably, we helped Zeekr and IM Motors become the first SOP vehicles equipped with LiDAR featuring more than 500 laser-beam channels, achieving L4 level LiDAR perception capability. In the general robotics sector, we also saw exponential growth. E1R and Airy Lite both entered into large-scale mass production stage. We helped customers deploy high-performance solid-state LiDAR technology at scale in different robotics applications, and achieved a quarterly product shipment exceeding 200,000 units. Technological breakthrough, market expansion and production capacity readiness were all realized in the fourth quarter of 2025, resulting in our quarterly LiDAR shipment volume hitting a record high. We completed the full cycle from strategic layout to commercial harvest.

Review of our key achievements by business sector in 2025

Robotaxi

Our “EM4 main LiDAR + E1 blind-spot LiDAR” combination, relying on their industry-leading performance and high level of product and technology sophistication, quickly became the preferred solution for Robotaxi customers. In the analog era, our market share in this sector was approximately 10%. In the digital era, we have established cooperation with more than 90% of the world’s core Robotaxi and Robotruck players, including Baidu Apollo Go, DiDi Autonomous Driving, WeRide, Pony.ai and leading North American L4 players. We expect that our digital LiDARs will serve as the core safety sensors on these Robotaxi players’ next-generation mass-produced and commercially operated vehicles. We also strengthened our ecosystem position by joining NVIDIA’s Jetson, DRIVE and Omniverse ecosystems, building a comprehensive network covering mainstream automakers, mobility service providers and L4 autonomous driving companies, laying a solid foundation of LiDAR adoption for the large-scale deployment of Robotaxi fleets.

ADAS

For the L2+ market, our digital EMX, with 192 laser-beam channels high-density point clouds and a 300-meter detection range, has become the mainstream industry configuration. For higher-level L3 intelligent driving, our EM4 has become the industry’s only mass-producible digital LiDAR with more than 500 laser-beam channels. To date, our digital platform products have secured design wins for over 100 vehicle models.



MANAGEMENT DISCUSSION AND ANALYSIS

In the domestic market in China, in addition to our long-term partners such as a global leading new energy vehicle OEM and Geely, we have obtained more vehicle model design wins from other OEMs due to the industry-leading technology and high performance of our digital LiDAR products. We added new names to our OEM customer list, including a prominent emerging EV brand, a leading hardcore off-road and SUV manufacturer, one of the fastest-growing budget-oriented new automakers, and a leading extended-range new energy vehicle OEM. Beyond main LiDARs, multiple OEMs will, for the first time, install our digital fully solid-state blind-spot LiDAR in their SOP vehicle models this year.

Our overseas LiDAR products for ADAS applications business achieved comprehensive progress, covering all major automotive markets in Asia Pacific, Europe and North America. As of December 31, 2025, we have secured vehicle model design wins from 14 overseas and Sino-foreign joint venture OEMs. In 2025, RoboSense has already occupied more than 70% LiDAR supply market share in Sino-foreign joint venture OEMs' vehicles according to the research data published by Shujubang.com. In the Asia Pacific market, projects with Japan's top three automakers progressed steadily, and we continued to obtain new vehicle model design wins from Sino-foreign joint venture of leading Japanese OEMs. Among those European Sino-foreign joint-venture OEMs, we have secured new vehicle model design wins from the joint venture of a leading European luxury automaker, as well as multiple LiDAR pre-installation design wins from several Sino-foreign joint ventures established by the largest European automotive group. In North American market, we have obtained exclusive design wins for new vehicle models from several OEMs. In 2025, overseas revenue increased by more than 90% year-on-year, successfully accomplishing the transition from a leading enterprise in China to a global front-runner.

As of December 31, 2025, in the ADAS sector, we had secured a total of 163 vehicle model design wins from 34 OEMs and Tier 1 suppliers.

Robotics and General Robotics

By using our core digital LiDAR products, including E1R, Airy and Fairy, we have developed various perception solutions which are applied in diverse robotic scenarios. In lawn mower robotics market, in addition to Mammotion, we secured an exclusive design win with Navimow, a brand owned by Segway-Ninebot. Notably, we recently obtained an exclusive design win from a leading cleaning robot brand for its lawn mower robotic machines, with LiDAR product deliveries scheduled to commence within this year. In unmanned delivery vehicles sector, we are serving more than 90% of leading customers in this industry. Our digital LiDAR products are deployed at scale on the next-generation unmanned delivery vehicles developed by these global industry leaders including Neolix, Zelos, Rino.ai, JD, Meituan, Cainiao, Minieye and Coco Robotics. In the embodied robotics sector, the demand for LiDAR products is rising rapidly. We have already established partnerships with nearly 50 leading customers, including AgiBot, Unitree and EngineAI, to jointly accelerate the deep adoption of robotics across a wide range of application scenarios. We are also expanding our LiDAR supply business into more demanding applications such as autonomous mining trucks and low-altitude drone.

MANAGEMENT DISCUSSION AND ANALYSIS

According to public data issued by multiple third-party research houses, in 2025, we ranked first in terms of 3D LiDAR products sales volume in the robotics sector in China. We have also been awarded No. 1 in terms of LiDAR products sales volume in global lawn mower robotics sector, in global commercial cleaning robotics sector, humanoid robotics sector in China, unmanned delivery vehicle sector in China and embodied robotics sector in China. The business of LiDAR products for robotics has truly become the second major driver for the Company's growth.

2026 Outlook

We are highly confident with our business development in the year ahead. We will continue to validate our growth through our actual performance quarter by quarter. We will convert our competitive advantages in technologies, customer base and product performance accumulated in 2025 into tangible results in 2026 and beyond.

In terms of technology, we will continue to further strengthen our leadership in digital LiDAR. The superiority of digital architecture has gained industry-wide recognition. We believe that semi-conductor chips development will become the next core focus of competition. We will further deepen the advantages of our self-developed chip capabilities and continuously launch new proprietary chips to create generational product differentiation. Meanwhile, we will continue to explore the opportunities of applying our products into more different markets, from automotive to general robotics, from large enterprise customers to small business customers, and eventually to consumers. Our goal is to make LiDAR a ubiquitous product category, much like cameras today.

In terms of market segments, our business will no longer rely on any single market segment or a small number of key customers. We expect the revenue from ADAS business sector will maintain strong growth. At the same time, revenue from robotics business sector will enter into another year of significant growth, and we anticipate that RoboSense will again lead the industry in sales volume across the general robotics market in 2026. We target to have a balanced revenue contribution from ADAS and robotics businesses.

In terms of production capacity, we have completed the building up of annual production capacity for 4 million LiDAR units, which would sufficiently match the ramp-up needs of both ADAS and robotics businesses and fully ensure large-scale product deliveries in 2026.

We continue to firmly believe that LiDAR products are our core foundation. Automotive and general robotics businesses will serve as our dual growth engines, while innovative new businesses represent our long-term growth driver.

In 2026, our strategy is clearer: RoboSense is a robotics company. We will continue to expand the boundaries of physical AI, firmly securing our position in robotics ecosystem by developing key components and core capabilities in mobility and manipulation functions. Upholding our mission to make "Safer world, Smarter life", we will continue to invest in building a stronger technological moat and create long-term value for society, our partners, and shareholders.

Since December 31, 2025 and up to the date of this annual report, there was no material adverse change in our financial or trading position or prospects and there was no event that would materially affect the information set out in our Group's consolidated financial statements in this annual report.



MANAGEMENT DISCUSSION AND ANALYSIS

Year ended December 31, 2025 compared to Year ended December 31, 2024

The following table sets forth the comparative figures for the years ended December 31, 2024 and 2025:

	For the year ended December 31, 2025 2024 (RMB in thousands)	
Revenue	1,941,008	1,648,902
Cost of sales	(1,426,856)	(1,365,349)
Gross profit	514,152	283,553
Research and development expenses	(646,674)	(615,434)
Sales and marketing expenses	(128,073)	(110,284)
General and administrative expenses	(168,021)	(163,960)
Net impairment losses on financial assets	(1,174)	(11,769)
Other income	129,589	52,515
Other gains/(losses) – net	115,873	(18,826)
Operating loss	(184,328)	(584,205)
Finance income – net	88,590	99,706
Share of net (loss)/profit of associates accounted for using the equity method	(13,398)	10,473
Impairment loss of an associate accounted for using the equity method	(16,531)	–
Fair value changes in financial instruments issued to investors	–	(2,799)
Loss before income tax	(125,667)	(476,825)
Income tax expenses	(19,299)	(4,980)
Net loss	(144,966)	(481,805)
(Loss)/profit attributable to		
Owners of the Company	(145,922)	(481,827)
Non-controlling interests	956	22

MANAGEMENT DISCUSSION AND ANALYSIS

	As of December 31,	
	2025	2024
	(RMB in thousands)	
Total current assets	4,637,880	3,644,015
Total non-current assets	627,802	495,123
Total assets	5,265,682	4,139,138
Total current liabilities	1,206,923	911,187
Total non-current liabilities	253,320	154,772
Total liabilities	1,460,243	1,065,959
Total equity	3,805,439	3,073,179
Total equity and liabilities	5,265,682	4,139,138

Revenue

	For the year ended	
	December 31,	2024
	2025	
	(RMB in thousands)	
Revenue from:		
Products		
For ADAS	1,105,914	1,335,285
For robotics and others	709,841	198,455
	1,815,755	1,533,740
Solutions	77,632	97,970
Services and others	47,621	17,192
Total	1,941,008	1,648,902



MANAGEMENT DISCUSSION AND ANALYSIS

Our total revenue increased by about 17.7% to RMB1,941.0 million for the year ended December 31, 2025 from RMB1,648.9 million for the year ended December 31, 2024. The increase was primarily due to the increase in sales of products in 2025.

- Our revenue from the sales of products increased by about 18.4% to RMB1,815.8 million in 2025 from RMB1,533.7 million in 2024, primarily due to the increase in sales of products for robotics and others, partially offset by the decrease in sales revenue of products for ADAS applications. The total number of our LiDAR products sold increased by about 67.6% to approximately 912,000 units in 2025 from approximately 544,200 units in 2024.
- In 2025, despite the increase in the number of LiDAR products sold for ADAS applications by about 17.2% to approximately 609,000 units in 2025 from approximately 519,800 units in 2024, our revenue from sales of LiDAR products for ADAS applications decreased to RMB1,105.9 million in 2025 from RMB1,335.3 million in 2024, representing a year-on-year reduction of about 17.2%. The reduction in revenue from LiDAR products for ADAS applications was mainly due to the decrease in the average unit price of products for ADAS applications to approximately RMB1,800 per unit in 2025 from approximately RMB2,600 per unit in 2024, resulting from the increase in sales of our lower-priced MX and EM series LiDAR products in 2025.
- Our revenue from sales of products for robotics and others increased significantly to RMB709.8 million in 2025 from RMB198.5 million in 2024, representing a year-on-year increase of about 257.7%. The total number of LiDAR products sold for robotics and others increased significantly by 1,141.8% to approximately 303,000 units in 2025 from approximately 24,400 units in 2024, whilst the average unit price of product decreased to approximately RMB2,300 per unit in 2025 from approximately RMB8,100 per unit in 2024. In 2025, the sales of our lower-priced new E1R and Airy LiDAR products to robotic customers, especially lawn mower manufacturers, increased significantly. In 2024, most of our products sold in this category were those mechanical LiDAR products, such as Helios and Bpearl series, which had higher average unit price.
- Our revenue from the sales of solutions decreased by about 20.8% to RMB77.6 million in 2025 from RMB98.0 million in 2024. Despite the decrease in number of delivered solutions projects to 98 projects in 2025 from 331 projects in 2024, the average selling price per project increased to approximately RMB792,200 in 2025 from approximately RMB296,000 in 2024, primarily attributable to the increase in demand from customers for more customized perception related solutions.
- Our revenue from the provision of services and others increased by about 177.0% to RMB47.6 million in 2025 from RMB17.2 million in 2024, primarily due to the number of completed technology service projects has been increased in 2025.

Cost of Sales

Our cost of sales increased by about 4.5% to RMB1,426.9 million in 2025 from RMB1,365.3 million in 2024, primarily driven by increase in sales of products in 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit/(Loss) and Gross Margin

	For the year ended December 31,			
	2025		2024	
	Gross Profit/(Loss)	Gross Margin	Gross Profit/(Loss)	Gross Margin
(RMB in thousands, except for percentages)				
Products				
For ADAS	210,889	19.1%	179,185	13.4%
For robotics and others	281,648	39.7%	68,454	34.5%
Solutions	39,545	50.9%	52,689	53.8%
Services and others	(17,930)	(37.7%)	(16,775)	(97.6%)
Total	514,152	26.5%	283,553	17.2%

Our gross profit increased by about 81.3% to RMB514.2 million in 2025 from RMB283.6 million in 2024. Our gross profit margin improved by about 9.3 percentage points to 26.5% in 2025 from 17.2% in 2024.

Our overall gross profit margin was largely affected by the changes in the sales contribution from different product categories. The increase in overall gross profit margin was mainly attributable to the gross profit margin improvement of both our LiDAR products for ADAS applications and LiDAR products for robotics and others.

For our LiDAR products for ADAS applications, the gross profit increased by about 17.7% to RMB210.9 million in 2025 from RMB179.2 million in 2024. The gross profit margin for this product category improved to 19.1% in 2025 from 13.4% in 2024, increased by about 5.7 percentage points. The gross profit margin improvement was primarily attributable to the decrease in raw material procurement costs and the adoption of our in-house developed SOC processing chips, which have lower costs as compared to the FPGA chips acquired from third-party suppliers.

For our sales of LiDAR products for robotics and others, the gross profit increased by about 311.4% to RMB281.6 million in 2025 from RMB68.5 million in 2024. The gross profit margin for this product category increased to 39.7% in 2025 from 34.5% in 2024, increased by about 5.2 percentage points. This was primarily attributable to the reduction of raw material procurement costs and production overheads resulting from the increase in scale of production.



MANAGEMENT DISCUSSION AND ANALYSIS

For our provision of LiDAR perception solutions, the gross profit decreased by about 24.9% to RMB39.5 million in 2025 from RMB52.7 million in 2024. The gross profit margin for this product category decreased to 50.9% in 2025 from 53.8% in 2024, dropped by about 2.9 percentage points. The decrease in gross profit and gross profit margin was mainly attributable to the increase in raw material procurement costs for customized solutions projects.

For our provision of services, we recorded a gross loss of RMB16.8 million and RMB17.9 million in 2024 and 2025, respectively. The gross loss margin for this product category narrowed to 37.7% in 2025 from 97.6% in 2024.

R&D Expenses

Our R&D expenses increased by about 5.1% to RMB646.7 million in 2025 from RMB615.4 million in 2024. The increase was primarily due to (i) the increase in employee benefit expenses by about RMB21.6 million, which were mainly attributable to the increase in employee remuneration package and share-based compensation; and (ii) the increase in raw materials consumable, design and development expenses by about RMB9.5 million incurred in developing new and more advanced products. Our R&D expenses excluding share-based compensation as a percentage of revenue reduced to 29.9% in 2025 from 33.6% in 2024.

Sales and Marketing Expenses

Our sales and marketing expenses increased by about 16.1% to RMB128.1 million in 2025 from RMB110.3 million in 2024. The increase was primarily due to the increase in employee benefit expenses by RMB18.5 million, which was mainly attributable to the increase in employee remuneration package and share-based compensation. Our sales and marketing expenses excluding share-based compensation as a percentage of revenue reduced to 6.0% in 2025 from 6.1% in 2024.

General and Administrative Expenses

Our general and administrative expenses increased by about 2.5% to RMB168.0 million in 2025 from RMB164.0 million in 2024. The increase was primarily due to (i) the increase in employee benefit expenses by RMB18.4 million, which was mainly attributable to the increase in employee remuneration package and severance payments; partially offset by (ii) the decrease in professional service fees. Our general and administrative expenses excluding share-based compensation and listing expenses as a percentage of revenue reduced to 8.0% in 2025 from 9.1% in 2024.

Net Impairment Losses on Financial Assets

Net impairment losses on financial assets decreased by about 90.0% to RMB1.2 million in 2025 from RMB11.8 million in 2024. The decrease was primarily due to the decrease in provision for impairment on trade receivables.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income

Our other income increased by about 146.8% to RMB129.6 million in 2025 from RMB52.5 million in 2024. The increase was primarily due to the increase in government grants, interest income and a lump-sum monetary compensation received from one of our customers in 2025.

Other Gains/(Losses) – Net

Other gains/(losses) improved from a loss of RMB18.8 million in 2024 to a gain of RMB115.9 million in 2025, representing an improvement of RMB134.7 million. The increase was primarily due to the increase in the fair value gains on financial assets at fair value through profit or loss in 2025. Please refer to Note 24 in the consolidated financial statements in this annual report.

Finance Income – Net

Net finance income decreased by about 11.1% to RMB88.6 million in 2025 from RMB99.7 million in 2024. The decrease was primarily due to the decrease in interest income from cash and cash equivalents.

Share of Net (Loss)/Profit of Associates Accounted for Using the Equity Method

Share of net (loss)/profit of associates accounted for using the equity method turned from a net profit of RMB10.5 million in 2024 to a net loss of RMB13.4 million in 2025, representing a deterioration of RMB23.9 million. The share of net loss was primarily due to the operating loss incurred by one of our associates in 2025.

Impairment Loss of an Associate Accounted for Using the Equity Method

Impairment loss of an associate accounted for using the equity method increased to RMB16.5 million in 2025 from nil in 2024. The loss was primarily due to the impairment of the goodwill incurred by one of our associates in 2025. Please refer to Note 16b in the consolidated financial statements in this annual report.

Net Loss

Our net loss decreased by about 69.9% to RMB145.0 million in 2025 from RMB481.8 million in 2024.

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRS. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of items, 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 adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS. We define adjusted net loss (non-IFRS measure) as net loss for the period adjusted by adding back share-based compensation, fair value changes in financial instruments issued to investors and listing expenses.



MANAGEMENT DISCUSSION AND ANALYSIS

The following table reconciles our adjusted net loss (non-IFRS measure) for the periods presented with the most directly comparable financial measure calculated and presented in accordance with IFRS, which is net loss for the period:

	For the year ended December 31, 2025 2024 (RMB in thousands)	
Reconciliation of net loss to adjusted net loss (non-IFRS measure):		
Net loss	(144,966)	(481,805)
Add:		
– Share-based compensation ⁽¹⁾	91,444	83,368
– Fair value changes in financial instruments issued to investors ⁽²⁾	–	2,799
– Listing expenses ⁽³⁾	–	26
Adjusted net loss (non-IFRS measure)	(53,522)	(395,612)

Notes:

- (1) Share-based compensation is non-cash in nature and mainly represents the arrangement that we receive services from employees as consideration for our equity instruments. Share-based compensation is not expected to result in future cash payments.
- (2) Fair value changes in financial instruments issued to investors represent the fair value changes of the Preferred Shares, warrants and convertible notes issued by us, which were converted into Ordinary Shares upon Listing.
- (3) Listing expenses are related to the Global Offering.

LIQUIDITY AND CAPITAL RESOURCES

We monitor and maintain a level of liquidity deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As of December 31, 2025, we had RMB2,618.9 million in cash and cash equivalents, time deposits, restricted cash and restricted time deposits, as compared to RMB2,841.2 million as of December 31, 2024. Our cash and cash equivalents primarily consist of cash at banks under USD, RMB and HKD denominations.

Our net operating cash outflow in 2025 was RMB581.8 million, representing an increase from RMB65.1 million in 2024. Our net cash used in operating activities in 2025 is calculated by adjusting our loss before income tax of RMB125.7 million by non-cash and other items to arrive at an operating loss before changes in working capital of RMB98.5 million.

MANAGEMENT DISCUSSION AND ANALYSIS

INDEBTEDNESS AND FINANCIAL RATIOS

Borrowings

As of December 31, 2025, we had RMB447.2 million in bank borrowing.

Lease Liabilities

As of December 31, 2025, we recognized total lease liabilities, including current and non-current lease liabilities, of RMB31.3 million, as compared to that of RMB43.0 million as of December 31, 2024, due to the payment of the lease liabilities in 2025.

License Fees Payable

Our license rights are recognized as intangible assets. The license fees payables are initially recorded at fair value of the date of the license agreement. As of December 31, 2025, we recognized total license fees payables of RMB12.7 million, including current and non-current license fees payables, as compared to RMB18.1 million as of December 31, 2024, due to the fact that there was no new addition of license fees payables in 2025, and the decrease in balance was solely attributable to the payment of the license fees payables.

Financial Ratios

Our current ratio (calculated as current assets divided by current liabilities as of the same date) decreased to 384.3% as of December 31, 2025 from 399.9% as of December 31, 2024, mainly because the increase in current liabilities.

Our gearing ratio (calculated as total liabilities divided by total assets as of the same date) increased to 27.7% as of December 31, 2025 from 25.8% as of December 31, 2024, mainly because the increase in total liabilities.

CHARGE ON ASSETS

As of December 31, 2025, there was no charge on assets of our Group (FY2024: nil).

CAPITAL EXPENDITURES AND CAPITAL COMMITMENTS

Our capital expenditures were primarily used for the construction of our manufacturing facilities. In 2025, our capital expenditures increased to RMB130.1 million from RMB109.1 million in 2024. In these periods, our capital expenditures were primarily used for construction of our manufacturing facilities and supply chain.

Our capital commitments were primarily related to (i) property, plant and equipment and (ii) intangible assets. As of December 31, 2025, we had capital commitments of RMB113.3 million, which was increased from our capital commitments of RMB11.8 million as of December 31, 2024. As of December 31, 2025, RMB108.3 million were attributable to property, plant and equipment and RMB5.0 million were attributable to intangible assets.



MANAGEMENT DISCUSSION AND ANALYSIS

As disclosed in the Prospectus, we plan to use approximately 20% of the net proceeds raised from the Global Offering for enhancing our manufacturing, testing and verification capabilities and approximately 5% of the net proceeds for exploring potential strategic partnerships or alliance opportunities. For further details of our proposed use of proceeds from the Global Offering, see the section headed “Future Plans and Use of Proceeds” in the Prospectus. As disclosed in the Company’s announcement dated December 18, 2024, we plan to use approximately 20% (or HK\$54.2 million) of the net proceeds raised from the December 2024 Placing for exploring potential strategic partnerships or alliance opportunities. As disclosed in the Company’s announcement dated March 5, 2025, we plan to use approximately 20% (or HK\$197.8 million) of the net proceeds raised from the February 2025 Placing for establishing domestic and overseas production lines, enhancing the automation level of our production lines as well as devising stringent quality control measures at various stages of our manufacturing process, and approximately 10% (or HK\$98.9 million) of the net proceeds raised from the February 2025 Placing for exploring potential strategic partnerships or alliance opportunities. See the abovementioned announcements for further details of our proposed use of proceeds from the December 2024 Placing and the February 2025 Placing. Save as disclosed in this annual report, the Group had no other material capital expenditure or investment plan as of the date of this annual report.

CONTINGENT LIABILITIES

As of December 31, 2025, we had a contingent liability in respect of a claim which we assessed that it is not probable that a material liability will arise. See Note 42 to the consolidated financial information set forth in this annual report.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this annual report, our Company had no other significant investments and/or material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended December 31, 2025.

HUMAN RESOURCES

As of December 31, 2025, we had over 1,800 employees and almost all of our employees were based in Mainland China. Our Group’s total employee benefits for the Reporting Period were RMB827.1 million, consisting of wages, salaries and bonuses, share-based compensation expenses, severance payments, pension costs (including defined contribution plans, housing funds, medical insurances and other social insurances), and other employee benefits. We use various recruitment methods, including campus recruitment, online recruitment, other external recruitment channels as well as internal referrals and transfers. In addition to salaries and benefits, we generally provide performance-based bonuses for our full-time employees and commission for our sales and marketing staff. We have also established share incentive schemes, including the Pre-IPO Share Incentive Scheme A, the Pre-IPO Share Incentive Scheme B and the Post-IPO Share Incentive Scheme to incentivize our employees, details of which are set out in the Prospectus. We have established a comprehensive system for employee training and development, including general training covering corporate culture, employee rights and responsibilities, workplace safety, data security, and other logistics aspects, as well as specific trainings that improve employee knowledge and expertise in certain important areas related to our business. We are committed to making continued efforts to provide an engaging working environment to our employees.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, the Company made grants under the Post-IPO Share Incentive Scheme. On April 1, 2025, the Company granted restricted share units underlying a total of 1,312,523 Shares to eligible participants, who are the employees of the Group. On June 4, 2025, the Company granted a total of 8,800,000 Share Options at an exercise price of HK\$33.87 per Share to eligible participants, who are the employees of the Group. On July 18, 2025, the Company granted restricted share units underlying a total of 1,181,397 Shares to eligible participants, who are the employees of the Group. After the Reporting Period, on January 22, 2026, the Company granted restricted share units underlying a total of 583,874 Shares to eligible participants, who are the employees of the Group. For details of these grant of awards under the Post-IPO Share Incentive Scheme, please refer to the Company's announcements dated April 1, 2025, June 4, 2025, June 9, 2025, July 18, 2025 and January 22, 2026.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report and Note 43 to the consolidated financial information set forth in this annual report, we are not aware of any material subsequent events since the end of the Reporting Period to the date of this annual report.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On January 5, 2024, the Shares of our Company were listed on the Main Board of the Stock Exchange. The net proceeds from the Global Offering (including the partial exercise of Over-allotment Option as disclosed in the announcement of the Company dated February 1, 2024) amounted to approximately HK\$953.0 million. We plan to use the net proceeds raised from the Global Offering as follows:

- Approximately 45% of the net proceeds for our research and development to continue building and enhancing our product pipeline as well as team expansion for supporting our R&D initiatives;
- Approximately 20% of the net proceeds for enhancing our manufacturing, testing and verification capabilities;
- Approximately 20% of the net proceeds for enhancing our sales and marketing efforts;
- Approximately 5% of the net proceeds for exploring potential strategic partnerships or alliance opportunities; and
- Approximately 10% of the net proceeds for working capital and for general corporate purposes to support our business operation and growth.

For details of the proposed uses of proceeds from the Global Offering, see the section headed "Future Plans and Use of Proceeds" in the Prospectus. As of the Latest Practicable Date, we did not anticipate any material change to our plan on the use of proceeds as stated in the Prospectus.



MANAGEMENT DISCUSSION AND ANALYSIS

As of the Latest Practicable Date, we had utilized the net proceeds from the Global Offering as set out in the table below. We plan to use the remaining unutilized amount of the net proceeds from the Global Offering for the intended use in approximately the coming six months.

Intended use	Proportion of net proceeds allocated for each intended use (%)	Amount of net proceeds allocated for each intended use (HK\$ million)	Amount of net proceeds utilized for each intended use during the Reporting Period (HK\$ million)	Amount of net proceeds unutilized for each intended use as of the Latest Practicable Date (HK\$ million)
For our research and development	45%	428.8	428.8	–
For enhancing our manufacturing, testing and verification capabilities	20%	190.6	190.6	–
For enhancing our sales and marketing efforts	20%	190.6	132.6	58.0
For exploring potential strategic partnerships or alliance opportunities	5%	47.7	47.7	–
For working capital and for general corporate purposes	10%	95.3	95.3	–

USE OF PROCEEDS FROM THE DECEMBER 2024 PLACING

On December 11, 2024 (before trading hours), the Company and China Renaissance Securities (Hong Kong) Limited (the “**Sole Placing Agent**”) entered into a placing agreement, pursuant to which the Company agreed to appoint the Sole Placing Agent, and the Sole Placing Agent agreed to act as the agent of the Company, to procure not less than six (6) placees, who shall be institutional and corporate professional investors, and who and whose ultimate beneficial owners shall be the Independent Third Parties, on a best effort basis, to subscribe for up to 10,000,000 new Shares (“**placing shares**”) (representing approximately 2.22% of the number of Shares in issue (excluding the Treasury Shares) as enlarged by the allotment and issuance of the placing shares in the December 2024 Placing) at the placing price of HK\$27.75 per placing share (the “**December 2024 Placing**”). The placing price of HK\$27.75 per placing share represents a discount of approximately 7.96% to the closing price of HK\$30.15 per Share as quoted on the Stock Exchange on December 10, 2024 (being the last trading day immediately prior to the date of the placing agreement for the December 2024 Placing). The aggregate nominal value of the 10,000,000 placing shares was US\$1,000. The December 2024 Placing was conducted under the general mandate granted to the Board at the annual general meeting dated June 27, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

On December 18, 2024, the December 2024 Placing was completed. A total of 10,000,000 new Shares have been successfully placed by the Sole Placing Agent to not less than six (6) placees at the placing price of HK\$27.75 per placing share in the December 2024 Placing. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the placees in the December 2024 Placing and its ultimate beneficial owners are institutional and corporate professional investors who are independent third parties. The total gross proceeds from the December 2024 Placing are approximately HK\$277.5 million, and the net proceeds from the December 2024 Placing, after deducting the commission and other related expenses and professional fees, amounted to approximately HK\$271.0 million. The net price per placing share in the December 2024 Placing was approximately HK\$27.10.

As of the Latest Practicable Date, we had utilized the net proceeds as set out in the table below. We plan to use the remaining unutilized amount of the net proceeds from the December 2024 Placing for the intended use in the coming one to two years.

Intended use	Proportion of net proceeds allocated for each intended use (%)	Amount of net proceeds allocated for each intended use (HK\$ million)	Amount of net proceeds utilized for each intended use during the Reporting Period (HK\$ million)	Amount of net proceeds unutilized for each intended use as of the Latest Practicable Date (HK\$ million)
For our research and development to continue enhancing the product pipelines as well as supporting the R&D initiatives in the areas of AI algorithms, chips and hardware	40%	108.4	108.4	–
For enhancing our business development efforts in the overseas markets	30%	81.3	–	81.3
For exploring potential strategic partnerships or alliance opportunities in the areas of AI algorithms, chips and hardware	20%	54.2	54.2	–
For working capital and for general corporate purposes	10%	27.1	27.1	–

For the reasons for and benefits of the December 2024 Placing and the details of the proposed uses of proceeds from the December 2024 Placing, see announcements of the Company dated December 11, 2024 and December 18, 2024 in relation to the December 2024 Placing. As of the Latest Practicable Date, we did not anticipate any material change to our plan on the use of proceeds as stated in these announcements.



MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS FROM THE FEBRUARY 2025 PLACING

On February 26, 2025 (before trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited and Mirae Asset Securities (HK) Limited (the **"Placing Agents"**) entered into a placing agreement, pursuant to which the Company agreed to appoint the Placing Agents, and each of the Placing Agents agreed to act as the agent of the Company, to procure not less than six (6) placees, who shall be institutional and corporate professional investors, and who and whose ultimate beneficial owners shall be the Independent Third Parties, on a best effort basis, to subscribe for up to 22,000,000 new Shares (**"placing shares"**) (representing approximately 4.66% of the number of Shares in issue (excluding the Treasury Shares) as enlarged by the allotment and issuance of the placing shares in the February 2025 Placing) at the placing price of HK\$46.15 per placing share (the **"February 2025 Placing"**). The placing price of HK\$46.15 per placing share represents a discount of approximately 8.43% to the closing price of HK\$50.40 per Share as quoted on the Stock Exchange on February 25, 2025 (being the last trading day and the date on which the placing price is fixed for the February 2025 Placing). The February 2025 Placing was conducted under the general mandate granted to the Board at the annual general meeting dated June 27, 2024.

On March 5, 2025, the February 2025 Placing was completed. A total of 22,000,000 new Shares have been successfully placed by the Placing Agents to not less than six (6) placees at the placing price of HK\$46.15 per placing share in the February 2025 Placing. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the placees in the February 2025 Placing and its ultimate beneficial owners are institutional and corporate professional investors who are independent third parties. The total gross proceeds from the February 2025 Placing are approximately HK\$1,015.30 million, and the net proceeds from the February 2025 Placing, after deducting the commission and other related expenses and professional fees, amounted to approximately HK\$988.87 million. The net price per placing share in the February 2025 Placing was approximately HK\$45.40.

MANAGEMENT DISCUSSION AND ANALYSIS

As of the Latest Practicable Date, we had utilized the net proceeds as set out in the table below. We plan to use the unutilized amount of the net proceeds from the February 2025 Placing for each intended use in the coming two years.

Intended use	Proportion of net proceeds allocated for each intended use (%)	Amount of net proceeds allocated for each intended use (HK\$ million)	Amount of net proceeds utilized for each intended use during the Reporting Period (HK\$ million)	Amount of net proceeds unutilized for each intended use as of the Latest Practicable Date (HK\$ million)
For our research and development of robotic incremental components	70%	692.2	69.1	623.1
For establishing domestic and overseas production lines, enhancing automation level of our production lines, and devising quality control measures	20%	197.8	123.2	74.6
For exploring strategic partnership or alliance opportunities	10%	98.9	63.6	35.3

For the reasons for and benefits of the February 2025 Placing and the details of the proposed uses of proceeds from the February 2025 Placing, see announcements of the Company dated February 26, 2025 and March 5, 2025 in relation to the February 2025 Placing. As of the Latest Practicable Date, we did not anticipate any material change to our plan on the use of proceeds as stated in these announcements.

TREASURY POLICY

Our management performs the treasury functions and continues to monitor our cash requirements from time to time. If our cash requirements exceed the liquidity we hold at the time, our Company may seek credit facilities and external borrowings or issue securities as it considers necessary and appropriate.



MANAGEMENT DISCUSSION AND ANALYSIS

PRINCIPAL RISKS AND UNCERTAINTIES

Our business faces risks including those set out in the section headed “Risk Factors” in the Prospectus. The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond its control:

- We have a history of net losses, which may continue in the future;
- We have recorded net operating cash outflow in the past, which may reoccur in the future;
- The failure to innovate our technology or develop new products to adapt to changing customer needs could harm our growth;
- Continued pricing pressures from our customers, many of whom possess significant bargaining power, may result in lower than anticipated revenue and margins, which may materially and adversely affect our business prospects and results of operations;
- We are susceptible to supply shortages, long lead times and increased costs of raw materials and key components, any of which could disrupt our supply chain, increase our production costs, adversely affect our profitability and delay deliveries of our products to customers;
- As the LiDAR and robotics industry in which we operate is new and rapidly evolving, we are subject to intense competition and it is difficult to forecast adoption rates and demand for our products. If market adoption of LiDAR and/or robotic products does not continue to grow according to expectations, it could materially and adversely affect our business prospects and results of operations;
- There is no guarantee that our automotive OEM customers will purchase our products and solutions in any certain quantity or at any certain price even after we obtain design wins, and the period of time from product design to mass production is long and we are subject to the risks of termination or postponement of contracts or unsuccessful implementation; and
- Changes in China’s or global economic, political or social conditions or government policies, including, without limitation, geopolitical tensions, imposition of or increase in any industry-specific or product-specific tariffs, outbound investment restrictions on Chinese companies engaged in certain activities involving specified sensitive technologies, or export control measures, may have a material and adverse impact on our business operation, financial performance or position, or prospects.

MANAGEMENT DISCUSSION AND ANALYSIS

RISK MANAGEMENT

We are exposed to a variety of financial risks, including market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk as set out below. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Risk management is carried out by the senior management of our Group. Our management regularly manages and monitors the financial risks of our Group to ensure appropriate measures are implemented in a timely and effective manner. During the Reporting Period, no hedging activity was undertaken by our Group.

Foreign Exchange Risk

Foreign exchange risk is the risk that the value of a financial instrument fluctuates because of the changes in foreign exchange rates. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of our Group's entities. The functional currency of our Company and the majority of its overseas subsidiaries is USD whereas the functional currency of the PRC subsidiaries is RMB. Our Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RMB, USD, HKD and Japanese Yen.

During the Reporting Period, our Group did not hedge transactions undertaken in foreign currencies but managed its foreign exchange risk by performing regular reviews of our Group's net foreign exchange exposures. See Note 3.1(a) to the consolidated financial statements in this annual report for details.

Interest Rate Risk

Our Group's interest rate risk primarily arises from cash and cash equivalents, time deposit, restricted cash, restricted time deposit, financial assets at amortized cost and borrowings. Those carried at floating rates expose our Group to cash flow interest rate risk whereas those carried at fixed rates expose our Group to fair value interest rate risk. Our Group regularly monitors the interest rate risk to ensure there is no undue exposure to significant interest rate movements.

During the Reporting Period, our Group did not have any significant interest-bearing liabilities nor any significant interest-bearing assets except for cash and cash equivalents, time deposit, restricted cash, restricted time deposit, financial assets at amortized cost and borrowings. The fair value interest rate risk arising from financial assets and liabilities carried at fixed rates was not significant for our Group during the Reporting Period. See Note 3.1(a) to the consolidated financial statements in this annual report for details.



MANAGEMENT DISCUSSION AND ANALYSIS

Credit Risk

Our Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, time deposit and restricted time deposit, trade and notes receivables, other receivables, financial assets at amortized cost, financial assets at FVTPL and financial assets at FVOCI. The carrying amounts of above items represent the Group's maximum exposure to credit risk in relation to financial assets. The management of our Group manages credit risk on a group basis.

As of December 31, 2025, our cash and cash equivalent were mainly placed with reputable financial institutions in the PRC and reputable international banks outside of the PRC without significant credit issue, and our Group was not exposed to significant credit risk arising from other receivables having considered the counterparties' past operational and financial performance and other factors. See Note 3.1(b) to the consolidated financial statements in this annual report for details.

Liquidity Risk

Liquidity risk is the risk that our Group is unable to meet its obligations when they fall due, resulting from amount and maturity mismatches of assets and liabilities. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding. Due to the nature of the underlying businesses, our management responsible for treasury function aims to maintain flexibility in funding by keeping sufficient cash available. See Note 3.1(c) to the consolidated financial statements in this annual report for details.

DIRECTORS' REPORT

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company and its subsidiaries are engaged in (i) sales of LiDAR hardware products for applications in ADAS, as well as robotics and other non-automotive industries such as cleaning, logistics, industrial, public services and inspection, among others, (ii) sales of LiDAR perception solutions, integrating its LiDAR hardware and AI perception software, (iii) the provision of technology development and other services.

An analysis of the Group's performance for the year by operating segment is set out in the section headed "Management Discussion and Analysis" and Note 5 to the consolidated financial statements in this annual report.

DIRECTORS

The Directors during the Reporting Period and up to the date of this annual report are:

Executive Directors

Dr. Qiu Chunxin (*Chairman of the Board and Chief Scientist*)

Mr. Liu Letian (*Chief Technology Officer*)

Mr. Qiu Chunchao (*Chief Executive Officer*)

Non-executive Director

Dr. Zhu Xiaorui (*Scientific Advisor*)

Independent Non-executive Directors

Mr. Feng Jianfeng (*resigned with effect from July 30, 2025*)

Mr. Liu Ming

Mr. Ng Yuk Keung

Ms. Yang Rixin (*appointed with effect from July 30, 2025*)

In accordance with Article 26.3 of the Articles of Association, Ms. Yang Rixin (whose appointment by the Board on July 30, 2025) shall hold office until the forthcoming Annual General Meeting and shall be eligible for re-election.

In accordance with Article 26.4 of the Company's Articles of Association, Mr. Liu Ming and Mr. Ng Yuk Keung retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.



DIRECTORS' REPORT

BUSINESS REVIEW

A fair review of the Group's business as required under Schedule 5 to the Companies Ordinance, including the Group's performance analysis during the year ended December 31, 2025, particulars of important events affecting the Group that have occurred since the end of the year ended December 31, 2025, as well as the possible future business development of the Group and possible risks that the Group may be facing, are set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

Discussions on the environmental policies and performance, compliance by the Group with the relevant laws and regulations that have a significant impact on the Group and the account of the key relationships of the Group with its stakeholders are set out in the the 2025 Environmental, Social and Governance Report to be separately issued by the Company.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended December 31, 2025 are set out in the consolidated statement of comprehensive income of this annual report.

The Board does not recommend the payment of final dividend for the year ended December 31, 2025 (2024: Nil).

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended December 31, 2025 are set out in Note 29 to the consolidated financial statements in this annual report.

DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company did not have any distributable reserve.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customers for the year ended December 31, 2025 accounted for approximately 26.7% (2024: 34.7%) of the Group's total revenue. The aggregate revenue attributable to the Group's five largest customers for the year ended December 31, 2025 accounted for approximately 59.7% (2024: 83.4%) of the Group's total revenue.

DIRECTORS' REPORT

The aggregate purchases attributable to the Group's largest suppliers for the year ended December 31, 2025 accounted for approximately 15.8% (2024: 46.6%) of the Group's total purchases. The aggregate purchases attributable to the Group's five largest suppliers for the year ended December 31, 2025 accounted for approximately 32.5% (2024: 59.4%) of the Group's total purchases.

To the best knowledge of the Directors, none of the Directors or their associates or any Shareholders who owned more than 5% of the Company's issued share capital had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended December 31, 2025.

SUBSIDIARIES OF THE COMPANY

The details of the subsidiaries of the Company are set out in Note 16a to the consolidated financial statements of this annual report.

PROPERTY, PLANT AND EQUIPMENT

The details of the property, plant and equipment of the Group and their movements during the year ended December 31, 2025 are set out in Note 13 to the consolidated financial statements of this annual report.

None of the Company's properties are held for development and/or sale or for investment purposes.

BORROWINGS

As of December 31, 2025, we had RMB447.2 million in bank borrowings.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the Reporting Period, to the best knowledge of the Directors, there was no material breach of or non-compliance with applicable laws and regulations, that have a significant impact on the business and operations of the Group, by the Group.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company which is not determinable within one year without payment of compensation other than statutory compensation.



DIRECTORS' REPORT

MANAGEMENT CONTRACTS

Other than the Directors' service contracts and appointment letters, no contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year or subsisted at the end of the year ended December 31, 2025.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

In compliance with the Corporate Governance Code, the Company has established the remuneration committee of the Company to formulate remuneration policies.

The remuneration is determined and recommended based on each Director's qualification, experience and the prevailing market conditions. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the remuneration committee of the Company.

The Directors and the senior management personnel are eligible participants of the Share Incentive Schemes, details of which are set out in this annual report and Note 31 to the consolidated financial statements.

Details of the emoluments of the Directors and five highest paid individuals of the Group are set out in Notes 40 and 9 to the consolidated financial statements of this annual report.

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office for the year ended December 31, 2025.

Except as disclosed above, no other payments have been made or are payable, for the year ended December 31, 2025, by the Group to or on behalf of any of the Directors.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year ended December 31, 2025 or at any time during the year ended December 31, 2025.

DIRECTORS' REPORT

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Save as disclosed in Note 39 to the consolidated financial statements, the Group had no material transactions with its related parties during the year ended December 31, 2025. The Directors conducted review of such related party transactions of the Group for the year ended December 31, 2025 and were not aware any transaction requiring disclosure of connected transactions in accordance with the requirements of the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Each of our Directors has confirmed that he/she did not have any interest in a business which materially competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules during the Reporting Period.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance in respect of legal actions arising out of corporate activities against the current Directors and senior management of the Company and its associated companies and the Directors and senior management of the Company and its associated companies who resigned during the Reporting Period. The permitted indemnity provision is in force for the benefit of the Directors as required by the provisions of the Companies Ordinance.

POST-IPO SHARE INCENTIVE SCHEME

The following is a summary of the principal terms of the share incentive scheme conditionally adopted and approved by our Shareholders with effect from June 29, 2024 (the **"Post-IPO Share Incentive Scheme"**).

The Post-IPO Share Incentive Scheme is effective from the date of approval by the Shareholders (the **"Effective Date"**). The Post-IPO Share Incentive Scheme remains in force for a period of 10 years after the Effective Date. As at the date of this annual report, the remaining life of the Post-IPO Share Incentive Scheme is approximately seven years.

(a) Purposes

The purposes of the Post-IPO Share Incentive Scheme are (i) to promote the success and enhance the value the Company by aligning the personal interests of the directors of members of the Group and the employees to those of the Shareholders and motivating their outstanding performance to promote the Group's development and generate returns to the Shareholders; and (ii) to provide flexibility to the Company in its ability to motivate, attract, and retain the services of directors of members of the Group and the employees upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent.



DIRECTORS' REPORT

(b) Types of awards

The Post-IPO Share Incentive Scheme provides for an award of (i) a right to purchase a specified number of Shares at a specified price during specified time periods (the “**Option**”), (ii) a Share that is subject to certain restrictions and may be subject to risk of forfeiture (the “**Restricted Share**”) or (iii) a right to receive a Share at a future date (the “**Restricted Share Unit**”) (collectively, the “**Awards**”).

(c) Participants

Persons eligible to participate in the Post-IPO Share Incentive Scheme (the “**Participants**”) include: (i) any person, including an officer or member of the Board of any member of the Group, who is in the employ of any member of the Group, subject to the control and direction of any member of the Group as to both the work to be performed and the manner and method of performance (the “**Employees**”); and (ii) all directors of any member of the Group, as determined by the Board or a committee delegated by the Board pursuant to the Post-IPO Share Incentive Scheme.

(d) Maximum number of Shares

The maximum aggregate number of Shares which may be issued pursuant to all Awards (including Options) is 9,184,746 Shares (“**Scheme Mandate Limit**”), representing approximately 1.95% of the Shares in issue (excluding the Treasury Shares) as of the Latest Practicable Date.

(e) Maximum entitlement of each Participant

Where any grant of awards or options to a Participant would result in the total number of Shares issued and to be issued in respect of all awards or options granted (excluding any options and awards lapsed in accordance with the terms of the Post-IPO Share Incentive Scheme or any other share schemes of the Company) under the Post-IPO Share Incentive Scheme and any other share schemes of the Company in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such Participant and his/her close associate (or associates), if the Participant is a connected person (as defined under the Listing Rules), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of Options to be granted to such Participant must be fixed before the approval of the Shareholders. In such event, the Company must send a circular to the Shareholders containing all information required under the Listing Rules.

(f) Performance target

The Board has the right to implement specific provisions (such as provisions on performance assessment) to determine whether or not unvested Awards can vest in favor of the Participants according to schedule or whether or not vested but unexercised Awards can be exercised by the Participants.

DIRECTORS' REPORT**(g) Exercise price of an Option**

The exercise price of an Option shall be determined by the Board and set forth in the written agreement, contract, or other instrument or document evidencing an Award, including through electronic medium, entered into between the Company and a Participant and any amendment thereto (the "**Award Agreement**").

The exercise price of an Option may be a fixed or variable price related to the fair market value of the Share provided that such exercise price shall be at least the higher of (1) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (2) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) trading days immediately preceding the date of grant.

Notwithstanding the above, the exercise price per Share may be adjusted or amended in the absolute discretion of the Board to the extent permitted by the applicable laws (including the Listing Rules), the determination of which shall be final, binding and conclusive.

(h) Vesting schedule*Vesting period for Options*

The Board may specify the exercise period and/or vesting schedule for Options granted in the Award Agreement, which may be based on performance criteria, passage of time or other factors of any combination thereof, provided that an Option must be held by the Participant for at least 12 months before the Option can be exercised, save for a shorter exercise period may be granted to the Participant in any of the following circumstances below at the sole discretion of the Board:

- i. grants of "make-whole" Options to new Employees to replace the share options or share awards they forfeited when leaving his or her previous employer;
- ii. grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- iii. grants that are made in batches during a year for administrative and compliance reasons;
- iv. grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months;
- v. grants with performance-based vesting conditions in lieu of time-based vesting criteria; or
- vi. grants of Options with a total vesting and holding period of more than 12 months.



DIRECTORS' REPORT

Vesting period for Restricted Shares and/or Restricted Share Units

The Board may specify the vesting schedule for Restricted Shares and/or Restricted Share Units granted in the Award Agreement, which may be based on performance criteria, passage of time or other factors of any combination thereof, provided that the vesting period for Restricted Shares and/or Restricted Share Units shall not be less than 12 months, save for a shorter vesting period may be granted to the Participant in any of the following circumstances at the sole discretion of the Board:

- i. grants of "make-whole" Restricted Shares and/or Restricted Share Units to new Employees to replace the share options or share awards they forfeited when leaving his or her previous employer;
- ii. grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- iii. grants that are made in batches during a year for administrative and compliance reasons;
- iv. grants with a mixed or accelerated vesting schedule such as where the Restricted Shares and/or Restricted Share Units may vest evenly over a period of 12 months;
- v. grants with performance-based vesting conditions in lieu of time-based vesting criteria; or
- vi. grants of Restricted Shares and/or Restricted Share Units with a total vesting and holding period of more than 12 months.

(i) Non-transferability of the Awards

Any Awards granted shall be personal to the Participant, and no right or interest of a Participant in any Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or a subsidiary, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or a subsidiary. Except as otherwise provided by the Board, no Award shall be assigned, transferred, or otherwise disposed of by a Participant.

(j) Grant to Connected Persons

Any grant of Awards to a connected person (as defined in the Listing Rules) of the Company or any of his or her associates (as defined in the Listing Rules) shall comply with and shall be approved in accordance with the applicable requirements under the Listing Rules.

DIRECTORS' REPORT**(k) Expiration of Options, Restricted Shares, and/or Restricted Share Units**

(i) An Option may not be exercised and (ii) a Restricted Share or a Restricted Share Unit may not be vested and will automatically lapse upon the occurrence of any one of the following events:

- (1) the earlier of ten years from the date it is granted and listing of the Shares on a recognized stock exchange, unless an earlier time is set in the Award Agreement;
- (2) upon the Participant's termination of employment or retirement as an Employee or cessation, retirement or vacation of directorship as a director of any member of the Group (as the case may be);
- (3) upon the Participant's disability or death, subject to other requirements as provided under the Post-IPO Share Incentive Scheme; and
- (4) upon the Participant being convicted of any criminal offense involving his or her integrity or honesty, or charged, convicted or held liable for any offense under the relevant securities laws, regulations or rules in force from time to time in Hong Kong or elsewhere.

(l) Amendment, Modification and Termination

At any time and from time to time, the Board may terminate, amend or modify the Post-IPO Share Incentive Scheme; provided, however, that (a) to the extent necessary and desirable to comply with applicable laws, or stock exchange rules, the Company shall obtain shareholder approval of any amendment of the Post-IPO Share Incentive Scheme in such a manner and to such a degree as required, and (b) shareholder approval is required for any amendment to the Post-IPO Share Incentive Scheme that (i) increases the number of Shares available under the Post-IPO Share Incentive Scheme (other than any adjustment as provided under the Post-IPO Share Incentive Scheme) to the extent permitted under the applicable laws, (ii) permits the Board to extend the term of the Post-IPO Share Incentive Scheme or the exercise period for an Option beyond ten years from the date of grant to the extent permitted under the applicable laws, (iii) results in a material increase in benefits or a change in eligibility requirements, (iv) is of material nature to the advantage of the Participants, or (v) changes the authority of the Board to alter the terms of the Post-IPO Share Incentive Scheme.



DIRECTORS' REPORT

Details of Grant of Awards during the Reporting Period

The number of Shares available for Awards under the Post-IPO Share Incentive Scheme as at January 1, 2025 was 20,793,153.

During the Reporting Period, the Company made grants under the Post-IPO Share Incentive Scheme. On April 1, 2025, the Company granted RSUs underlying a total of 1,312,523 Shares to eligible participants, who are the employees of the Group. On June 4, 2025, the Company granted a total of 8,800,000 Options at an exercise price of HK\$33.87 per Share to eligible participants, who are the employees of the Group. On July 18, 2025, the Company granted RSUs underlying a total of 1,181,397 Shares to eligible participants, who are the employees of the Group. No selected Participants involved in the abovementioned grants fall within any category described in Rule 17.06A(2) of the Listing Rules, namely (a) the Director, chief executive or substantial shareholder of the Company, or an associate of any of them; (b) a participant of whom the total number of options and awards granted and to be granted thereto exceeds the 1% individual limit as prescribed under Rule 17.03D of the Listing Rules; or (c) a related entity participant or service provider participant of whom the total number of options and awards granted and to be granted thereto in any 12-month period exceeds 0.1% of the relevant class of Shares in issue. For further details, please refer to the Company's announcement dated April 1, 2025, June 4, 2025, June 9, 2025 and July 18, 2025.

Movement of the awarded RSUs and/or Options during the Reporting Period are set out as follows:

Category of grantees	Date of grant	Types of Awards	Closing price immediately before the date of grant (HKD per Share)	Purchase price/exercise price of Awards (HKD per Share)	Number of Shares underlying the Awards granted	Number of Awards that are not exercised or vested as of January 1, 2025	Vested during the Reporting Period	Cancelled during the Reporting Period	Lapsed/ forfeited during the Reporting Period ⁽¹⁾	Number of Awards that are not exercised or vested as of December 31, 2025	Vesting period/ exercise period ⁽²⁾
Employees	July 5, 2024	RSUs	HK\$50.95	Nil	216,607	206,847	195,615 ⁽³⁾	-	11,232	-	12 months after date of grant
Employees	April 1, 2025	RSUs	HK\$38.15	Nil	1,312,523	-	392,924 ⁽³⁾	-	87,211	832,388	One month to 49 months after date of grant
Employees	June 4, 2025	Options	HK\$32.05	HK\$33.87	8,800,000	-	-	-	50,000	8,750,000	In two batches in 2028 and 2029
Employees	July 18, 2025	RSUs	HK\$33.50	Nil	1,181,397	-	295,812	-	331,093	554,492	One month to 48 months after date of grant

DIRECTORS' REPORT*Notes:*

- (1) Pursuant to the terms of the Post-IPO Share Incentive Scheme and in accordance with note 1 to Rule 17.03B of the Listing Rules, if any Awards are forfeited or lapsed, such Shares may again be optioned, granted or awarded under the Post-IPO Share Incentive Scheme.
- (2) The vesting period/exercise period of the grants refers to (in the case of RSUs) the period from the date of grant to the date of vesting or (in the case of Share Options) the period from the date of grant to the date of vesting upon which the Share Options can be exercised.
- (3) The weighted average closing price of the Shares immediately before the dates on which the Awards were vested was approximately HK\$34.04 per Share.
- (4) The number of Shares that may be issued in respect of Awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding Treasury Shares) for the Reporting Period was approximately 2.16%.
- (5) The accounting standard and policy adopted with respect to the awards granted during the Reporting Period are set out as follows. Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share award scheme reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share award scheme reserve. When share awards are exercised, the amount previously recognized in share award scheme reserve will be transferred to share capital and share premium. When the shares awards are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share award scheme reserve will be transferred to accumulated losses.

The number of Shares available for Awards under the Post-IPO Share Incentive Scheme as at December 31, 2025 was 9,978,769.

Save for the grant of the Restricted Share Units as disclosed above, no Award has been granted, exercised, cancelled, lapsed or remained outstanding under the Post-IPO Share Incentive Scheme during the year ended December 31, 2025.

Details of Grant of Awards after the Reporting Period

After the Reporting Period, on January 22, 2026, the Company granted RSUs underlying a total of 583,874 Shares to eligible participants, who are the employees of the Group. The Shares underlying the RSUs shall vest within a period approximately between six months and 48 months after the date of grant pursuant to the vesting schedule specified in the award agreement. For details of the above grant of awards, please refer to the Company's announcement dated January 22, 2026.



DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of December 31, 2025, the interests or short positions of the Directors or the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have taken under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, once the Shares are listed, were as follows:

Interests in the Shares or Underlying Shares of the Company

Name of Director	Nature of Interest	Number of interested shares ²	Approximate percentage of shareholding interest ¹
Dr. Qiu Chunxin ("Dr. Qiu")	Interests held jointly with another person ³	97,082,430 (L)	20.04%
Dr. Zhu Xiaorui ("Dr. Zhu")	Interests held jointly with another person ³	97,082,430 (L)	20.04%
Mr. Liu Letian ("Mr. Liu")	Interests held jointly with another person ³	97,082,430 (L)	20.04%
Mr. Qiu Chunchao	Beneficiary of a trust (other than a discretionary interest)	9,107,746 (L)	1.88%

1. The number of issued Shares as of December 31, 2025 was 484,468,553 (including 12,268,200 Treasury Shares).

2. The letter "L" stands for long position.

3. Each of Dr. Qiu, Dr. Zhu and Mr. Liu (collectively as the "Founders") entered into the Concert Party Confirmation dated April 21, 2023 to formalize and confirm that they have been parties acting in concert in exercising directors and shareholders' rights of our Group since the Founders become shareholders or directors of the relevant member of the Group (whichever is earlier). As such, each of Dr. Qiu, Dr. Zhu and Mr. Liu is deemed to be interested in the Shares held by other members of the Founders for the purpose of Part XV of the SFO.

DIRECTORS' REPORT

Save as disclosed above, as of the date of this annual report, none of the Directors or the chief executives of the Company had or was deemed to have any interest or short position in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and/or Short Position in Shares and Underlying Shares of the Company

As of December 31, 2025, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Substantial Shareholder	Nature of Interest	Number of interested shares ²	Approximate percentage of shareholding interest ¹
BlackPearl Global Limited [" BlackPearl "] ³	Beneficial owner	49,367,683 (L)	10.19%
BlackPearl Investment Limited ³	Interest of corporation controlled	49,367,683 (L)	10.19%
Sunton Global Limited [" Sunton Global "] ³	Beneficiary of a trust (other than a discretionary interest)	49,367,683 (L)	10.19%
Dr. Qiu ^{3, 6}	Interests held jointly with another person	97,082,430 (L)	20.04%
Emerald Forest International Limited [" Emerald Forest "] ⁴	Beneficial owner	29,604,176 (L)	6.11%
Emerald Forest Investment Limited ⁴	Interest of corporation controlled	29,604,176 (L)	6.11%
Emerald Forest Holding Limited [" Emerald Forest Holding "] ⁴	Beneficiary of a trust (other than a discretionary interest)	29,604,176 (L)	6.11%
Dr. Zhu ^{4, 6}	Interests held jointly with another person	97,082,430 (L)	20.04%
Mr. Liu ⁶	Interests held jointly with another person	97,082,430 (L)	20.04%
TMF (Cayman) Ltd ^{3, 4, 5}	Trustee	101,931,831 (L)	21.04%



DIRECTORS' REPORT

1. The number of issued Shares as of December 31, 2025 was 484,468,553 (including 12,268,200 Treasury Shares).
2. The letter "L" stands for long position.
3. BlackPearl is owned as to 99.9% by BlackPearl Investment Limited and 0.1% by Sunton Global. Sunton Global is wholly owned by Dr. Qiu. BlackPearl Investment Limited is held by TMF (Cayman) Ltd. acting as trustee of a trust, with Sunton Global and Dr. Qiu as beneficiaries. As such, each of Dr. Qiu, BlackPearl Investment Limited, Sunton Global and TMF (Cayman) Ltd. is deemed to be interested in the Shares held by BlackPearl for the purpose of Part XV of the SFO.
4. Emerald Forest is owned as to 99.9% by Emerald Forest Investment Limited and 0.1% by Emerald Forest Holding. Emerald Forest Holding is wholly owned by Dr. Zhu. Emerald Forest Investment Limited is held by TMF (Cayman) Ltd. acting as trustee of a trust, with Emerald Forest Holding and Dr. Zhu as beneficiaries. As such, each of Dr. Zhu, Emerald Forest Investment Limited, Emerald Forest Holding and TMF (Cayman) Ltd. is deemed to be interested in the Shares held by Emerald Forest for the purpose of Part XV of the SFO.
5. One of the ESOP Holding Entities, Ruby International Limited ("**Ruby**"), holding 4,849,401 Shares underlying the awards in the form of restricted shares granted to Mr. Qiu pursuant to pre-IPO share incentive scheme adopted by the Company on December 30, 2021 (the "**Pre-IPO Share Incentive Scheme A**"), is owned as to 99.9% by Ruby Group Holdings Limited and 0.1% by Sunton Limited, which is in turn wholly owned by Mr. Qiu. Ruby Group Holdings Limited is held by TMF (Cayman) Ltd. as the trustee of a trust, with Sunton Limited and Mr. Qiu as the beneficiaries. As such, TMF (Cayman) Ltd. is deemed to be interested in the Shares held by Ruby for the purpose of Part XV of the SFO.
6. Each of Dr. Qiu, Dr. Zhu and Mr. Liu entered into the concert party confirmation to formalize and confirm that they have been parties acting in concert in exercising directors and shareholders' rights of our Group since the Founders become shareholders or directors of the relevant member of the Group (whichever is earlier). As such, each of Dr. Qiu, Dr. Zhu and Mr. Liu is deemed to be interested in the Shares held by other members of the Founders for the purpose of Part XV of the SFO.

Save as disclosed above, as of December 31, 2025, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the sections headed "Share Incentive Scheme" and "Directors' and chief executives' interests or short positions in shares, underlying shares and debentures of the Company and its associated corporations" in this annual report, at no time during the year ended December 31, 2025 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective close associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT

COMPETITION AND CONFLICT OF INTERESTS

During the Reporting Period, none of the Directors or any of their respective associates has any interests in any business that competes or may compete, directly or indirectly, with the business of the Group or has any other conflict of interests with the Group.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES OR SALE OF TREASURY SHARES

During the Reporting Period and up to the Latest Practicable Date, the Company repurchased a total of 1,230,000 Shares on the Stock Exchange at an aggregate consideration of approximately HK\$37.2 million (excluding transaction fees). The repurchases were effected to benefit the Company and create value to its Shareholders. Particulars of the Shares repurchased during the Reporting Period are as follows:

Month of repurchase	No. of Shares repurchased	Price paid per Share		Aggregate consideration (excluding transaction fee) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
April 2025	617,000	29.00	26.65	17,255,940.60
October 2025	290,000	34.50	33.84	9,917,518.60
November 2025	323,000	31.20	30.72	10,011,469.20
Total	1,230,000			37,184,928.40

As of December 31, 2025, 1,230,000 Shares repurchased are not cancelled and have been held by the Company as Treasury Shares. Subsequent to the Reporting Period and as of the Latest Practicable Date, the Company had no present intention to use or sell the Treasury Shares.

Save as disclosed above, during the Reporting Period and up to the Latest Practicable Date, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the securities of the Company listed on the Stock Exchange, nor sold any Treasury Shares of the Company.



DIRECTORS' REPORT

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Articles of Association, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders, although there are no restrictions against such rights under the laws in the Cayman Islands being the jurisdiction in which the Company is incorporated.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as of December 31, 2025, the public float of the Company represented approximately 77.5% of the Company's total issued shares (excluding Treasury Shares) and the Company complied with the Initial Prescribed Threshold (as defined in the Listing Rules) pursuant to Rule 13.32B of the Listing Rules.

CORPORATE GOVERNANCE REPORT

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Corporate Governance Code set out in Part 2 of Appendix C1 to the Listing Rules has become applicable to the Company with effect from the Listing Date. The Company has adopted the code provisions set out in the CG Code as its own code to govern its corporate governance practices since Listing. Please refer to the paragraph headed "Corporate Governance Practices" in the Corporate Governance Report in this annual report for details of compliance with the CG Code.

Details of the Group's corporate governance practices can be found in the Corporate Governance Report of this annual report.

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to maintaining the highest environmental and social standards to ensure sustainable development of its business. The Group has not noted any material non-compliance with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands that a better future depends on everyone's participation and contribution. The Company has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole. Further, the Group has adopted policies, charters and code of conducts to govern the ESG aspects of our day-to-day operations, ranging from reducing energy and water consumption caused by our operations, health and work safety, and social contribution to environmental protection and corporate governance. The Group endeavors to maintain the relationships with its employees, suppliers and customers to ensure sustainable development.

For further details of the Company's environmental performance and relationship with its employees, suppliers and customers, please refer to the 2025 Environmental, Social and Governance Report to be separately issued by the Company.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, the Company has not entered into any equity-linked agreement during the year ended December 31, 2025.

DIRECTORS' REPORT

MATERIAL LEGAL PROCEEDINGS

Save as disclosed in this annual report and in Note 42 to the consolidated financial statements in this annual report, the Group was not involved in any material legal proceeding during the year ended December 31, 2025.

LOAN AND GUARANTEE

Save as disclosed in this annual report, during the year ended December 31, 2025, the Group had not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors, senior management of the Company and its connected persons.

AUDITOR

A resolution to re-appoint the retiring auditor, PricewaterhouseCoopers, is to be proposed at the forthcoming Annual General Meeting of the Company.

There is no change of auditor during the Reporting Period.

DONATION

During the year ended December 31, 2025, the Group made a donation in the amount of RMB500,000 to Alumni Association of Chaozhou Jinshan Middle School (潮州金山中學) in the PRC as "RoboSense Teaching and Scholarship Award" (RoboSense獎教獎學金).

TAX RELIEF

The Company is not aware of any tax relief available to the Shareholders by reason of their holding of the Company's securities. If the Shareholders are unsure about the taxation implications of purchasing, holdings, disposing of, dealing in, or the exercise of any rights (including entitlements to any relief of taxation) in relation to, the Shares, they are advised to consult an expert.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report and Note 43 to the consolidated financial statements in this annual report, we are not aware of any material subsequent events since the end of the Reporting Period to the date of this annual report.

By order of the Board

Dr. Qiu Chunxin

Chairman of the Board, Executive Director and Chief Scientist

Hong Kong

April 24, 2026



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE CULTURE

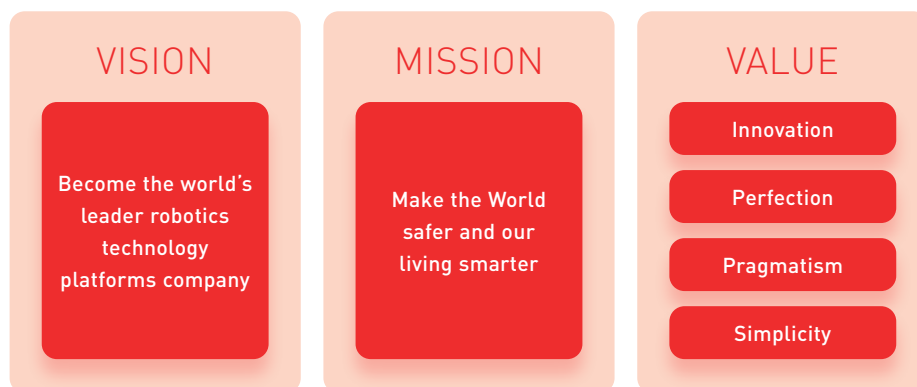
The Board and the Company's management are highly committed to maintaining good corporate governance practices, internal control, risk management and transparency in fulfilling their corporate responsibility and accountability to the Shareholders. The Board and the management recognize that the maintenance of good corporate governance practices is an essential factor in achieving financial success and enhancing Shareholders' value.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high corporate governance standards with a view to safeguarding the interests of our Shareholders. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code* contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices.

The Corporate Governance Code set out in Part 2 of Appendix C1 to the Listing Rules has become applicable to our Company with effect from the Listing Date. During the Reporting Period, the Company has complied with the applicable code provisions under the Corporate Governance Code set out in Part 2 of Appendix C1 to the Listing Rules.



* Certain new requirements under the Corporate Governance Code came into effect on July 1, 2025, which shall apply to the Company's corporate governance reports and annual reports for financial years commencing on or after July 1, 2025.

CORPORATE GOVERNANCE REPORT

We manufacture and sell LiDAR products that contain components and materials that are subject to government regulations in both the locations where we manufacture and assemble our products and the locations where we sell our products. Since we operate on a global basis, this is a complex process that requires our continuous monitoring of regulations and an ongoing compliance process to ensure that we and our suppliers are in compliance with existing and new regulations in each market where we operate and in line with the corporate culture in order to develop a safety working environment for our employees and provide high-quality products and services for our customers. The Board will continue to look for suitable opportunities for the sustainable development of the Group to enhance the value of the Group and create higher profitability for our Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS AND HANDLING OF INSIDE INFORMATION

The Company has adopted Model Code as set out in Appendix C3 to the Listing Rules. In response to specific enquiries made by the Board, all Directors confirmed that they have complied with the provisions of the Model Code during the Reporting Period.

The Company has also established an insider trading policy no less exacting than the Model Code for securities transactions by employees who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities. Access to inside information is at all times confined to relevant personnel on a need-to-know basis, and Directors, senior management and relevant employees in possession of inside information are required to preserve confidentiality.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his or her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors and non-executive Directors (including Independent Non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.



CORPORATE GOVERNANCE REPORT

Board Composition

Our Board consist of seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors.

During the year ended December 31, 2025 and up to the Latest Practicable Date, the composition of the Board is as follows:

Name	Title	Effective date of current period of appointment
Executive Directors		
Dr. Qiu Chunxin	Chairman of the Board, Executive Director and Chief Scientist	June 24, 2025 ⁽¹⁾
Mr. Liu Letian	Executive Director and Chief Technology Officer	June 24, 2025 ⁽¹⁾
Mr. Qiu Chunchao	Executive Director and Chief Executive Officer	June 24, 2025 ⁽¹⁾
Non-executive Director		
Dr. Zhu Xiaorui	Non-executive Director and Scientific Advisor	December 31, 2021
Independent non-executive Directors		
Mr. Feng Jianfeng ⁽²⁾	Independent non-executive Director	January 5, 2024 ⁽²⁾
Mr. Liu Ming	Independent non-executive Director	February 9, 2024
Mr. Ng Yuk Keung	Independent non-executive Director	January 5, 2024
Ms. Yang Rixin ⁽²⁾	Independent non-executive Director	July 30, 2025 ⁽²⁾

Notes:

(1) Dr. Qiu Chunxin, Mr. Liu Letian and Mr. Qiu Chunchao were appointed as a Director on June 23, 2021, December 31, 2021 and December 31, 2021, respectively. Each of Dr. Qiu Chunxin, Mr. Liu Letian and Mr. Qiu Chunchao retired and was re-elected at the annual general meeting of the Company held on June 24, 2025.

(2) Mr. Feng Jianfeng resigned as an independent non-executive Director, the chairperson of the Remuneration Committee and a member of the Nomination Committee of our Company with effect from July 30, 2025. Ms. Yang Rixin was appointed as an independent non-executive Director, the chairperson of the Remuneration Committee and a member of the Nomination Committee of our Company with effect from July 30, 2025.

With respect to the length of tenure and period of appointment of directorship, each of the Directors is appointed for a term of three years from the date of his/her appointment and is subject to retirement by rotation and re-election at the annual general meetings pursuant to the requirements of the Articles of Association of the Company.

The biographical information of the Directors is set out in the section headed "Directors and Senior Management" of this annual report.

CORPORATE GOVERNANCE REPORT

Mr. Qiu Chunchao is the brother of Dr. Qiu Chunxin. Save as aforesaid and disclosed in this annual report, there is no relationship (including, financial, business, family or other material/relevant relationship(s)) between the Board members.

During the Reporting Period and up to the date of this annual report, the Board at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise and the appointment of independent non-executive Directors representing at least one-third of the Board. Among the three independent non-executive Directors, Mr. Ng Yuk Keung has appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

DIRECTORS' ATTENDANCE RECORDS

As an integral part of good corporate governance, the Board has established four committees for overseeing the performance of specific functions which are set out in written terms of reference for each committee.

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors. The independent non-executive directors and non-executive director should attend general meetings of the Company to gain and develop a balanced understanding of the view of the Shareholders.

During the Reporting Period, the Company held meetings of the Board and the Board committees as well as the annual general meeting on June 24, 2025. The Directors' attendance records are set out as follows:

Name of Directors	Board ⁽¹⁾	Audit Committee	Remuneration Committee	Nomination Committee	ESG Committee	Annual general meeting ⁽²⁾
Executive Directors						
Dr. Qiu Chunxin	4/4	N/A	N/A	1/1	2/2	1/1
Mr. Liu Letian	4/4	N/A	N/A	N/A	2/2	1/1
Mr. Qiu Chunchao	4/4	N/A	N/A	N/A	2/2	1/1
Non-executive Director						
Dr. Zhu Xiaorui	4/4	4/4	1/1	N/A	N/A	1/1
Independent non-executive Directors						
Mr. Feng Jianfeng ⁽³⁾	2/2	N/A	1/1	1/1	N/A	1/1
Mr. Liu Ming	4/4	4/4	1/1	N/A	N/A	1/1
Mr. Ng Yuk Keung	4/4	4/4	N/A	N/A	N/A	1/1
Ms. Yang Rixin ⁽³⁾	2/2	N/A	0/0	0/0	N/A	N/A



CORPORATE GOVERNANCE REPORT

Notes:

- (1) This includes physical Board meetings and written Board resolutions.
- (2) The annual general meeting was held on June 24, 2025 and our Directors attended the meeting in-person or via electronic means.
- (3) Mr. Feng Jianfeng resigned as an independent non-executive Director and Ms. Yang Rixin was appointed as an independent non-executive Director with effect from July 30, 2025.

In addition, the Chairman held one meeting with the independent non-executive Directors without the presence of other Directors during the Reporting Period.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to the management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Director and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

CORPORATE GOVERNANCE REPORT

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman of the Board and the Chief Executive Officer of the Company were held by Dr. Qiu Chunxin and Mr. Qiu Chunchao, respectively.

Dr. Qiu focuses more on the role of Chairman of the Board, to oversee the scientific development of the Group and provides his valuable insights on the overall strategy and business and product development of the Company to the Board, while Mr. Qiu Chunchao as the Chief Executive Officer focuses on the Group's business development and daily management and operations generally.

BOARD INDEPENDENCE

The Company recognizes the importance of board independence to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

Pursuant to the terms of reference of the Nomination Committee and the Company's Board Diversity Policy (the "**Board Diversity Policy**"), the Nomination Committee will conduct an annual assessment on the independence of the Board, in particular the independent non-executive Directors according to the Listing Rules.

The Remuneration Committee will ensure that the Company shall not generally grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive Directors.

The Company has received the annual written confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines as set out in Rule 3.13 of the Listing Rules, and considers each of the independent non-executive Directors to be independent.



CORPORATE GOVERNANCE REPORT

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each Director is appointed for a term of three years from the date of his/her appointment and is subject to retirement by rotation and re-election at the annual general meetings. Under the Articles of Association of the Company, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. The Company's Articles of Association also provides that all Directors appointed to fill a casual vacancy or as addition to the Board shall hold office until the first annual general meeting after appointment. The retiring Directors shall be eligible for re-election.

Our non-executive Director has entered into an appointment letter with our Company pursuant to which she agreed to act as a non-executive Director with effect from the date of her appointment as a Director until the third annual general meeting of the Company since the Listing Date (subject always to re-election as and when required under the Articles of Association). Either party has the right to give not less than one month's written notice to terminate the agreement.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Ms. Yang Rixin, being an independent non-executive Director appointed by the Company on July 30, 2025, has obtained legal advice pursuant to Rule 3.09D of the Listing Rules on the date of her appointment and that she has confirmed that she understood her obligations as a director of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

CORPORATE GOVERNANCE REPORT

During the Reporting Period, all Directors had participated in continuous professional development in the following manner in compliance with code provision C.1 of the CG Code:

	Types of training
Executive Directors	
Dr. Qiu Chunxin	A, B, C, D
Mr. Liu Letian	A, B, C, D
Mr. Qiu Chunchao	A, B, C, D
Non-executive Director	
Dr. Zhu Xiaorui	A, B, C, D
Independent non-executive Directors	
Mr. Feng Jianfeng <i>(resigned with effect from July 30, 2025)</i>	A, B, C, D
Mr. Liu Ming	A, B, C, D
Mr. Ng Yuk Keung	A, B, C, D
Ms. Yang Rixin <i>(appointed with effect from July 30, 2025)</i>	A, B, C, D

Note: Types of Training -

- A. Attending training sessions, including but not limited to briefings, seminars and/or conferences, on various topics, such as on Listing Rules, directors' duties under applicable laws and regulations, financial reporting, internal control, risk management, environmental, social and governance requirements, etc.
- B. Reading relevant news alerts, newspaper articles, journals and relevant publications.
- C. Attending business and industry conferences and seminars organised by the Company and other external parties.
- D. Self-studies of Listing Rules and related publications published by the Stock Exchange.

Each of the Directors has provided a confirmation to the Company in relation to the continuous professional development as required by Rules 3.09F, 3.09G and (to the extent applicable) 3.09H of the Listing Rules during the Reporting Period.

BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, Remuneration Committee, Nomination Committee, and ESG Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, Remuneration Committee, Nomination Committee, and ESG Committee are posted on the Company's website and the Stock Exchange's website.



CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE

The Audit Committee was established with effect from the Listing Date and currently consists of three members, including two independent non-executive Directors, namely Mr. Ng Yuk Keung and Mr. Liu Ming, and one non-executive Director, namely Dr. Zhu Xiaorui. Mr. Ng Yuk Keung is the chairperson of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Audit Committee are to review the financial controls and the internal control and risk management systems of our Group, monitor the integrity of the Company's financial statements, review and monitor the external auditor's independence and objectivity and effectiveness of the audit process and perform other duties and responsibilities as assigned by our Board.

During the Reporting Period, the Audit Committee held four meetings to, among others, review the annual, interim and quarterly consolidated financial statements of the Group and the annual, interim and quarterly results announcements published by the Company, discuss the re-appointment of the external auditor and make recommendations to the Board, and review the Group's risk management and internal control system and its effectiveness. The Audit Committee also met with the Company's external auditor regarding the review of the Company's financial report and accounts as well as the related audit and review process.

The composition of the Audit Committee and attendance record of each Audit Committee member are set out below:

Members of the Audit Committee	Attendance
Mr. Ng Yuk Keung <i>(Chairperson)</i>	4/4
Mr. Liu Ming	4/4
Dr. Zhu Xiaorui	4/4

REMUNERATION COMMITTEE

The Remuneration Committee was established with effect from the Listing Date and currently consists of three members, including two independent non-executive Directors, namely Ms. Yang Rixin and Mr. Liu Ming, and one non-executive Director, namely Dr. Zhu Xiaorui. Ms. Yang Rixin is the chairperson of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Remuneration Committee are to establish and review the policy and structure of the remuneration for our Directors and senior management and make recommendations on remuneration packages of individual executive Directors and senior management.

CORPORATE GOVERNANCE REPORT

During the Reporting Period, the Remuneration Committee held one meeting to, among others, review the remuneration policy for the Directors and senior management and make recommendations to the Board in this regard, and review the grant of awards under the Post-IPO Share Incentive Scheme.

During the Reporting Period, the Remuneration Committee reviewed and approved the grant of RSUs underlying a total of 2,493,920 Shares and a total of 8,800,000 Share Options to eligible Participants, who are the employees of the Group, pursuant to the Post-IPO Share Incentive Scheme. For details, please refer to the section headed “Post-IPO Share Incentive Scheme” in this annual report.

The composition of the Remuneration Committee and attendance record of each Remuneration Committee member are set out below:

Members of the Remuneration Committee	Attendance
Mr. Feng Jianfeng (Chairperson) <i>(resigned with effect from July 30, 2025)</i>	1/1 ⁽¹⁾
Ms. Yang Rixin (Chairperson) <i>(appointed with effect from July 30, 2025)</i>	N/A ⁽¹⁾
Mr. Liu Ming	1/1
Dr. Zhu Xiaorui	1/1

Note:

- (1) Only one meeting of the Remuneration Committee was held prior to the resignation of Mr. Feng Jianfeng as an independent non-executive Director with effect from July 30, 2025.

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The Company offers the executive Directors and senior management, as its employees, with remuneration in the form of fees, wages, salaries, discretionary bonus, pension contributions, housing funds, medical insurances, other social insurances, share-based compensation expenses and other employee benefits. Non-executive Director and independent non-executive Directors will receive compensation according to their duties (including serving as members or chairmen of the Board Committees).



CORPORATE GOVERNANCE REPORT

The remuneration of the senior management, whose biographical details are included in section headed “Directors and Senior Management” of this annual report, during the year falls within the following bands:

Remuneration	Number of Individuals
HK\$9,500,001 to HK\$10,000,000	1
HK\$11,000,001 to HK\$11,500,000	2
HK\$11,500,001 to HK\$12,000,000	1
HK\$12,500,001 to HK\$13,000,000	1

NOMINATION COMMITTEE

The Nomination Committee was established with effect from the Listing Date and currently consists of three members, including one executive Director, namely Dr. Qiu Chunxin and two independent non-executive Directors, namely Mr. Ng Yuk Keung and Ms. Yang Rixin. Dr. Qiu Chunxin is the chairperson of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Nomination Committee are to review the Board structure, size and composition, make recommendations to our Board on the appointment or re-appointment of Directors and review the Company’s Board Diversity Policy.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company’s Board Diversity Policy. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate’s relevant criteria as set out in the Director Nomination Policy and the Board Diversity Policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the Reporting Period, the Nomination Committee held one meeting to, among others, review the structure, size and composition of the Board, assess each Director’s commitment and contribution to the Board and his/her ability to discharge responsibilities effectively, review the Board Diversity Policy and its effectiveness, consider the potential directorship candidate(s) and make recommendation to the Board, and review the independence of the independent non-executive Directors, consider the rotation of Directors at the annual general meeting.

CORPORATE GOVERNANCE REPORT

The composition of the Nomination Committee and attendance record of each Nomination Committee member are set out below:

Members of the Nomination Committee	Attendance
Dr. Qiu Chunxin (<i>Chairperson</i>)	1/1
Mr. Feng Jianfeng (<i>resigned with effect from July 30, 2025</i>)	1/1 ⁽¹⁾
Mr. Ng Yuk Keung	1/1
Ms. Yang Rixin (<i>appointed with effect from July 30, 2025</i>)	N/A ⁽¹⁾

Note:

- (1) Only one meeting of the Nomination Committee was held prior to the resignation of Mr. Feng Jianfeng as an independent non-executive Director with effect from July 30, 2025.

ESG COMMITTEE

The ESG Committee was established with effect from March 27, 2024 and currently consists of three members, including three executive Directors namely Dr. Qiu Chunxin, Mr. Liu Letian and Mr. Qiu Chunchao. Dr. Qiu Chunxin is the chairperson of the ESG Committee.

The primary duties of the ESG Committee include, among others, (i) developing and reviewing the Company's ESG responsibilities, vision, objectives, strategies, principles and policies, (ii) reviewing and monitoring the Company's ESG policies and practices, and (iii) reviewing the Company's ESG report and making recommendations to the Board for approval.

During the Reporting Period, the ESG Committee held two meetings to, among others, review the Company's ESG Report, and review the Group's ESG reporting procedure and its effectiveness.

The composition of the ESG Committee and attendance record of each ESG Committee member are set out below:

Members of the ESG Committee	Attendance
Dr. Qiu Chunxin (<i>Chairperson</i>)	2/2
Mr. Liu Letian	2/2
Mr. Qiu Chunchao	2/2



CORPORATE GOVERNANCE REPORT

BOARD DIVERSITY POLICY

The Board has adopted the Board Diversity Policy which sets out the objectives and approaches to achieve and maintain diversity of the Board. The Group recognizes the benefits of having a diversified Board and considers increasing diversity at the Board level as an essential element to achieve sustainable and balanced development of the Group and support the Group in achieving its strategic goals.

The Group seeks to achieve diversity of our Board through the consideration of a number of factors, including but not limited to professional experience, talents, skills, knowledge, cultural and education background, gender, age, ethnicity and length of service. Our Board Diversity Policy is well implemented as evidenced by the fact that there are both female and male Directors ranging from 36 years old to 61 years old, and that our Directors have a balanced mix of experiences from different industries and sectors.

The Company targets to maintain at least one female representation in the Board. As of the Latest Practicable Date, the Board had two female Directors. The Company also intends to promote gender diversity when recruiting staff at the middle to senior level in order to develop a pipeline of female senior management and potential successors to the Board.

In addition, the Company will engage more resources in training female staff who have long and relevant experience in the Company’s business, with the aim of promoting them to the senior management or directorship of the Group. The Company is committed to adopting a consistent approach to promote diversity at all other levels of the Company from the Board downwards, in order to enhance the effectiveness of the Company’s corporate governance as a whole.

An analysis of the Board’s current composition based on the measurable objectives is set out below:

Gender Male: 5 Directors Female: 2 Directors	Age Group 31-40: 2 Directors 41-50: 2 Directors 51-60: 2 Directors Over 60: 1 Director
Designation Executive Directors: 3 Directors Non-executive Directors: 1 Director Independent Non-executive Directors: 3 Directors	Educational Background Business administration: 2 Directors Accounting and finance: 2 Directors Others: 3 Directors
Nationality Chinese: 7 Directors	Business Experience Accounting, finance and investment: 3 Directors Experience related to the Company’s business: 4 Directors

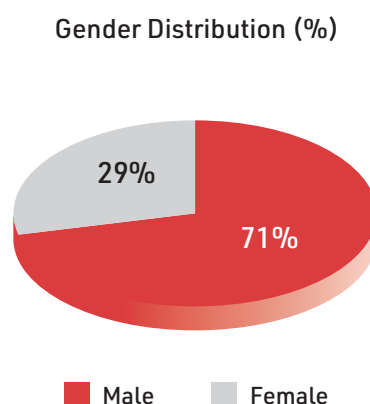
CORPORATE GOVERNANCE REPORT

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

DIVERSITY IN OUR WORKFORCE

The Company values diversity across all levels of the Group. Amid the competitive LiDAR industry vying for the pool of highly skilled professionals, we are committed to develop our talent pipeline and ensure a diverse work workforce that can bring a variety of skills, perspectives and experiences in support of our sustainable development.

The following diagram sets out the gender ratio in the workforce of the Group that the Board had target to achieve and achieved, including the Board and senior management as at the date of this annual report (Male: 71% [1,281]; Female: 29% [519]).



DIRECTOR NOMINATION PROCEDURES

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director Nomination Procedures (the “**Director Nomination Procedures**”) which set out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.



CORPORATE GOVERNANCE REPORT

The nomination process set out in the Director Nomination Procedures is as follows:

Appointment of New Director

- (i) The Board shall, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out in section 1 of the Director Nomination Procedures to determine whether such candidate is qualified for directorship.
- (ii) If the process yields one or more desirable candidates, the Board shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iii) The Board shall then appoint the appropriate candidate for directorship.
- (iv) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Board shall evaluate such candidate based on the criteria as set out in section 1 of the Director Nomination Procedures to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendation to shareholders in respect of the proposed election of director at the general meeting.

Re-election of Director at General Meeting

- (i) The Board shall review the overall contribution and service to the Company of the retiring director including his or her attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board.
- (ii) The Board shall also review and determine whether the retiring director continues to meet the criteria as set out in the Director Nomination Procedures.
- (iii) The Nomination Committee and/or the Board shall then make recommendation to Shareholders in respect of the proposed re-election of director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

CORPORATE GOVERNANCE REPORT

The Director Nomination Procedures set out the criteria for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments;
- Requirements for the Board to have independent directors in accordance with Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- Board Diversity Policy and any measurable objectives adopted by the Board for achieving diversity on the Board; and
- Such other perspectives appropriate to the Company's business.

The Nomination Committee will review the Director Nomination Procedures, as appropriate, to ensure its effectiveness. The Director Nomination Procedures are available on the Company's website.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code. The Board should disclose the policy for the nomination of directors in the Corporate Governance Report every financial year. This includes the nomination procedures and the process and criteria adopted by the nomination committee to select and recommend candidates for directorship. Please see the paragraph headed "Director Nomination Procedures" above for details.

The Board shall review the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's insider dealing policy, and the Company's compliance with the CG Code.



CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems. In particular, the Board has reviewed the effectiveness of the Group's overall risk management and internal control systems during the Reporting Period, and has discussed with and/or received confirmations from the senior management and Audit Committee of the Company in relation to the ongoing implementation and effectiveness of the Group's risk management and internal control systems, and the Board confirmed that such risk management and internal control systems are generally appropriate and effective for the purposes of, among other things, dealing with identified risks, safeguarding the issuer's assets, preventing and detecting fraud, misconduct and loss, ensuring the accuracy of the Company's financial reports, and achieving compliance with applicable laws and regulations.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management and internal control procedures and guidelines with defined authority for implementation by key business processes and office functions, including (without limitation) project management, sales and marketing, financial reporting, human resources, legal and compliance and information technology. The main purposes of such procedures and guidelines are to identify and manage significant risks involving in each of our operational processes and functions.

In addition, the Company has implemented proper procedures to ensure its timely, accurate and complete disclosure of inside information and any other discloseable information required by applicable laws, rules and regulations (including the Listing Rules and the SFO) to ensure timely and transparent disclosure to its Shareholders, prospective investors and other stakeholders as well as to prevent false market in its securities.

All divisions conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division.

The management, in coordination with division/department heads, assessed the likelihood of risk occurrence, provided treatment plans, and monitored the risk management progress, and reported to the Audit Committee and the Board on all findings and the effectiveness of the systems.

CORPORATE GOVERNANCE REPORT

The internal control department is responsible for providing the internal audit function and performing independent review of the adequacy and effectiveness of the risk management and internal control systems. In addition to the internal control department, the Company has also established an internal audit department which is responsible for reviewing the effectiveness of internal controls and reporting issues identified and improving our internal control systems and procedures by identifying internal control failures and weaknesses on an ongoing basis. The internal audit department reports any major issues identified to the Audit Committee and the Board on a timely basis. During the Reporting Period, no significant changes have been made to the Group's risk management and internal control systems and no material control failings or weaknesses have been identified through such internal review.

The Company has established the anti-corruption risk management policies prohibiting any corruption activities by the employees, either for the pursuit of improper personal benefits or improper interests of the Company. We have maintained a whistleblower policy and mechanism for employees to anonymously report any incidents of bribery and corruption. The Ethics and Compliance Committee is responsible for investigating reported incidents and taking appropriate measures to address them. The Company has zero-tolerance of corruption and does not accept employment or promotion of persons responsible for corruption incidents. The Company conducts routine internal trainings and require all suppliers to execute anti-corruption commitments before engagement.

The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery, with a view to proactively identifying any concerns or issues relating to any potential non-compliance.

To monitor the ongoing implementation of our risk management policies, we have established an Audit Committee to review and supervise our financial reporting process and internal control system annually in respect of each financial year on an ongoing basis, so as to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Board considered the risk management and internal control systems of the Company during the Reporting Period were effective and adequate.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements with the support of the accounting and finance team.

The Directors have prepared the financial statements in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" of this annual report.



CORPORATE GOVERNANCE REPORT

AUDITOR'S REMUNERATION

The remuneration paid and payable to the external auditor of the Company, PricewaterhouseCoopers, in respect of audit services and non-audit services for the year ended December 31, 2025 is set out below:

Service Category	Fees Paid/Payable RMB'000
Audit Services	4,495
Non-audit Services	5
Total	4,500

JOINT COMPANY SECRETARIES

Mr. Lau Wing Kee and Ms. Lau Yee Wa have been appointed as the Company's joint company secretaries. Ms. Lau Yee Wa is currently a director of corporate services of Tricor Services Limited, a member of Vistra Group and a global professional services provider specializing in integrated business, corporate and investor services.

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters. Mr. Lau Wing Kee, a joint company secretary of the Company, has been designated as the primary contact person at the Company who would work and communicate with Ms. Lau, also a joint company secretary of the Company, on the Company's corporate governance and secretarial and administrative matters.

During the Reporting Period, Mr. Lau Wing Kee and Ms. Lau Yee Wa have each undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

Convening Extraordinary General Meeting

Pursuant to the Article 17 of the Articles of Association of the Company, the Board may, whenever it thinks fit, convene general meetings, and they shall on a members' requisition forthwith proceed to convene a general meeting of the Company. A members' requisition is a requisition of one or more members of the Company holding at the date of deposit of the requisition not less than 10% of the voting rights, on a one vote per share basis, of the issued Shares which as at that date carry the right to vote at general meetings of the Company. The members' requisition must state the objects and the resolutions to be added to the agenda of the meeting and must be signed by the requisitionist(s) and deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, and may consist of several documents in like form each signed by one or more requisitionist(s). If there are no Directors as at the date of the deposit of the members' requisition or if the Directors do not within 21 days from the date of the deposit of the members' requisition duly proceed to convene a general meeting to be held within a further 21 days, the requisitionist(s), or any of them representing more than one-half of the total voting rights of all of the requisitionist(s), may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three months after the expiration of the said 21 day period.

CORPORATE GOVERNANCE REPORT

Putting Forward Proposals at the General Meeting

There is no provision in the Articles of Association or the Companies Act of the Cayman Islands for the procedure for a resolution to be proposed by a member at a general meeting. Shareholders wishing to propose a resolution may request the Company to convene a general meeting to consider the matters specified in the request in accordance with the procedures set out in the paragraph above.

Putting Forward Enquiries to the Board

Shareholders may make a request for the Company's information to the extent such information is publicly available. For putting forward any enquiries (other than about their shareholding) to the Board, Shareholders may send written enquiries to the Company to the following:

Address: Building 9, Zhongguan Honghualing Industry Southern District, 1213 Liuxian Avenue, Taoyuan Street, Nanshan District, Shenzhen, PRC

For the attention of the Board of Directors

Email: ir@robosense.ai

For the avoidance of doubt, Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavors to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meetings, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

During the Reporting Period, the Company held one annual general meeting on June 24, 2025 (the "AGM"). All of the then Directors attended the AGM in person or through electronic means. The Company hosted Q&A session during the AGM, during which Shareholders participated in direct dialogues with the Directors on various topics, including our Group's track record performance and business and industry outlook.



CORPORATE GOVERNANCE REPORT

To safeguard Shareholder interests and rights, a separate resolution should be proposed for each substantially separate issue at general meetings, including the election of an individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

SHAREHOLDERS' COMMUNICATION POLICY

The Company has in place a Shareholders' Communication Policy. The policy aims to set out the provisions with the objective of ensuring that the Company's Shareholders, both individual and institutional, and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable Shareholders to exercise their rights in an informed manner, and to enhance the communication among Shareholders, the investment community and the Company.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

"Corporate Communication" as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors' report, annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company in plain language will be published on the Stock Exchange's website in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company's securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules. Shareholders and non-registered holders of the Company's securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means). Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communications.

(b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements on inside information, corporate actions and transactions etc. and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules.

CORPORATE GOVERNANCE REPORT

(c) Corporate Website

Information on the Company's website is updated on a regular basis. Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website (www.robosense.ai/en) immediately thereafter. Such information includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents etc.

(d) Shareholders' Meetings

Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. Appropriate arrangements for the annual general meetings shall be in place to encourage Shareholders' participation. The process of the Company's general meeting will be monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served. Board members, in particular, the chairmen of Board committees or their delegates, appropriate management executives and external auditor will attend annual general meetings to answer Shareholders' questions. Shareholders are encouraged to attend shareholders' activities organized by the Company, where they can know about the state of affairs of the Company.

(e) Shareholders' Enquiries

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, via its online holding enquiry service at www.tricoris.com, or send email to is-enquiries@hk.tricorglobal.com, call its hotline 2980 1333, or come in person at the public counter on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Enquiries about Corporate Governance or Other Matters to be put to the Board and the Company

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send any enquiries to the Board by email: ir@robosense.ai or by post to Building 9, Zhongguan Honghualing Industry Southern District, 1213 Liuxian Avenue, Taoyuan Street, Nanshan District, Shenzhen, PRC for the attention of the Board.

(f) Investment Market Communication

Investor/analysts briefings, and one-on-one meetings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be available on a regular basis in order to facilitate communication between the Company, Shareholders and the investment community.

The Company regularly holds earning calls after publication of its annual results, interim results and quarterly results to enable management's discussion of the Group's financial performance and business updates and interaction with the participants.



CORPORATE GOVERNANCE REPORT

AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

The Articles of Association has been amended and restated with effect from the Listing Date, and are available on the respective websites of the Stock Exchange and the Company.

There is no change in constitutional documents of the Company during the Reporting Period.

DIVIDEND POLICY

The Company is a holding company incorporated in the Cayman Islands. For the cash requirements, including any payment of dividends to the Shareholders, the Company relies upon payments from its operating entities. PRC regulations may restrict the ability of the Group's PRC subsidiaries to pay dividends to us. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. The Company currently does not have any fixed dividend pay-out ratio. No dividend shall be declared or payable except out of the Group's profits and reserves lawfully available for distribution. According to relevant PRC laws, any future net profit that any of the PRC subsidiaries of the Group makes will have to be first applied to make up for its historically accumulated losses, after which it will be obliged to allocate 10% of its net profit to the statutory common reserve fund until such fund has reached more than 50% of the registered capital of the Company. The Company will, therefore, only be able to declare dividends after: (i) the PRC subsidiaries' historically accumulated losses have been made up for; and (ii) the PRC subsidiaries have allocated sufficient net profit to their statutory common reserve fund as described above.

DIRECTORS AND SENIOR MANAGEMENT

BIOGRAPHICAL DETAILS OF OUR DIRECTORS

Executive Directors

Dr. Qiu Chunxin (邱純鑫), aged 42, is our co-founder, chairman of the Board, executive Director and chief scientist. He is the brother of Mr. Qiu Chunchao. He was appointed as a Director on June 23, 2021 and was re-designated as an executive Director on June 28, 2023. He is primarily responsible for overseeing the overall strategy, business development and management of our Group and serving as the chairman of the Nomination Committee and the chairman of the ESG Committee.

Dr. Qiu has approximately eleven years of experience in the LiDAR solutions market. He has been holding directorship in several subsidiaries of our Group, including Shenzhen Suteng since August 2014, Optixpan Semiconductors since October 2016, Suzhou Xijing MEMS since November 2017, RoboSense Inc. since December 2017, Hong Kong Suteng since February 2018, Shanghai Suteng since December 2018, Beijing Surui since June 2021, RoboSense BVI since June 2021, and RoboSense HK since July 2021. Dr. Qiu obtained a bachelor's degree in engineering majoring in automation from Yanshan University (燕山大學) in China in July 2007 and a master's degree and a doctorate degree in control science and engineering from Harbin Institute of Technology (哈爾濱工業大學) in China in January 2010 and July 2014, respectively.

Dr. Qiu was recognized by Human Resource Bureau Nanshan District (深圳市南山區人力資源局) as "High-level Talent" in Nanshan District of Shenzhen (深圳市南山區「領航人才」) in August 2017, by Human Resources and Social Security Administration of Shenzhen Municipality (深圳市人力資源和社會保障局) as High-level Professional in Shenzhen (深圳市高層次專業人才) in November 2017, by MIT Technology Review (a media company founded at the Massachusetts Institute of Technology) as Innovators Under 35 in 2017, and by Hemi Ventures (an institution investing in early stage startups in ADAS vehicles, artificial intelligence applications, robotics, biotech, and other emerging technology sectors) as Top 50 Individuals in Automotive Industry in China (中國出行50人) in 2018. He was also recognized by Sensors Expo & Conference, one of the world's largest gatherings of engineers and scientists involved in the development and deployment of sensor systems, as "Best of Sensors Awards 2019 – Rising Star of the Year". He was also granted with 2019 China Automotive Electronics Science and Technology Award – Innovative Individual Award (2019年度中國汽車電子科學技術獎創新人物獎). He received Outstanding Contribution to Automotive Tech Award from TU-Automotive in 2020, and the second prize in Guangdong Provincial Technology Invention Award (廣東省技術發明獎) in March 2022.



DIRECTORS AND SENIOR MANAGEMENT

Mr. Liu Letian (劉樂天), aged 37, is our co-founder, executive Director and chief technology officer. He was appointed as a Director on December 31, 2021 and was re-designated as an executive Director on June 28, 2023. He also serves as a member of the ESG Committee. He is primarily responsible for formulating product research and development plan and overseeing the technology advancement of our Group.

Mr. Liu has approximately eleven years of experience in the LiDAR solutions market. He has been holding senior membership and directorship in several subsidiaries of our Group, including chief technology officer in Shenzhen Suteng since August 2014, executive director in Tianjin Lubo since November 2022, a general manager of Suteng Zhigang Technology since August 2023, a general manager of Optixpan Semiconductors since September 2023.

Mr. Liu obtained a bachelor's degree in automation in July 2010, and a master's degree in control science and engineering in January 2013, each from Harbin Institute of Technology (哈爾濱工業大學) in China.

Mr. Liu won a silver medal in the Creative Robot Competition, the First IEEE International Robot Competition in Robot, Vision and Signal Processing (RVSP), in November 2011, the second prize in Shenzhen Technology Invention Award (深圳市技術發明獎) in December 2020 and the second prize in Guangdong Provincial Technology Invention Award (廣東省技術發明獎) in March 2022. He was also recognized as "High-level Talent" in Nanshan District of Shenzhen (深圳市南山區「領航人才」) in 2021.

Mr. Qiu Chunchao (邱純潮), aged 36, is our executive Director and Chief Executive Officer. He is the brother of Dr. Qiu Chunxin. He was appointed as a Director on December 31, 2021 and re-designated as an executive Director on June 28, 2023. He also serves as a member of the ESG Committee. He is primarily responsible for overseeing the execution of the overall strategy, business development and management of our Group.

Mr. Qiu has over ten years of experience in the LiDAR solutions market. He has been holding senior management position and directorship in several subsidiaries of our Group, including the supervisor of Optixpan Semiconductors since October 2016, supervisor of Suzhou Xijing MEMS since November 2017, supervisor of Shanghai Suteng since December 2018 and director of Hong Kong Suteng since June 2021.

Mr. Qiu obtained a diploma (專科證書) in computer application technology from Guangdong Polytechnic of Science and Technology (廣東科學技術職業學院) in China in June 2012, and a master's degree in business administration from The Chinese University of Hong Kong (香港中文大學) in Hong Kong in October 2022.

Mr. Qiu was recognized by Forbes in the 30 Under 30 Asia List 2018 and the 30 Under 30 China List 2018, and by Hurun Report (胡潤百富) in Hurun China Under 30s To Watch 2019 (2019 胡潤Under 30s創業領袖). He was also honored by Human Resource Bureau Nanshan District (深圳市南山區人力資源局) as "High-level Talent" in Nanshan District of Shenzhen (深圳市南山區「領航人才」) in January 2022.

DIRECTORS AND SENIOR MANAGEMENT

Non-executive Director

Dr. Zhu Xiaorui (朱曉蕊), aged 48, is our co-founder, non-executive Director and scientific advisor. She was appointed as a Director on December 31, 2021 and was re-designated as a non-executive Director on June 28, 2023. She is primarily responsible for supervising and providing advice to our Group's scientific development and serving as members of the Audit Committee and Remuneration Committee.

Dr. Zhu has extensive experience in technology sector. Dr. Zhu has been and is currently serving as a director of Shenzhen Yingpeng Information Technology Co., Ltd. (深圳英鵬信息技術股份有限公司) since November 2017, a director and the chief scientist of Guangdong Avenue Zhichuang Technology Co., Ltd. (廣東省大道智創科技有限公司) since January 2018, and a director of Galaxy Artificial Intelligence and Robotics Research Institute Pte. Ltd. since June 2023. Previously, she was a director of Shenzhen Boyun Information Technology Development Co., Ltd. (深圳市博雲信息技術發展有限公司) from December 2015 to July 2017, a supervisor of Shenzhen Yiqing Innovation Technology Co., Ltd. (深圳一清創新科技有限公司) from August 2018 to September 2022, and an independent non-executive director of XGimi Technology Co Ltd (極米科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688696), from July 2019 to May 2025.

Dr. Zhu obtained a bachelor's degree in electric mechanical control and automation and a master's degree in electric and mechanical integration from Harbin Institute of Technology (哈爾濱工業大學) in China in July 1998 and July 2000, respectively, and a doctorate degree in mechanical engineering from The University of Utah in the United States in December 2006. She also holds the qualification certificate for independent directors issued by the Shanghai Stock Exchange in August 2019.

Dr. Zhu was awarded the second prize of National Technological Advancement Award (國家科學技術進步獎) in China in 2012. She served as a member of the Women in Engineering Group and Member Activities Board of IEEE Robotics and Automation Society for two consecutive terms from 2012 to 2013 and the chairman of the International Affairs Committee of the IEEE Robotics and Automation Society in 2014. She was an organizing committee member in the 2011 IEEE International Conference on Robotics and Automation ("ICRA"), the 2014 IEEE/RSJ International Conference on Intelligent Robots and Systems and the 2015 IEEE ICRA. She was recognized in the 2015 IEEE ICRA as one of the Notable Women in Robotics. She was the chairman of the organizing committee of Global Artificial Intelligence and Robotics ("GAIR") Summit (全球人工智能與機器人峰會) in 2016 and 2017 and the chairman of GAIR Silicon Valley Intelligent Driving Summit (GAIR矽谷智能駕駛峰會) in 2018. She was elected as the honorary president of Shenzhen Artificial Intelligence Industry Association in May 2020 and recognized by Forbes in the List of 50 Women in Technology in China in 2022.



DIRECTORS AND SENIOR MANAGEMENT

Independent Non-executive Directors

Mr. Liu Ming (劉民), aged 55, was appointed as an independent non-executive Director on and with effect from February 9, 2024. He is responsible for supervising and providing independent judgment to the Board and serving as members of the Remuneration Committee and the Audit Committee.

Mr. Liu served as an assistant professor at the Department of Systems Engineering and Engineering Management of the Chinese University of Hong Kong from August 1996 to August 1999, and a tenured professor at the Department of Finance of the Chinese University of Hong Kong since August 1999 till now. He served as an associate professor at the University of Missouri Columbia from August 2001 to August 2003, and served as an associate director of Shenzhen Finance Institute, CUHK(SZ) (深圳高等金融研究院 (香港中文大學 (深圳) 高等金融研究院)) from January 2017 to June 2020. He has also served as the director of the EMBA program of the Chinese University of Hong Kong since August 2021.

He served as an independent director of Sichuan Jinding (Group) Co., Ltd. (四川金頂(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600678) from June 2017 to April 2023, an independent director of Shenzhen Ecobeauty Co., Ltd. (深圳美麗生態股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000010) from January 2019 to May 2022. He has also served as an independent director of CR Yuanta Fund Management Co., Ltd. (華潤元大基金管理有限公司) since March 2019, China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company listed on the Stock Exchange (stock code: 1606) since August 2023, and Wuxi Hejing Technology Company Limited (無錫和晶科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code:300279) since January 2025.

Mr. Liu obtained a bachelor's degree in engineering management from the University of Science and Technology of China (中國科學技術大學) in July 1989, a master's degree in statistics from Duke University, the U.S., in June 1995 and a doctoral degree in economics from Duke University, the U.S., in June 1996. Mr. Liu obtained the qualification certificate as independent director from the Shanghai Stock Exchange in April 2017.

Mr. Ng Yuk Keung (吳育強), aged 61, was appointed as an independent non-executive Director on June 28, 2023, with effect from the Listing Date. He is responsible for supervising and providing independent judgment to the Board. He serves as the chairman of the Audit Committee and a member of the Nomination Committee.

Mr. Ng has ample experience acting as an independent non-executive director of listed companies. He is currently and has been an independent non-executive director of E-Commodities Holdings Limited, a company listed on the Stock Exchange (stock code:1733, formerly known as Winsway Enterprises Holdings Limited and Winsway Coking Coal Holdings Limited) since June 2010. Previously, he was an independent non-executive director of Xinjiang Xinxin Mining Industry Co., Ltd. (stock code: 3833) from February 2007 to October 2011, Zhongsheng Group Holdings Limited (stock code: 881) from October 2009 to September 2016, and Sany Heavy Equipment International Holdings Company Limited (stock code: 631) from November 2009 to May 2025, each of which is a company listed on the Stock Exchange. He was also an independent non-executive director of Beijing Capital Land Ltd. (previously listed on the Stock Exchange with the stock code of 2868, and is currently delisted) from December 2008 to April 2016.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Ng also has solid experience in accounting and financial management matters in listed companies. From November 2004 to August 2006, he worked in IRICO Group New Energy Company Limited (彩虹集團新能源股份有限公司) (formerly known as IRICO Group Electronics Company Limited (彩虹集團電子股份有限公司), a company listed on the Stock Exchange (stock code: 438)) where he served as the deputy chief financial officer, the joint company secretary and the qualified accountant. From September 2006 to March 2010, he was the chief financial officer, the company secretary and the qualified accountant of China Huiyuan Juice Group Limited (previously listed on the Stock Exchange with the stock code of 1886, and is currently delisted). From March 2010 to July 2012, he was the executive director, chief financial officer and the company secretary of China NT Pharma Group Company Limited, a company listed on the Stock Exchange (stock code: 1011). Mr. Ng worked in Kingsoft Corporation Limited, a company listed on the Stock Exchange (stock code: 3888) for ten years, where he served as the chief financial officer from July 2012 to July 2022 and an executive director from March 2013 to May 2022.

Mr. Ng obtained a bachelor's degree in social sciences in 1988 and a master's degree of science in global business management and e-commerce in 2022 from The University of Hong Kong. He is a fellow member of The Association of Chartered Certified Accountants, The Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.

Ms. Yang Rixin (楊日昕), aged 55, was appointed as an independent non-executive Director on July 30, 2025. She serves as the chairperson of the Remuneration Committee and a member of the Nomination Committee. Ms. Yang had extensive experience in the finance and wealth management industries. She worked as a general manager in sales and trading in the East China region of Everbright Securities Company Limited (光大證券股份有限公司), a company listed on the Stock Exchange (stock code: 6178) from December 2000 to November 2011, a general manager of the wealth management division of Huatai Securities Co., Ltd. (華泰證券股份有限公司), a company listed on the Stock Exchange (stock code: 6886) and the Shanghai Stock Exchange (stock code: 601688) from November 2011 to April 2014, and a vice president of Zhongshan Securities Co., Ltd. (中山證券有限責任公司) from May 2014 to October 2024.

Ms. Yang obtained an executive master of business administration from Harbin Institute of Technology (哈爾濱工業大學) in China in October 2000, and a doctorate degree in finance and management from University of Geneva in Switzerland in July 2020.

Save as disclosed above in this section, each of our Directors has confirmed that (i) he/she did not hold any other directorship in any other listed companies during the three years immediately prior to the Latest Practicable Date; (ii) there is no other matter in respect of each of our Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules; and (iii) there is no other material matter relating to our Directors that needs to be brought to the attention of our Shareholders.



DIRECTORS AND SENIOR MANAGEMENT

BIOGRAPHICAL DETAILS OF OUR SENIOR MANAGEMENT

Dr. Qiu Chunxin (邱純鑫), aged 42, is our co-founder, chairman of the Board, executive Director and chief scientist. For details of his biography, see “Biographical Details of our Directors – Executive Directors” in this section.

Mr. Liu Letian (劉樂天), aged 37, is our co-founder, executive Director and chief technology officer. For details of his biography, see “Biographical Details of our Directors – Executive Directors” in this section.

Mr. Qiu Chunchao (邱純潮), aged 36, is our executive Director and Chief Executive Officer. For details of his biography, see “Biographical Details of our Directors – Executive Directors” in this section.

Mr. Lau Wing Kee (劉永基), aged 61, is our chief financial officer. He was appointed as the chief financial officer on August 1, 2022. He is primarily responsible for overseeing the accounting, financial management and taxation affairs of our Group.

Prior to joining our Group, Mr. Lau worked in PricewaterhouseCoopers from January 1994 to July 2000. He served as a financial director in Ogilvy & Mather Advertising Ltd. Beijing Branch from July 2000 to October 2004, as the chief financial officer and company secretary in Beijing Media Corporation Ltd., a company listed on the Stock Exchange (stock code: 1000) from November 2004 to February 2007, as the chief financial officer in Perfect World Co., Ltd., a company listed on the NASDAQ (with ticker symbol of PWRD prior to its de-listing in July 2015) from March 2007 to June 2018, as the chief financial officer in Square Panda Inc. from July 2018 to August 2019, as the chief financial officer in Tarena International Inc., a company listed on the NASDAQ (ticker symbol: TEDU) from March 2020 to July 2022, as an independent director of Genetron Holdings Limited, a company listed on the NASDAQ (ticker symbol: GTH) from June 2020 to March 2024. Mr. Lau has been serving as an independent director of EHang Holdings Limited, a company listed on the NASDAQ (ticker symbol: EH) since August 2023.

Mr. Lau obtained a bachelor's degree in business administration (finance) from the Hong Kong Baptist University (香港浸會大學) in Hong Kong in November 1990, and an executive master of business administration from Cheung Kong Graduate School of Business (長江商學院) in China in September 2011. Mr. Lau is an associate of both of The Association of Chartered Certified Accountants and The Hong Kong Institute of Certified Public Accountants.

DIRECTORS AND SENIOR MANAGEMENT

BIOGRAPHICAL DETAILS OF OUR JOINT COMPANY SECRETARIES

Mr. Lau Wing Kee (劉永基), our chief financial officer, was appointed as a joint company secretary of our Company on June 28, 2023. For details of his biography, see “Biographical Details of our Senior Management” in this section.

Ms. Lau Yee Wa (劉綺華), was appointed as a joint company secretary of our Company on December 7, 2023. Ms. Lau is a director of corporate services of Tricor Services Limited, a member of Vistra Group and a global professional services provider specializing in integrated business, corporate and investor services.

Ms. Lau has over 20 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Lau is currently the company secretary or joint company secretary of a few listed companies on the Stock Exchange.

Ms. Lau is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Lau obtained her Bachelor of Business Administrative Management from the University of South Australia.

DISCLOSURE OF CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Save as disclosed herein, our Directors and senior management confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.



INDEPENDENT AUDITOR'S REPORT



To the Shareholders of RoboSense Technology Co., Ltd
(incorporated in the Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of RoboSense Technology Co., Ltd (the “**Company**”) and its subsidiaries (the “**Group**”), which are set out on pages 84 to 194, comprise:

- the consolidated balance sheet as of December 31, 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“**ISAs**”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the “**Code**”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Assessment of expected credit losses ("ECL") of trade receivables
- Valuation of an investment in an associate measured at fair value through profit or loss

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment of ECL of trade receivables Refer to Note 3.1(b) "credit risk", Note 4 "Critical accounting estimates and judgments", and Note 21 "Trade and notes receivables" to the consolidated financial statements. As of December 31, 2025, the gross carrying amount of trade receivables amounted to RMB616,919,000, which represented approximately 11.7% of the total assets of the Group. Management has assessed the ECL of trade receivables and provided an allowance of RMB19,620,000. The Group applied a simplified approach prescribed by IFRS 9 to measure ECL which uses a lifetime expected loss allowance for all trade receivables.	We have performed the following procedures in respect of the assessment of ECL of trade receivables: • Obtained an understanding of management's internal control and assessment process of ECL of trade receivables, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias; • Evaluated and tested the key control in place on management's assessment on the ECL of trade receivables; • With the assistance of our internal experts, evaluated the appropriateness of the model, tested the completeness and accuracy of underlying data used in the model, challenged and assessed the reasonableness of significant assumptions used by management related to the default rates and the lifetime recovery by corroborating management's assessment with publicly available information, existence of disputes and historic payments and other supporting evidence;



INDEPENDENT AUDITOR'S REPORT

Management’s estimation of ECL has taken into consideration of all reasonable and reliable information, including the publicly available information, aging of closing balance, existence of disputes and historic payments, as well as current conditions and the forward-looking factors in line with macro-economic environment and other factors. The assessment of ECL of trade receivables is considered as a key audit matter given the significance of the trade receivables balance. In addition, the judgements and estimations in relation to assessment of ECL are subject to a relatively higher degree of uncertainty and subjectivity. This in turn led to a high degree of auditor judgment, subjectivity and audit effort in performing procedures and evaluating audit evidence obtained relating to management’s judgments about credit risk characteristics and expected loss rates.	• With the assistance of our internal experts, evaluated management’s assessment on the forward-looking factors with reference to our understanding of the Group’s business, industry and external macro-economic data; • Tested, on a sample basis, the accuracy of aging analysis of trade receivables prepared by management to the related supporting documents; • Checked the mathematical accuracy of the ECL calculation for the loss allowance on trade receivables; and • Assessed the adequacy of the disclosures related to ECL of trade receivables. Based on our work, we considered that the significant judgments and estimates made by management in relation to the ECL of trade receivables were supportable by the evidence obtained and procedures performed.
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INDEPENDENT AUDITOR'S REPORT

Valuation of an investment in an associate measured at fair value through profit or loss ("FVTPL") Refer to Note 3.3 "Fair value estimation", Note 4 "Critical accounting estimates and judgments" and Note 24 "Financial assets at fair value through profit or loss" to the consolidated financial statements. As of December 31, 2025, the Group's investment in an associate measured at FVTPL classified as Level 3 financial instrument in the fair value hierarchy ("Investment") was RMB131,122,000. The Group recognized a fair value gain of RMB95,384,000 of the Investment for the year ended December 31, 2025. With the assistance of an independent external valuer, management considered subsequent financing events of the associate and applied an option pricing model to determine its equity value, utilizing significant unobservable assumptions including scenario probabilities and expected volatility and key data of relevant contractual terms on the financing event date. The resulting equity value was then used to determine the fair value of the Investment held by the Group as of December 31, 2025.	We have performed the following procedures in respect of the valuation of the Investment: • Obtained an understanding of management's internal control and assessment process of valuation of the Investment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity and susceptibility to management bias; • Evaluated and tested relevant controls over the valuation of the Investment; • Obtained and examined the relevant terms in the Investment contracts; • Assessed the competence, capabilities and objectivity of the external valuer engaged by the management;
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INDEPENDENT AUDITOR'S REPORT

Valuation of the Investment was identified as a key audit matter because its significance to the consolidated financial statements and the significant judgement involved in assessment of the valuation model and significant unobservable assumptions.	• With the assistance of our internal experts, we performed the following procedures: • Evaluated the appropriateness of the model used by management for the valuation of the Investment based on current industry practice; • Evaluated the reasonableness of the significant unobservable assumptions including scenario probabilities and expected volatility by challenging the management's consideration, referencing to relevant market data and evaluating the reasonableness of the sensitivity analysis; • Tested the mathematical accuracy of the valuation calculations. • Assessed the adequacy of the disclosures related to the valuation of the Investment. Based on the above, we considered that management's judgements and assumptions applied in the valuation of the Investment were supportable by the evidence obtained and procedures performed.
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INDEPENDENT AUDITOR'S REPORT

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is SHIN, Wai Kit, Ricky.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, March 25, 2026



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	
Revenue	5	1,941,008	1,648,902
Cost of sales	8	(1,426,856)	(1,365,349)
Gross profit		514,152	283,553
Research and development expenses	8	(646,674)	(615,434)
Sales and marketing expenses	8	(128,073)	(110,284)
General and administrative expenses	8	(168,021)	(163,960)
Net impairment losses on financial assets		(1,174)	(11,769)
Other income	6	129,589	52,515
Other gains/(losses) – net	7	115,873	(18,826)
Operating loss		(184,328)	(584,205)
Finance income	10	98,497	104,621
Finance costs	10	(9,907)	(4,915)
Finance income – net		88,590	99,706
Share of net (loss)/profit of associates accounted for using the equity method	16b	(13,398)	10,473
Impairment loss of an associate accounted for using the equity method	16b	(16,531)	–
Fair value changes in financial instruments issued to investors		–	(2,799)
Loss before income tax		(125,667)	(476,825)
Income tax expenses	11	(19,299)	(4,980)
Net loss		(144,966)	(481,805)
(Loss)/profit attributable to:			
Owners of the Company		(145,922)	(481,827)
Non-controlling interests		956	22
		(144,966)	(481,805)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	
Other comprehensive (loss)/income			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences		(585)	(280)
<i>Items that will not be reclassified to profit or loss</i>			
Currency translation differences		(92,809)	22,388
Other comprehensive (loss)/income, net of tax		(93,394)	22,108
Total comprehensive loss		(238,360)	(459,697)
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(239,316)	(459,719)
Non-controlling interests		956	22
		(238,360)	(459,697)
Loss per share for loss attributable to the owners of the Company:			
Basic and diluted (expressed in RMB per share)	12	(0.32)	(1.11)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.



CONSOLIDATED BALANCE SHEET

		As of December 31,	
		2025	2024
	Notes	RMB'000	
ASSETS			
Non-current assets			
Property, plant and equipment	13	292,729	271,560
Right-of-use assets	14	28,869	41,144
Intangible assets	15	37,014	48,524
Investments accounted for using the equity method	16b	34,984	65,238
Financial assets at fair value through profit or loss	24	170,540	34,197
Time Deposit	17	20,183	20,374
Other non-current assets	18	43,483	14,086
		627,802	495,123
Current assets			
Inventories	19	395,171	202,863
Trade and notes receivables	21	800,267	462,189
Prepayments, other receivables and other current assets	22	211,147	114,527
Financial assets at fair value through other comprehensive income	23	18,141	23,254
Financial assets at fair value through profit or loss	24	224,509	–
Financial assets at amortized cost	25	369,735	–
Restricted time deposit	26	24,612	–
Time deposits	17	341,744	–
Restricted cash	27	154,681	5,198
Cash and cash equivalents	28	2,097,873	2,835,984
		4,637,880	3,644,015
Total assets		5,265,682	4,139,138
EQUITY			
Share capital	29(a)	336	319
Other reserves	29(b)	13,458,507	12,581,298
Accumulated losses	29(b)	(9,670,220)	(9,524,298)
Capital and reserves attributable to owners of the Company		3,788,623	3,057,319
Non-controlling interests		16,816	15,860
Total equity		3,805,439	3,073,179

CONSOLIDATED BALANCE SHEET

		As of December 31,	
		2025	2024
	Notes	RMB'000	
LIABILITIES			
Non-current liabilities			
Borrowings	32	157,300	28,200
Lease liabilities	14	18,975	27,791
Government grants	33	26,631	29,269
Deferred tax liabilities	34	14,308	–
Other non-current liabilities	35	36,106	69,512
		253,320	154,772
Current liabilities			
Trade payables	36	545,673	475,825
Contract liabilities	5	20,535	16,379
Borrowings	32	289,917	121,200
Lease liabilities	14	12,350	15,172
Other payables and accruals	37	338,448	282,611
		1,206,923	911,187
Total liabilities		1,460,243	1,065,959
Total equity and liabilities		5,265,682	4,139,138

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The financial statements on pages 84 to 194 were approved by the Board of Directors on March 25, 2026 and were signed on its behalf.

Dr. Qiu Chunxin
Chairman of the Board and Executive Director

Mr. Qiu Chunchao
Executive Director and Chief Executive Officer



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Attributable to owners of the Company			Total	Non-controlling interests	Total (deficits)/equity
		Share capital	Other reserves	Accumulated losses			
		RMB'000					
		(Note 29(a))	(Note 29(b))	(Note 29(b))			
As of January 1, 2024		86	(56,719)	(9,029,044)	(9,085,677)	15,838	(9,069,839)
Net (loss)/profit		–	–	(481,827)	(481,827)	22	(481,805)
Other comprehensive income, net of tax:							
– currency translation differences		–	22,108	–	22,108	–	22,108
Total comprehensive income/(loss)		–	22,108	(481,827)	(459,719)	22	(459,697)
Transactions with owners in their capacity as owners:							
Issuance of ordinary shares relating to initial public offering, net of underwriting commissions and other issuance costs	29(a)(i)	18	920,446	–	920,464	–	920,464
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	29(a)(iii)	7	250,857	–	250,864	–	250,864
Employee share scheme:	29						
– value of employee services		–	83,368	–	83,368	–	83,368
– vesting of restricted shares and restricted share units (“RSUs”)		–	13,827	–	13,827	–	13,827
Repurchase of ordinary shares	29(b)(i)	–	(150,951)	–	(150,951)	–	(150,951)
Conversion of convertible redeemable preferred shares to ordinary shares	29(a)(ii)	208	11,498,878	(13,943)	11,485,143	–	11,485,143
Total transactions with owners in their capacity as owners		233	12,616,425	(13,943)	12,602,715	–	12,602,715
Reversal to safety reserves		–	(516)	516	–	–	–
As of December 31, 2024		319	12,581,298	(9,524,298)	3,057,319	15,860	3,073,179

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Other reserves	Accumulated losses	Total		
		RMB'000					
		(Note 29(a))	(Note 29(b))	(Note 29(b))			
As of January 1, 2025		319	12,581,298	(9,524,298)	3,057,319	15,860	3,073,179
Net (loss)/profit		-	-	(145,922)	(145,922)	956	(144,966)
Other comprehensive loss, net of tax:							
- currency translation differences		-	(93,394)	-	(93,394)	-	(93,394)
Total comprehensive (loss)/income		-	(93,394)	(145,922)	(239,316)	956	(238,360)
Transactions with owners in their capacity as owners:							
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	29(a)(iv)	16	912,193	-	912,209	-	912,209
Issuance of ordinary shares relating to RSUs	29(a)	1	(1)	-	-	-	-
Repurchase of ordinary shares	29(b)	-	(34,868)	-	(34,868)	-	(34,868)
Employee share scheme:							
- value of employee services		-	91,444	-	91,444	-	91,444
- vesting of RSUs		-	1,835	-	1,835	-	1,835
Total transactions with owners in their capacity as owners		17	970,603	-	970,620	-	970,620
As of December 31, 2025		336	13,458,507	(9,670,220)	3,788,623	16,816	3,805,439

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended December 31,	
		2025	2024
	Notes	RMB'000	
Cash flows from operating activities			
Cash used in operations	38(a)	(665,174)	(160,580)
Interest received		98,497	104,621
Interest paid		(10,082)	(4,651)
Income taxes paid		(5,065)	(4,491)
Net cash used in operating activities		(581,824)	(65,101)
Cash flows from investing activities			
Purchase of property, plant and equipment		(85,528)	(90,708)
Proceeds from disposal of property, plant and equipment		209	845
Receipt of government grants related to assets		14,691	6,205
Purchase of intangible assets		(11,225)	(17,278)
Receipt of premium from derivative financial instruments		14,989	–
Payment for settlement of derivative financial instruments		(7,139)	–
Purchase of financial assets at fair value through profit or loss		(760,396)	(125,636)
Proceeds from disposal of financial assets at fair value through profit or loss		517,251	125,751
Purchase of financial assets at amortized cost		(742,545)	–
Proceeds from disposal of financial assets at amortized cost		369,181	–
Purchase of time deposit and restricted time deposit		(517,615)	(20,000)
Proceeds from maturity of time deposit and restricted time deposit		149,125	–
Deposit of restricted cash		(269,027)	–
Refund of restricted cash		123,444	–
Loans advanced to a third party and related parties		(57,000)	–
Interest received from time deposits and financial assets at amortized cost		5,966	374
Net cash used in investing activities		(1,255,619)	(120,447)
Cash flows from financing activities			
Proceeds from bank borrowings		747,918	150,000
Repayment of bank borrowings		(450,101)	(600)
Repurchase of ordinary shares		(34,868)	(150,951)
Principal elements of lease payments	14(b)	(14,384)	(10,806)
Principal elements of license fees payable	35(b)	(5,093)	(4,809)
IPO proceeds from issuance of ordinary shares		–	963,370
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs		911,626	251,581
Payments for listing expenses		–	(39,637)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	
Net cash generated from financing activities		1,155,098	1,158,148
Net (decrease)/increase in cash and cash equivalents		(682,345)	972,600
Cash and cash equivalents at the beginning of the year		2,835,984	1,826,413
Effects of exchange rate changes on cash and cash equivalents		(55,766)	36,971
Cash and cash equivalents at the end of year	28	2,097,873	2,835,984

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

RoboSense Technology Co., Ltd (the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in (i) developing and producing LiDAR products for applications in advanced driver assistance systems (“**ADAS**”), as well as robotics and others, (ii) LiDAR perception solutions, combining LiDAR hardware and AI perception software, and (iii) services in the People’s Republic of China (the “**PRC**”).

The Company is an investment holding company and was incorporated in the Cayman Islands on June 23, 2021 as an exempted company with limited liability. The address of the Company’s registered office is the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

Suteng Innovation Technology Co., Ltd. (“**Shenzhen Suteng**”), an indirect wholly owned subsidiary of the Company, was incorporated in the PRC in August 2014. The business of the Group was mainly carried out by Shenzhen Suteng and its subsidiaries.

On April 21, 2023, Dr. Qiu Chunxin, Dr. Zhu Xiaorui, and Mr. Liu Letian (collectively the “**Founders**”) entered into the Concert Party Confirmation, to formalize and confirm that they have been parties acting in concert in exercising directors and shareholders’ rights of the Group and aligning their votes in the board and shareholders’ meetings of the Group since the Founders become shareholders or directors of the relevant member of the Group (whichever is earlier).

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since January 5, 2024.

These financial statements are presented in thousands of Renminbi Yuan (“**RMB**”), unless otherwise stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 Summary of material accounting policies

This note provides a list of material accounting policies adopted in the preparation of the consolidated financial statements are set out as below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with International Financial Reporting Accounting Standards (“IFRS”) and the disclosure requirements of HKCO

The consolidated financial statements of the Group have been prepared in accordance with IFRS issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. IFRS comprise the following authoritative literature:

- International Financial Reporting Accounting Standards,
- International Accounting Standards (“**IAS Standards**”), and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments), that are measure at fair value.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

(a) New and amended standards adopted by the Group

The following amendment to standard has been adopted by the Group for the financial period beginning on January 1, 2025:

Amendment	Subject of Amendment
Amendments to IAS 21	Lack of Exchangeability

The adoption of above amendment does not have material impact on the results and financial position of the Group.

(b) New and amended standards and interpretations not yet adopted by the Group

Certain amendments to standards have been issued but are not yet effective and have not been early adopted by the Group during the period. The Group has already commenced an assessment of the impact of these new and amended standards and has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have significant impacts on the financial performance and positions of the Group when they become effective, except for IFRS 18, which will mainly impact the presentation of consolidated financial statements.

Amendments	Subject of amendments	Effective for accounting periods beginning on or after
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual improvements to IFRS – Volume 11	Annual improvements	January 1, 2026
IFRS 18 (i)	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 and Amendments	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) New and amended standards and interpretations not yet adopted by the Group (Continued)

(i) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027)

IFRS 18 will replace IAS 1 *Presentation of financial statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Group's net loss, the Group expects that grouping items of income and expenses in the consolidated statement of comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
 - o Foreign exchange differences currently aggregated in the line item 'other gains/(losses) – net' in the consolidated statement of comprehensive income might need to be disaggregated, with some foreign exchange gains or losses presented below or above operating profit.
 - o IFRS 18 has specific requirements on the category in which assets generate a return individually and largely independently of other resources. Although the Group currently recognises in the line item 'other gains/(losses) – net' in the consolidated statement of comprehensive income, there might be a change to where these gains or losses are recognised, and the Group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) New and amended standards and interpretations not yet adopted by the Group (Continued)

(i) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after January 1, 2027) (Continued)

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - o management-defined performance measures;
 - o a break-down of the nature of expenses for line items presented by function in the operating category of the consolidated statement of comprehensive income – this break-down is only required for certain nature expenses; and
 - o for the first annual period of application of IFRS 18, a reconciliation for each line item in the consolidated statement of comprehensive income between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From the consolidated statement of cash flows perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with IFRS 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

Management regularly manages and monitors the financial risks of the Group to ensure appropriate measures are implemented in a timely and effective manner. For the years ended December 31, 2025 and 2024, no hedging activity was undertaken by the Group.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument fluctuates because of the changes in foreign exchange rates.

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of the Group's entities. The functional currency of the Company and majority of its overseas subsidiaries is USD whereas the functional currency of the subsidiaries which operate in the PRC is RMB. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RMB, USD, Hong Kong Dollars ("**HKD**") and Japanese Yen ("**JPY**").

The Group currently does not hedge transactions undertaken in foreign currencies but manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

As of December 31, 2025 and 2024, the carrying amounts of the Group's monetary assets and liabilities that are denominated in currency other than functional currencies of the respective group entities are as follows:

	December 31, 2025				December 31, 2024		
	RMB	USD	HKD	JPY	RMB	USD	HKD
	RMB'000						
Cash and cash equivalents	1,210	7,210	313	-	204,264	131,231	973,348
Restricted cash	-	3,161	73,470	70,504	-	-	-
Restricted time deposit	-	-	24,612	-	-	-	-
Trade and notes receivables	-	20,623	-	-	-	4,228	-
Other Receivable	1,539	8,189	10	-	-	-	-
Trade payables	-	(40,575)	-	-	-	(10,949)	-
Other payables and accruals	(3,958)	(18,318)	-	-	(5,395)	(11,451)	(1,066)
Other non-current liabilities	-	(8,637)	-	-	-	(12,989)	-

For the PRC subsidiaries whose functional currencies are RMB, if USD had strengthened/weakened by 5% against RMB with all other variables held constant, the Group's net loss for the year ended December 31, 2025 would have been approximately RMB1,989,000 (2024: RMB4,241,000) lower/higher, mainly as a result of net foreign exchange gains/losses on translation of net monetary assets denominated in USD.

For group companies outside of the PRC whose functional currencies are USD, if RMB had strengthened/weakened by 5% against USD with all other variables held constant, the Group's net loss for the year ended December 31, 2025 would have been approximately RMB61,000 higher/lower (2024: RMB9,917,000 lower/higher), mainly as a result of net foreign exchange losses/gains (2024: gains/losses) on translation of net monetary liabilities (2024: assets) denominated in RMB.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Interest rate risk

The Group's interest rate risk primarily arises from cash and cash equivalents, time deposit, restricted cash, restricted time deposit, financial assets at amortized cost and borrowings. Those carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk.

The Group has no significant interest-bearing assets and liabilities except cash and cash equivalents, time deposit, restricted time deposit, financial assets at amortized cost and borrowings.

If the interest rate of cash and cash equivalents, time deposit, restricted cash, restricted time deposit, financial assets at amortized cost had been 50 basis points higher/lower, the Group's net loss for the year ended December 31, 2025 would have been RMB928,000 (2024: RMB249,000) lower/higher, respectively. If the interest rate of borrowings had been 50 basis points higher/lower, the Group's net loss for the year ended December 31, 2025 would have been RMB1,901,000 (2024: RMB747,000) higher/lower, respectively.

The fair value interest rate risk that arises from financial assets and liabilities carried at fixed rates is not significant for the Group.

The Group regularly monitors its interest rate risk to ensure there is no undue exposure to significant interest rate movements.

(b) Credit risk

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, time deposit and restricted time deposit, trade and notes receivables, other receivables, financial assets at amortized cost, financial assets at FVTPL and financial assets at FVOCI. The carrying amounts of above items represent the Group's maximum exposure to credit risk in relation to financial assets.

Credit risk is managed on a group basis. Cash and cash equivalents, restricted cash, time deposit and restricted time deposit and financial assets at amortized cost are mainly placed with reputable financial institutions, which management considers being of high credit quality. For accounts receivables, other receivables and financial assets at FVOCI, the Group assesses the quality of the receivables by taking account of various factors, including past operational and financial performance and other factors.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables;
- Notes receivables;
- Financial assets at FVOCI;
- Financial assets at FVTPL;
- Financial assets at amortized cost;
- Other receivables;
- Restricted time deposit;
- Time deposit;
- Cash and cash equivalents; and
- Restricted cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

(i) Trade receivables

The Group applies the simplified approach prescribed by IFRS 9 to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Trade receivables are grouped based on shared credit risk characteristics and aging period for the measuring of expected credit losses.

The Group divided trade receivables into two categories to measure the expected credit loss rates. Category 1 is for customers who have a relatively low credit risk and no default history. Also, these customers are financially capable of settling the outstanding amount. When facts and circumstances indicate that the receivable no longer shares similar risk characteristics, the Group evaluates the receivables for expected credit losses on an individual basis. Category 2 is for customers who have a relatively higher credit risk. With different types of customers, the Group calculated the expected credit loss rates respectively. The expected loss rates are determined based on the credit rating of counter parties, and adjusted to reflect the current conditions and the forward-looking information on the macroeconomic environment that may affect the ability of counterparties to settle the receivables. The Group has identified the Gross Domestic Product and Consumer Price Index to be the most relevant factors.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

(i) Trade receivables (Continued)

As of December 31, 2025 and 2024, the loss allowance provision for the trade receivables was determined as follows. The expected credit losses below also incorporated forward-looking information.

	Category 1	Category 2	Total
As of December 31, 2024			
Gross carrying amount (RMB'000)	388,496	22,115	410,611
Expected credit loss rates	1.30%	71.75%	5.10%
Loss allowance (RMB'000)	(5,066)	(15,868)	(20,934)
Net carrying amount (RMB'000)	383,430	6,247	389,677
As of December 31, 2025			
Gross carrying amount (RMB'000)	603,467	13,452	616,919
Expected credit loss rates	1.50%	78.52%	3.18%
Loss allowance (RMB'000)	(9,057)	(10,563)	(19,620)
Net carrying amount (RMB'000)	594,410	2,889	597,299

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

(i) Trade receivables (Continued)

Movements on the Group's allowance for credit loss of trade receivables are as follows:

	Trade receivables RMB'000
As of January 1, 2024	9,165
Net impairment losses on financial assets	11,769
As of December 31, 2024	20,934
As of January 1, 2025	20,934
Net impairment losses on financial assets	10,675
Receivables written off during the year as uncollectible	(1,022)
Unused amount reversed	(10,967)
As of December 31, 2025	19,620

(ii) Financial assets at FVOCI and notes receivables

The Group applies the simplified approach to measure expected credit loss of financial assets at FVOCI and notes receivables under IFRS 9. As of December 31, 2025 and 2024, management considers that the credit risk is low and the expected credit loss is immaterial.

(iii) Financial assets at FVTPL

The Group is also exposed to credit risk in relation to debt instruments and equity investments in ordinary shares with special rights that are measured at FVTPL. The maximum exposure as of December 31, 2025 is the carrying amount of financial assets at FVTPL (Note 24) amounting to approximately RMB370,230,000 (2024: RMB34,197,000).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment of financial assets (Continued)

(iv) Other financial assets at amortized cost

Credit risk also arises from financial assets at amortized cost, other receivables, restricted time deposit, time deposit, cash and cash equivalents and restricted cash. The carrying amount of each class of these financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

To manage risk arising from cash and cash equivalents, restricted cash, restricted time deposit, time deposit and financial assets at amortized cost, the Group mainly transacts with state-owned or reputable financial institutions in the PRC and reputable international banks outside of the PRC. There has been no recent history of default in relation to these financial institutions. These instruments are considered to have low credit risk because they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term. The expected credit loss on these instruments are insignificant to the Group.

For impairment on other receivables, it is measured as either 12-months expected credit losses or lifetime expected credit loss, depending on whether there has been significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivables has occurred since initial recognition, then impairment is measured as lifetime expected credit loss. Management makes periodic collective assessments as well as individual assessments on these financial assets based on historical settlement records and past experience. The expected credit loss on other receivables is RMB1,466,000 for the year ended December 31, 2025 (2024: insignificant).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its obligations when they fall due, resulting from amount and maturity mismatches of assets and liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding. Due to the nature of the underlying businesses, the Group's management responsible for treasury function aims to maintain flexibility in funding by keeping sufficient cash available.

The table below analyzes the financial liabilities of the Group into relevant maturity groupings based on the remaining period at the date of the consolidated balance sheets to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
	RMB'000				
Financial liabilities					
As of December 31, 2024					
Trade payables	475,825	-	-	-	475,825
Borrowings (including interest to be paid)	124,675	28,346	-	-	153,021
Other payables and accruals (excluding non-financial liabilities)	129,306	-	-	-	129,306
Other non-current liabilities (excluding non-financial liabilities)	-	39,517	8,328	7,183	55,028
Lease liabilities (including interest to be paid)	14,468	11,638	7,833	9,664	43,603
	744,274	79,501	16,161	16,847	856,783
Financial liabilities					
As of December 31, 2025					
Trade payables	545,673	-	-	-	545,673
Borrowings (including interest to be paid)	299,875	119,671	41,106	-	460,652
Other payables and accruals (excluding non-financial liabilities)	160,703	-	-	-	160,703
Other non-current liabilities (excluding non-financial liabilities)	-	5,299	5,379	6,884	17,562
Lease liabilities (including interest to be paid)	12,908	9,406	5,795	4,568	32,677
	1,019,159	134,376	52,280	11,452	1,217,267



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group could adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. In the opinion of the management of the Company, the Group's capital risk is low.

3.3 Fair value estimation

The Group analyzes its financial instruments' fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value.

	Level 1	Level 2	Level 3	Total
	RMB'000			
As of December 31, 2024				
Assets				
Financial assets at FVOCI (Note 23)	–	–	23,254	23,254
Financial assets at FVTPL (Note 24)	–	–	34,197	34,197
	–	–	57,451	57,451
As of December 31, 2025				
Assets				
Financial assets at FVOCI (Note 23)	–	–	18,141	18,141
Financial assets at FVTPL (Note 24)	24,819	129,012	241,218	395,049
	24,819	129,012	259,359	413,190



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

(a) The following table presents the changes in level 3 items of financial assets at FVOCI and financial assets at FVTPL for the years ended December 31, 2025 and 2024, respectively:

	Year ended December 31,	
	2025	2024
	RMB'000	
Assets		
Financial assets at FVOCI		
At the beginning of the year	23,254	22,032
Additions	197,578	565,671
Disposals	(202,691)	(564,449)
At the end of the year	18,141	23,254
Financial assets at FVTPL		
At the beginning of the year	34,197	30,000
Additions	631,230	–
Change in fair value	95,086	4,197
Disposals	(517,251)	–
Foreign currency translation adjustments	(2,044)	–
At the end of the year	241,218	34,197
Liabilities		
Derivative financial instruments		
At the beginning of the year	–	–
Additions	7,139	–
Change in fair value	7,850	–
Disposals	(14,989)	–
At the end of the year	–	–
Net unrealized gains recognized in profit or loss attributable to balances held at the end of the reporting period		
– Financial assets at FVTPL	95,193	4,197

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

(b) Valuation techniques used to determine fair values

The Group has a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case-by-case basis. External valuation experts will be involved when necessary.

The valuation of the level 3 instruments mainly included financial assets at FVOCI (Note 23) and financial assets at FVTPL (Note 24). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including:

- For the valuation of notes receivables and investments with a variable interest rate indexed to the performance of underlying assets accounted for financial assets measured at FVTPL or financial assets measured at FVOCI, discounted cash flow model is used and unobservable inputs are involved, mainly including assumptions of expected future cash flows and discount rate; and
- For the valuation of debt investments and equity investments in ordinary shares with special rights in unlisted companies measured at FVTPL, market approach is used and unobservable inputs are involved, mainly including assumptions of scenarios probabilities, expected volatility, discount for lack of marketability and revenue.

There were no changes in valuation techniques for the years ended December 31, 2025 and 2024.

The following tables summarize the quantitative information about the significant unobservable inputs used in the recurring level 3 fair value measurements for the non-current portion of financial assets at FVTPL.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

(b) Valuation techniques used to determine fair values (Continued)

Description	Fair value		Valuation technique	Unobservable input	Range of unobservable inputs	Relationship of unobservable inputs to fair value	Reasonable change in key assumptions	Fair value (decreased)/ increased by	
	As of December 31, 2025	2024						As of December 31, 2025	2024
	RMB'000							RMB'000	
Financial assets at FVTPL, non-current portion									
- Investment in an associate (Note 24(a))	131,122	-	Market approach	Scenario probabilities used to determine the equity value	Liquidation: 45% Redemption: 45% Others: 10%	The higher the others scenario probability, the higher the fair value.	(1) Others probability increases by 5 percentage points (2) Others probability decreases by 5 percentage points	7,480	N/A
				Expected volatility used to determine the equity value	61.6%	The higher the expected volatility, the higher the fair value.	(1) Expected volatility increases by 3 percentage points (2) Expected volatility decreases by 3 percentage points	(7,162)	N/A
								6,300	N/A
								(6,300)	N/A
- Investment in unlisted companies (Note 24(b))	39,418	34,197	Market approach	DLOM	20%	The higher the DLOM, the lower the fair value.	(1) DLOM increases by 1% (2) DLOM decreases by 1%	N/A	(477)
				Revenue	Not applicable ("N/A")	The higher the revenue, the higher the fair value.	(1) Revenue increases by 10% (2) Revenue decreases by 10%	N/A	3,805
				Scenario probabilities	Liquidation: 20% ~ 32.5% Redemption: 0% ~ 32.5% Others: 35% ~ 80%	The higher the others scenario probability, the higher the fair value.	(1) Other probability increases by 5 percentage points (2) Others probability decreases by 5 percentage points	350	N/A
								(350)	N/A

The management assessed the sensitivity of the unobservable inputs for the fair value change of financial assets at FVOCI and current portion of financial assets at FVTPL for the years ended December 31, 2025 and 2024 and the result were immaterial.

There was no transfer between level 1, 2 and 3 of fair value hierarchy classification for the years ended December 31, 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 Critical accounting estimates and judgments

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will likely differ from actual results. Management also needs to exercise judgment in applying the Group's accounting policies. The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed below.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that might have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Provision for expected credit losses of trade receivables

The loss allowances for trade receivables are based on assumptions about risk of defaults and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1(b).

(b) Current and deferred income tax

The Group recognizes deferred income tax assets based on estimates that it is probable to generate sufficient taxable profits in the foreseeable future against which the deductible losses will be utilized. The recognition of deferred income tax assets mainly involves management's judgments and estimations about the timing and the amount of taxable profits of the companies who have tax losses. No deferred income tax asset has been recognized in respect of such tax losses due to the unpredictability of future taxable income and details of unrecognized tax losses have been set out in Note 11.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 Critical accounting estimates and judgments (Continued)

(c) Estimation of provision for warranty claims

Provision for product warranties granted by the Group in respect of certain products are recognized based on sales volume and past experience of the level of repair and returns, discounted to their present values as appropriate. Factors that affect the Group's warranty liability include the number of products sold under warranty, historical and anticipated rates of warranty claim on those products, and cost per claim to satisfy the warranty obligation. The estimation basis is reviewed on an on-going basis and revised where appropriate.

(d) Inventory provision

Inventories are stated at the lower of cost and net realizable value as stated in Note 45.13. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Even though the management of the Group has made the best estimate about the inventory write-down loss predicted to occur and provided allowance for write-down, the write-down assessment may still be significantly changed due to the change of market situations.

(e) Fair value measurement of the investments in ordinary shares with special rights

If the market for a financial instrument is not active, the Group estimates fair value by using a valuation technique. Valuation techniques include using recent prices in arm's length market transactions between knowledgeable and willing parties, if available, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analyses and option pricing models. To the extent practicable, valuation technique makes the maximum use of observable market inputs. However, where observable market inputs are not available, management needs to make estimates and use alternatives on such unobservable market inputs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information

(a) Segment information

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the CODM who is the Chief Executive Officer of the Company. As a result of this evaluation, the CODM considers that the Group's operations are operated and managed as a single segment. Accordingly, no segment information is presented.

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns the revenue from customers in the PRC and other geographic locations as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Revenue from:		
PRC	1,811,256	1,580,869
Others	129,752	68,033
	1,941,008	1,648,902

As of December 31, 2025 and 2024, substantially all of the non-current assets of the Group were located in the PRC.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information (Continued)

(b) Disaggregation of revenue

The breakdown of revenue for the years ended December 31, 2025 and 2024 is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Revenue from:		
Products		
For ADAS	1,105,914	1,335,285
For robotics and others	709,841	198,455
	1,815,755	1,533,740
Solutions	77,632	97,970
Services and others	47,621	17,192
	1,941,008	1,648,902

Timing of revenue recognition for the years ended December 31, 2025 and 2024 is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Revenue recognized at a point in time	1,941,008	1,648,898
Revenue recognized over time	–	4
	1,941,008	1,648,902

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information (Continued)

(c) Revenue from major customers

The major customers who contributed 10% or more of the Group's revenue for the years ended December 31, 2025 and 2024 are set out below:

	Year ended December 31,	
	2025	2024
	RMB'000	
Customer A	517,472	571,854
Customer B	331,849	199,815
Customer C	*	253,270
Customer D	*	177,191
Customer E	*	173,835

* Represents less than 10% of the Group's total revenue.

All the revenue derived from other single external customers were less than 10% of the Group's total revenue for the years ended December 31, 2025 and 2024.

(d) Contract liabilities

The Group has recognized the following contract liabilities related to contracts with customers:

	As of December 31,	
	2025	2024
	RMB'000	
Contract liabilities	20,535	16,379

- (i) Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying goods or services are yet to be provided. A majority portion of contract liabilities balance at the beginning of the year will be recognized into revenue next year.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information (Continued)

(d) Contract liabilities (Continued)

(ii) Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from long-term technology development services contracts:

	As of December 31,	
	2025	2024
	RMB'000	
Aggregate amount of the transaction price allocated to long-term services contracts that are fully unsatisfied	19,691	18,628

Management expects that RMB10,119,000 of the transaction price allocated to the unsatisfied contracts as of December 31, 2025 will be recognized as revenue within one year and RMB9,572,000 will be recognized over one to two years (2024: all of the transaction price allocated to the unsatisfied contracts as of December 31, 2024 will be recognized as revenue within one year).

All other contracts with customers are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied performance obligations is not disclosed.

(e) Accounting policy of revenue recognition

The Group generates revenue primarily from the sales of products, solutions, as well as the provision of services and others. The Group enters into contracts that may involve multiple performance obligations among which the Group allocates the transaction price on the basis of the standalone selling prices of each performance obligation. Standalone selling prices are generally determined based on the prices charged to customers. If it is not directly observable, the standalone selling price is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information, the data utilized, and considering the Group's pricing policies and practices in making pricing decisions.

Sales revenue are recorded based on the price stated in the sales contracts, net of the sales rebates and discounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information (Continued)

(e) Accounting policy of revenue recognition (Continued)

Revenue is recognized when or as the control of the goods or services is transferred to customers. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time.

When either party to a contract has performed, the Group presents the contract in the consolidated balance sheets as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. An accounts receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract liability when the payment is made or a receivable is recorded, whichever is earlier. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration, or an amount of consideration is due, from the customer.

(i) Product revenue

Product revenue is derived from sales of various types of hardware.

Sales of hardware are essentially sales of LiDAR sensor systems incorporating hardware together with in-house developed software applications that are licensed on a perpetual or term basis. The embedded software applications are not considered to be dominant and distinct performance obligations as the license forms part of the hardware and is integral of the functionality of the hardware so that the customers can obtain economic benefit from the LiDAR sensor systems as a whole. Thus, the sales of LiDAR sensor system are identified as one performance obligation.

Revenue from sales of hardware is recognized at a point in time when control of the goods is transferred to the customers, generally upon delivery or upon acceptance by the customers depending on the terms of the underlying contract.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 Revenue and segment information (Continued)

(e) Accounting policy of revenue recognition (Continued)

(ii) Solutions revenue

The Group also generates revenue from sales of solutions, which usually include multiple elements of hardware, software and associated services.

The Group mainly provides solutions the customer with a combination of hardware, software, deployment and professional services. As the Group provides significant integration services to integrate the hardware and the software to meet customers' unique specifications, the solutions are accounted for as one performance obligation.

Solutions revenue derived from hardware and software is mainly recognized at a point in time upon delivery or upon acceptance from the customer depending on the underlying contract terms.

(iii) Services and others revenue

Services and others revenue mainly generated from provision of technology development services. The revenue generated from the technology development services is recognized at a point in time upon acceptance of such services by the customer given that the customers usually cannot obtain benefit when the Group is performing the services. The cost of fulfilling the technology development services is recognized as an asset when the costs are expected to be recovered and amortized into cost of sales at a point in time when the corresponding revenue is recognized if they meet the capitalization criteria as described under IFRS 15. The fulfillment costs of the technology development services that are not recoverable are recognized as cost of sales.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6 Other income

	Year ended December 31,	
	2025	2024
	RMB'000	
Government grants	51,059	38,469
Project-based payment (a)	37,500	–
Value added tax ("VAT") refund and additional input VAT deduction	29,977	13,672
Interest income from time deposits and financial assets at amortized cost	11,053	374
	129,589	52,515

- (a) In December 2025, the Group received a one-off project-based payment of RMB37,500,000 from a customer. This payment was intended to compensate the Group for completed technology development and related work incurred in connection with contracts with the customer entered in 2021. This contract was terminated by the customer due to the suspension of the relevant project.

7 Other gains/(losses) – net

	Year ended December 31,	
	2025	2024
	RMB'000	
Net fair value gains on financial assets at FVTPL (Note 24)	92,403	4,353
Foreign exchange gains/(losses), net	22,297	(17,408)
Net gains/(losses) on disposal of property, plant and equipment	102	(4,690)
Others	1,071	(1,081)
	115,873	(18,826)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8 Expenses by nature

The detailed analysis of cost of sales, research and development expenses, sales and marketing expenses and general and administrative expenses is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Changes in inventories of finished goods and work-in-progress	(132,458)	(7,632)
Raw materials and consumables used	1,326,848	1,210,613
Employee benefit expenses (Note 9)	827,134	707,604
Depreciation and amortization (Notes 13, 14 and 15)	99,685	114,901
Travel, office and freight expenses	59,687	45,510
Design and development expenses	55,828	72,309
Inventory provision (Note19(c))	36,738	10,260
Variable license fees	17,562	7,096
Professional service fees	15,370	24,706
Advertising and promotion costs	6,895	7,343
Warranty expenses	6,081	24,760
Auditors' remuneration		
– Audit service	4,495	9,196
– Non-audit service	5	161
Listing expenses	–	26
Other expenses (Note(a))	45,754	28,174
	2,369,624	2,255,027

- (a) Other expenses mainly include tax and levies, purchase of testing apparatus and low-value tooling, purchase and maintenance of systems and software, and other miscellaneous expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 Employee benefit expenses

	Year ended December 31,	
	2025	2024
	RMB'000	
Wages, salaries and bonuses	630,532	532,830
Share-based compensation expenses (Note 31)	91,444	83,368
Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances (Note (a))	82,891	69,524
Other employee benefits (Note (b))	22,267	21,882
	827,134	707,604

(a) Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances

Full time employees of the Group in the PRC are members of a state-managed retirement benefit schemes operated by the PRC government. The Group is required to contribute a specified percentage of payroll costs, subject to certain ceiling, as determined by local government authority to the pension costs – defined contribution plans, housing funds, medical insurances and other social insurances to fund the benefits. The Group's liabilities in respect of benefits schemes are limited to the contribution payable in each year.

No forfeited contributions were utilized for the years ended December 31, 2025 and 2024 to offset the Group's contribution to the abovementioned retirement benefit schemes.

(b) Other employee benefits

Other employee benefits mainly include termination benefits, team building expenses, meal and traveling allowances.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 Employee benefit expenses (Continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include nil director (2024: nil) whose emoluments were disclosed in Note 40(a). The emoluments paid or payable to the remaining non-director individuals are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Wages, salaries and bonuses	8,959	8,294
Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances	399	389
Share-based compensation expenses	42,736	53,834
	52,094	62,517

All of these individuals have not received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for the loss of office for the years ended December 31, 2025 and 2024.

The emoluments fell within the following bands:

	Number of individuals	
	2025	2024
Emolument band (in Hong Kong dollars)		
HKD9,500,001 – HKD10,000,000	1	1
HKD10,000,001 – HKD10,500,000	–	1
HKD11,000,001 – HKD11,500,000	2	–
HKD11,500,001 – HKD12,000,000	1	–
HKD12,500,001 – HKD13,000,000	1	–
HKD13,500,001 – HKD14,000,000	–	1
HKD14,500,001 – HKD15,000,000	–	1
HKD19,500,001 – HKD20,000,000	–	1
	5	5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 Finance income – net

	Year ended December 31,	
	2025	2024
	RMB'000	
Finance income:		
Interest income from cash and cash equivalents and restricted cash held for cash management purposes	98,497	104,621
	98,497	104,621
Finance costs:		
Interest expenses on bank borrowings	(8,559)	(3,434)
Interest expenses on license fees payable (Note 35(b))	(643)	(874)
Interest expenses on lease liabilities (Note 14)	(880)	(343)
Net foreign exchange gains/(losses)	175	(264)
	(9,907)	(4,915)
Finance income – net	88,590	99,706

11 Income tax expenses

(a) Cayman Islands

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Under the current laws of the Cayman Islands, the Company is not subject to tax on either income or capital gain. Additionally, upon payments of dividends to the shareholders, no Cayman Islands withholding tax will be imposed.

(b) British Virgin Islands (“the BVI”)

The Company’s subsidiaries incorporated in the BVI are exempted from income tax on its foreign-derived income in the BVI. There are no withholding taxes in the BVI.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 Income tax expenses (Continued)

(c) Hong Kong

When the subsidiary was incorporated in Hong Kong, the subsidiary was subject to Hong Kong profits tax at a rate of 16.5% for taxable income earned in Hong Kong. Commencing on April 1, 2018, the two-tiered profits tax regime took effect, under which the tax rate is 8.25% for assessable profits on the first HKD2,000,000 and 16.5% for any assessable profits in excess of HKD2,000,000. The payments of dividends to shareholders are not subject to withholding tax in Hong Kong.

(d) United States

The applicable income tax rate of United States where the Company's subsidiaries having operations for the years ended December 31, 2025 and 2024 is 27.98%, which is a blended state and federal rate.

(e) PRC Enterprise Income Tax

Enterprise income tax ("**EIT**") was made on the estimated assessable profits of entities within the Group incorporated in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC EIT rate is 25% for the years ended December 31, 2025 and 2024.

Certain subsidiaries of the Company in the PRC have been approved as High and New Technology Enterprises ("**HNTE**") under relevant tax rules and regulations, and accordingly, are subjected to a preferential EIT rate of 15% for the years ended December 31, 2025 and 2024.

According to a policy promulgated by the State Tax Bureau of the PRC and effective from 2018 onwards, enterprises engaged in R&D activities are entitled to claim an additional tax deduction amounting to 75% of the qualified R&D expenses incurred in determining its tax assessable profits for that year ("**Super Deduction**"). Starting from October 1, 2022, the additional deduction ratio was increased to 100%.

Certain subsidiaries of the Company in the PRC were qualified as "Small Low-Profit Enterprise". The entitled subsidiaries are subject to a preferential income tax rate of 5% for the years ended December 31, 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 Income tax expenses (Continued)

(f) The PRC withholding tax

Under the EIT Law enacted by the National People's Congress of the PRC, dividends generated after January 1, 2008 and payable by a foreign investment enterprise in the PRC to its foreign investors who are non-resident enterprises are subject to a 10% withholding tax, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with the PRC that provides for a different withholding arrangement. Under the taxation arrangement between the PRC and Hong Kong, a qualified Hong Kong tax resident which is the "beneficial owner" and directly holds 25% or more of the equity interest in a PRC resident enterprise is entitled to a reduced withholding tax rate of 5%. The Cayman Islands, where the Company was incorporated, does not have a tax treaty with the PRC.

In accordance with accounting guidance, all undistributed earnings are presumed to be transferred to the parent company and are subject to the withholding taxes. All foreign-invested enterprises are subject to the withholding tax from January 1, 2008. The presumption may be overcome if the Group has sufficient evidence to demonstrate that the undistributed dividends will be re-invested and the remittance of the dividends will be postponed indefinitely. The Group did not record any dividend withholding tax, as it has no retained earnings for any of the year presented.

The income tax expenses of the Group for the years ended December 31, 2025 and 2024 are analyzed as below:

	Year ended December 31,	
	2025	2024
	RMB'000	
Current income tax	4,991	4,980
Deferred income tax	14,308	–
Income tax expenses	19,299	4,980



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 Income tax expenses (Continued)

(f) The PRC withholding tax (Continued)

Reconciliations of the income tax expenses computed by applying the PRC statutory income tax rate of 25% to the Group's income tax expenses of the years presented are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Loss before income tax	(125,667)	(476,825)
Income tax credit computed at the PRC statutory income tax rate of 25%	(31,417)	(119,206)
Effect of change in tax rate	–	13,342
Effect of income not subject to tax	(7,486)	(2,131)
Effect of different tax rates of different jurisdictions	(21,499)	(11,776)
Effect of preferential tax rate	23,606	51,573
Share of net loss/(profit) of associates accounted for using the equity method	2,010	(1,571)
Expenses not deductible for income tax purposes	15,126	14,972
Effect of super deduction for qualified R&D expenses	(84,453)	(76,644)
Tax losses and deductible temporary differences for which no deferred tax asset was recognized	119,668	133,040
Utilization of previously unrecognized tax losses	–	(98)
Interest income subject to PRC withholding tax	3,744	3,479
Income tax expenses	19,299	4,980

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 Income tax expenses (Continued)

(f) The PRC withholding tax (Continued)

Deductible tax losses that are not recognized for deferred income tax assets will be expired as follows:

	As of December 31,	
	2025	2024
	RMB'000	
2025	–	2,442
2026	8,923	8,923
2027	26,854	28,077
2028	62,205	62,205
2029	141,925	141,925
2030	81,928	84,302
2031	145,872	145,872
2032	627,583	636,436
2033	894,541	894,541
2034	988,608	988,608
2035	754,488	–
No expiry year	17,247	40,172
	3,750,174	3,033,503

- (i) As of December 31, 2025, the Group had unused tax losses of approximately RMB3,750,174,000 (2024: RMB3,033,503) that can be carried forward against future taxable income, respectively. No deferred income tax asset has been recognized in respect of such tax losses due to the unpredictability of future taxable income.
- (ii) The Group principally conducted its business in Mainland China, where the accumulated tax losses will normally expire within 5 years. Pursuant to the relevant regulations on extension for expiries of unused tax losses of HNTE issued in August 2018, the expiry period of the accumulated unexpired tax losses of Shenzhen Suteng, which is qualified as HNTE, from 2019 had been extended from 5 years to 10 years. Shenzhen Suteng re-applied for HNTE status in 2025 and the approval was obtained in December 2025.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 Loss per share

(a) Basic loss per share

Basic loss per shares is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding for the years ended December 31, 2025 and 2024.

In determining the weighted average number of ordinary shares in issue, the unvested restricted shares and treasury shares are excluded.

	Year ended December 31,	
	2025	2024
Loss attributable to the owners of the Company (RMB'000)	(145,922)	(481,827)
Weighted average number of ordinary shares outstanding	461,546,498	434,594,019
Basic loss per share (in RMB)	(0.32)	(1.11)

(b) Diluted losses per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the years ended December 31, 2025 and 2024, the Company had one category of potential ordinary shares: share-based awards granted to employees. As the Company incurred losses for the years ended December 31, 2025 and 2024, these potential ordinary shares were not included in the calculation of loss per share as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the years ended December 31, 2025 and 2024 are the same as basic loss per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 Property, plant and equipment

	Machinery and equipment	Mold and tooling	Computer, electronic equipment and others	Vehicles	Leasehold improvements	Construction in progress	Total
	RMB'000						
Year ended December 31, 2024							
Opening net book amount	110,177	17,115	51,984	4,565	22,445	61,798	268,084
Additions	9,076	12,564	20,407	3,562	7,220	42,924	95,753
Disposals	(395)	(3,379)	(1,166)	(9)	(195)	(22)	(5,166)
Transfers	30,917	209	8,659	694	8,562	(49,041)	-
Foreign currency translation adjustments	-	-	2	4	-	-	6
Depreciation charge	(25,152)	(17,004)	(20,179)	(2,209)	(22,573)	-	(87,117)
Closing net book amount	124,623	9,505	59,707	6,607	15,459	55,659	271,560
At December 31, 2024							
Cost	175,644	29,377	102,426	11,164	81,782	55,659	456,052
Accumulated depreciation	(51,021)	(19,872)	(42,719)	(4,557)	(66,323)	-	(184,492)
Net book amount	124,623	9,505	59,707	6,607	15,459	55,659	271,560
Year ended December 31, 2025							
Opening net book amount	124,623	9,505	59,707	6,607	15,459	55,659	271,560
Additions	-	-	5	-	7,393	116,062	123,460
Disposals	(5,199)	(530)	(28,095)	(447)	(1,509)	-	(35,780)
Transfers	52,087	8,905	7,671	879	19,242	(88,784)	-
Foreign currency translation adjustments	-	53	(54)	9	-	-	8
Depreciation charge	(28,847)	(10,861)	(17,240)	(2,659)	(6,912)	-	(66,519)
Closing net book amount	142,664	7,072	21,994	4,389	33,673	82,937	292,729
At December 31, 2025							
Cost	219,625	36,140	56,990	10,662	104,904	82,937	511,258
Accumulated depreciation	(76,961)	(29,068)	(34,996)	(6,273)	(71,231)	-	(218,529)
Net book amount	142,664	7,072	21,994	4,389	33,673	82,937	292,729



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 Property, plant and equipment (Continued)

Depreciation expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Cost of sales	26,171	41,312
Research and development expenses	31,523	39,214
General and administrative expenses	8,022	5,547
Sales and marketing expenses	803	1,044
	66,519	87,117

14 Leases

(a) Amounts recognized in the consolidated balance sheets

	As of December 31,	
	2025	2024
	RMB'000	
Right-of-use assets		
Offices and factories	28,869	41,144
Lease liabilities		
Current	12,350	15,172
Non-current	18,975	27,791
	31,325	42,963

Additions to the right-of-use assets for the year ended December 31, 2025 was RMB17,488,000 (2024: RMB38,662,000). The modification of a lease contract for a leased factory resulted in decrease of RMB14,696,000 in the right-of-use assets during the year ended December 31, 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Leases (Continued)

(b) Amounts recognized in the consolidated statements of comprehensive incomes

The consolidated statements of comprehensive income include the following amounts relating to leases:

	Year ended December 31,	
	2025	2024
	RMB'000	
Depreciation charge of right-of-use assets	15,022	11,409
Expense relating to short-term leases (included in cost of sales, research and development expenses, sales and marketing expenses, and general and administrative expenses)	1,539	2,092
Interest expenses (included in finance costs)	880	343
	17,441	13,844

The total cash outflow for short-term leases for the year ended December 31, 2025 was RMB1,539,000 (2024: RMB2,092,000).

The total cash outflows for leases except for short-term leases for the years ended December 31, 2025 and 2024 are as below:

	Year ended December 31,	
	2025	2024
	RMB'000	
Principal elements of lease payments (presented as financing cash flow)	14,384	10,806
Related interest paid (presented as operating cash flow)	880	343
	15,264	11,149

The Group does not have lease contracts that have not yet commenced as of December 31, 2025 and 2024.

The weighted average incremental other borrowing rate applied to the lease liabilities was 3.29% for the year ended December 31, 2025 (2024: 3.58%).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14 Leases (Continued)

(c) The Group's leasing activities and how these are accounted for

The Group leases certain offices and factories. Rental contracts are typically made for fixed periods of one year to five years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

15 Intangible assets

	Software	Patent RMB'000	License rights	Total
As of January 1, 2024				
Cost	36,903	3,000	35,211	75,114
Accumulated amortization	(11,296)	(1,188)	(11,085)	(23,569)
Net book amount	25,607	1,812	24,126	51,545
Year ended December 31, 2024				
Opening net book amount	25,607	1,812	24,126	51,545
Additions	13,354	–	–	13,354
Amortization charge	(12,163)	(300)	(3,912)	(16,375)
Closing net book amount	26,798	1,512	20,214	48,524
As of December 31, 2024				
Cost	50,257	3,000	35,211	88,468
Accumulated amortization	(23,459)	(1,488)	(14,997)	(39,944)
Net book amount	26,798	1,512	20,214	48,524
Year ended December 31, 2025				
Opening net book amount	26,798	1,512	20,214	48,524
Additions	6,634	–	–	6,634
Amortization charge	(13,932)	(300)	(3,912)	(18,144)
Closing net book amount	19,500	1,212	16,302	37,014
As of December 31, 2025				
Cost	56,901	3,000	35,211	95,112
Accumulated amortization	(37,401)	(1,788)	(18,909)	(58,098)
Net book amount	19,500	1,212	16,302	37,014

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 Intangible assets (Continued)

Amortization expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Research and development expenses	11,891	11,067
Cost of sales	4,256	4,138
General and administrative expenses	1,874	1,062
Sales and marketing expenses	123	108
	18,144	16,375

16a Subsidiaries

The Company has direct or indirect interests in the following principal subsidiaries for the years ended December 31, 2025 and 2024.

Name	Place of incorporation/ establishment and kind of legal entity	Date of incorporation/ establishment	Registered/ issued capital	Equity interest held (%) As of December 31, 20252024		Principal activities and place of operation
Direct Interests						
RoboSense Limited	The BVI, limited liability company	June 25, 2021	USD50,000	100%	100%	Investment holding in the BVI
Indirect Interests						
RoboSense HongKong Limited	Hong Kong, limited liability company	July 16, 2021	HKD10,000	100%	100%	Investment holding in Hong Kong
Suteng Innovation Technology Co., Ltd. (深圳市速騰聚創科技有限公司)*	The PRC, limited liability company	August 28, 2014	RMB540,344,000	100%	100%	Manufacturing and sales of LiDAR products in the PRC
Suzhou Xijing MEMS Technology Co., Ltd. (蘇州希景微機電科技有限公司)* ⁽ⁱ⁾	The PRC, limited liability company	November 29, 2017	RMB1,088,889	55%	55%	Manufacturing and sales of LiDAR related materials in the PRC



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16a Subsidiaries (Continued)

- * The English name of certain subsidiaries represented the best effort by the management of the Group in translating their Chinese names as they do not have official English names.
- (i) In accordance with the Article of Association of Suzhou Xijing MEMS Technology Co., Ltd. ("**Suzhou Xijing MEMS**"), the Company has the power to control the board of directors of Suzhou Xijing MEMS to unilaterally govern the operating, financing and investing policies of Suzhou Xijing MEMS. Therefore, the Group consolidates this entity.

16b Investments accounted for using the equity method

	Year ended December 31,	
	2025	2024
	RMB'000	
Investment in associates		
At the beginning of the year	65,238	55,439
Addition	200	–
Share of net (loss)/profit (Note (a))	(13,923)	9,799
Impairment loss of investment in an associate (Note (ii))	(16,531)	–
At the end of the year	34,984	65,238

- (i) As of December 31, 2025, the Group owns 49% and 20% equity interests in private company A and company B, and holds board seat to enable it can participate in the investees' financial and operating activities. The investments are accounted for using the equity method.
- (ii) During the year ended December 31, 2025, Company A incurred an operating loss and projected insufficient future orders. As a result, management estimated that the investment's recoverable amount was below its carrying value and recognized an impairment loss of RMB16,531,000 (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16b Investments accounted for using the equity method (Continued)

The amounts recognized in the consolidated statements of comprehensive income are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
Share of net (loss)/profit (Note (a))	(13,923)	9,799
Elimination of unrealized profit from upstream transactions for the period (Note (iii))	525	674
Share of net (loss)/profit of associates accounted for using the equity method (Note (iii))	(13,398)	10,473
Impairment loss of an associate accounted for using the equity method (Note (ii))	(16,531)	–

- (iii) Unrealized profits or losses resulting from upstream transactions are eliminated. For the years ended December 31, 2025 and 2024, unrealized profits resulting from upstream transactions are recognized in the share of net (loss)/profit of associates accounted for using the equity method.

(a) Summarized financial information for associates

Set out below is the Group's share of associates' result.

	Year ended December 31,	
	2025	2024
	RMB'000	
Net (loss)/profit	(13,923)	9,799
Other comprehensive income	–	–
Total comprehensive income	(13,923)	9,799



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16b Investments accounted for using the equity method (Continued)

(b) Reconciliation to carrying amount of the investment in associates:

	Company A		Company B	
	As of December 31, 2025	As of December 31, 2024	As of December 31, 2025	As of December 31, 2024
	RMB'000		RMB'000	
Opening net assets	109,104	89,106	–	N/A
Opening net assets as of August 8, 2025	–	–	–	N/A
Total comprehensive (loss)/income for the period	(28,005)	19,998	(8,624)	N/A
Closing net assets	81,099	109,104	(8,624)	N/A
Group's share in %	49%	49%	20%	N/A
Group's share of net assets	39,739	53,462	(1,725)	N/A
Adjustment for notional goodwill	11,776	11,776	–	N/A
Impairment loss	(16,531)	–	–	N/A
Carrying amount	34,984	65,238	–	N/A

Unrecognized share of losses of Company B was RMB1,525,000 for the year ended December 31, 2025 (2024: N/A).

17 Time deposits

Current portion of time deposits represent time deposits placed with banks with original maturities between three months and one year. The annual interest rate of the Group's time deposits held in bank throughout the year ended December 31, 2025 ranged from 3.8% to 4% per annum (2024: nil). As of December 31, 2025, all of the Group's current portion of time deposits amounting to RMB341,744,000 had been placed in reputable financial institutions in the PRC and Hong Kong (2024: nil).

Non-current portion of time deposit represents time deposit placed with banks with original maturities more than one year. The annual interest rate of the Group's time deposit held in bank throughout the year ended December 31, 2025 was 1.8% per annum (2024: 2.8%). As of December 31, 2025, all of the Group's non-current portion of time deposit amounting to RMB20,183,000 had been placed in reputable financial institutions in the PRC (2024: RMB20,374,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 Other non-current assets

	As of December 31,	
	2025	2024
	RMB'000	
Prepayments for long-term assets (Note(a))	31,999	9,159
Amounts due from employees (Note(b))	8,585	–
Long-term deposits (Note(c))	2,899	4,569
Right to returned goods (Note(d))	–	358
	43,483	14,086

(a) Prepayments for long-term assets represented the amount prepaid for procurement of machinery and equipment, vehicles, leasehold improvements and intangible assets.

(b) Amount due from employees represented the non-current portion of employee loans with original maturities over 1 year.

(c) Long-term deposits primarily consisted of deposits for offices and factories which will not be collectable within one year.

(d) Right to returned goods represented the non-current portion of the balance of the products expected to be returned or exchanged.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 Inventories

	As of December 31,	
	2025	2024
	RMB'000	
Raw materials (Note (a))	149,472	58,605
Work-in-progress (Note (a))	128,347	42,973
Finished goods (Note (b))	155,269	109,788
Fulfillment cost	5,381	12,628
	438,469	223,994
Less: provision for inventories (Note (c))		
– Raw materials (Note (c))	(16,380)	(8,375)
– Work-in-progress (Note (c))	(3,819)	(1,164)
– Finished goods (Note (c))	(23,099)	(11,592)
	(43,298)	(21,131)
	395,171	202,863

(a) Raw materials and work-in-progress primarily consist of materials mainly for volume production as well as materials used for trial production.

(b) Finished goods primarily consist of products that are ready for sale at production factories or in transit to fulfil customer orders.

(c) Provision for inventories is recognized for the amount by which the carrying amount of the inventories exceeds the net recoverable amount, and is recorded in cost of sales in the consolidated statements of comprehensive income. The provision for inventories as recognized for the year ended December 31, 2025 amounted to approximately RMB36,738,000 (2024: RMB10,260,000).

(d) The cost of inventories recognized as cost of sales for the year ended December 31, 2025 amounted to RMB1,322,871,000 (2024: RMB1,333,670,000).

(e) As of December 31, 2025 and 2024, no inventories were pledged as collaterals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 Financial instruments by category

	As of December 31,	
	2025	2024
	RMB'000	
Financial assets		
Financial assets measured at amortized cost		
– Trade and notes receivables (Note 21)	800,267	462,189
– Prepayments, other receivables and other current assets, excluding non-financial assets (Note 22)	79,710	16,722
– Other non-current assets, excluding non-financial assets	11,484	4,569
– Restricted time deposit (Note 26)	24,612	–
– Time deposit	361,927	20,374
– Restricted cash (Note 27)	154,681	5,198
– Cash and cash equivalents (Note 28)	2,097,873	2,835,984
– Financial assets at amortized cost (Note 25)	369,735	–
Financial assets measured at fair value		
– Financial assets at FVOCI (Note 23)	18,141	23,254
– Financial assets at FVTPL (Note 24)	395,049	34,197
	4,313,479	3,402,487
Financial liabilities		
Financial liabilities measured at amortized cost		
– Trade payables (Note 36)	545,673	475,825
– Other payables (excluding non-financial liabilities)	160,268	128,659
– Other non-current liabilities (excluding non-financial liabilities)	15,575	52,553
– Borrowings (Note 32)	447,217	149,400
– Lease liabilities (Note 14)	31,325	42,963
	1,200,058	849,400



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 Trade and notes receivables

	As of December 31,	
	2025	2024
	RMB'000	
Trade receivables (Note (a))	616,919	410,611
Notes receivables (Note (b))	202,968	72,512
	819,887	483,123
Less: Credit loss allowances	(19,620)	(20,934)
	800,267	462,189

- (a) As of December 31, 2025 and 2024, the ageing analysis of the trade receivables based on recognition date is as follows:

	As of December 31,	
	2025	2024
	RMB'000	
Up to 6 months	582,364	365,893
6 months to 1 year	16,940	17,924
1 to 2 years	6,347	19,264
Over 2 years	11,268	7,530
	616,919	410,611
Less: Credit loss allowances	(19,620)	(20,934)
Trade receivables – net	597,299	389,677

- (b) The maturity dates of notes receivables are normally within 6 months.

The Group's trade and notes receivables are mainly denominated in RMB and their carrying amounts approximated their fair value.

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9. For details, please refer to Note 3.1(b).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 Prepayments, other receivables and other current assets

	As of December 31,	
	2025	2024
	RMB'000	
Other receivables		
– Loans to related parties (Note 39(b))	50,274	–
– Amounts due from employees	12,120	14,486
– Loans to a third party	7,035	–
– Deposits	5,576	2,027
– Others	4,705	209
	79,710	16,722
Less: Credit loss allowances	(1,466)	–
Other receivables-net	78,244	16,722
Prepayments for		
– Products and services procurement (Note (a))	38,658	22,909
– Prepayment to a customer (Note (b))	34,838	–
	73,496	22,909
VAT recoverable	57,172	69,764
Right to returned goods (Note (c))	2,235	5,132
	211,147	114,527

The Group's prepayments, other receivables and other current assets were mainly denominated in RMB.

- (a) Prepayments for products and services procurement primarily consisted of prepayments for raw materials, exhibition fees, consulting and other services to be provided by suppliers.
- (b) Prepayment to a customer represents a consideration prepaid to a customer that will be accounted for as a reduction of the transaction price in the future sales of specified products.
- (c) Right to returned goods were recognized for the products expected to be returned or exchanged within one year.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 Financial assets at fair value through other comprehensive income

	As of December 31,	
	2025	2024
	RMB'000	
Notes receivable	18,141	23,254

Notes receivable held both by collecting contractual cash flows and selling of these assets are classified as financial assets at FVOCI. All the aging of notes receivable is within one year.

24 Financial assets at fair value through profit or loss

	As of December 31,	
	2025	2024
	RMB'000	
Non-current assets		
Investment in an associate measured at FVTPL (Note (a))	131,122	–
Investments in unlisted companies (Note (b))	39,418	34,197
	170,540	34,197
Current assets		
Investment in listed equity securities	24,819	–
Investment in wealth management products	199,690	–
	224,509	–
Total financial assets at FVTPL	395,049	34,197

- (a) In July 2025, the Group made an investment amounting to RMB35,738,000 in ordinary shares of a private company with special rights, including liquidation preference right, redemption right and anti-dilution protection right, under certain circumstances.

The Group also holds board seat in the investee to enable it can participate in the investee' financial and operating activities. As a result, the investee is an associate of the Group. Considering the impact of the special rights, the Group accounts for the investment in the associate as financial assets at FVTPL.

The fair value of this investment was determined with the assistance of an independent qualified external valuer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 Financial assets at fair value through profit or loss (Continued)

(a) (Continued)

In determining the fair value of the investment as of December 31, 2025, the Group considered a financing event of the associate that was completed in January 2026 (Note 43(i)). The Group assessed that this financing event was an arm's length transaction between the associate and independent third-party investors, and that the terms agreed upon in this transaction were indicative of conditions that substantially existed as of December 31, 2025, on the basis that (i) the financing event occurred shortly after the reporting date with the key commercial terms having been substantially agreed prior to December 31, 2025; and (ii) there were no significant changes in the associate's business operations, financial condition, or the broader market environment between December 31, 2025 and the date of the financing event.

Based on the transaction price implied by the financing event, the Group applied an option pricing model (the Black-Scholes option pricing model) to allocate the total equity value of the associate among its various classes of equity securities, taking into account the rights and preferences associated with each class as stipulated in the associate's shareholders' agreement and the relevant contractual terms of the financing event, including liquidation preferences, redemption rights and anti-dilution provisions. The equity value attributable to the class of equity held by the Group was then used to determine the fair value of the investment. Based on the valuation, the Group recognized a fair value gain of RMB95,384,000 for the year ended December 31, 2025 (2024: N/A).

- (b) The Group invested in ordinary shares with special rights (referred to as "**preferred shares**") in unlisted companies. These investments held by the Company contain certain embedded derivatives. Following an assessment of the Group's business model for managing financial assets and a test of whether the contractual cash flows represent solely payments of principal and interest ("**SPPI**"), the Group recognized these investments at FVTPL. The Group assesses the fair value of these financial assets on a periodic basis. Management applies appropriate valuation techniques to determine their respective fair values. For the year ended December 31, 2025, a fair value loss of RMB4,779,000 was recognized in other gains/(loss), net (2024: RMB4,197,000 gain).
- (c) The net fair value gains on current financial assets at FVTPL for the year ended December 31, 2025 was approximately RMB1,798,000.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 Financial assets at amortized cost

	As of December 31,	
	2025	2024
	RMB'000	
Investment in wealth management products	369,735	–

As of December 31, 2025, financial assets at amortized cost are wealth management products issued by reputable banks, denominated in USD, with fixed rate of 3.90% and 4.30% per annum, respectively (2024: nil).

26 Restricted time deposit

As of December 31, 2025, restricted time deposit is placed with a bank to guarantee the settlement of a foreign exchange swap contract, which is denominated in HKD with original maturities between three months and one year (2024: nil).

27 Restricted cash

	As of December 31,	
	2025	2024
	RMB'000	
Deposits for guarantee on foreign exchange swap contracts (Note (a))	143,974	–
Others	10,707	5,198
	154,681	5,198

(a) As of December 31, 2025, restricted cash of HKD81,344,000 and JPY1,566,700,000 are held as collateral with two banks to guarantee the settlement of foreign exchange swap contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 Restricted cash (Continued)

Restricted cash was denominated in the following currencies:

	As of December 31,	
	2025	2024
	RMB'000	
HKD	73,470	–
JPY	70,504	–
RMB	7,547	5,198
USD	3,160	–
	154,681	5,198

28 Cash and cash equivalents

	As of December 31,	
	2025	2024
	RMB'000	
Cash at banks	252,393	277,869
Time deposits with initial terms within three months	1,845,480	2,558,115
	2,097,873	2,835,984

Cash and cash equivalents were denominated in the following currencies:

	As of December 31,	
	2025	2024
	RMB'000	
USD	1,748,899	1,447,077
RMB	338,573	415,011
HKD	8,817	973,431
Others	1,584	465
	2,097,873	2,835,984

The weighted average effective interest rate on bank deposits of the Group with initial terms within three months as of December 31, 2025 was 3.62% (2024: 4.28%).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Share capital and reserves

(a) Share capital

	Number of shares	Share capital USD'000	
Authorized:			
As of December 31, 2024	500,000,000	50	
As of December 31, 2025	800,000,000	80	
	Number of ordinary shares	Equivalent nominal value of ordinary share USD'000	Share capital RMB'000
Issued:			
As of January 1, 2024	132,592,582	14	86
Issuance relating to initial public offering (Note (a)(i))	24,637,500	2	18
Conversion of Preferred Shares to ordinary shares (Note (a)(ii))	293,709,341	29	208
Issuance relating to placing (Note (a)(iii))	10,000,000	1	7
As of December 31, 2024	460,939,423	46	319
As of January 1, 2025	460,939,423	46	319
Issuance relating to placing (Note (a)(iv))	22,000,000	2	16
Issuance relating to RSUs (Note (a)(v))	1,529,130	–	1
As of December 31, 2025	484,468,553	48	336

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Share capital and reserves (Continued)

(a) Share capital (Continued)

- (i) In January 2024, the Company successfully completed its Hong Kong public offering and international offering ("**Global Offering**") of 22,909,800 shares at HKD43 per share on the Main Board of The Stock Exchange of Hong Kong Limited. In February 2024, the underwriters of the Global Offering partially exercised the over-allotment option, and an aggregate of 1,727,700 shares were newly allotted and issued by the Company. Netting off underwriting commissions and other issuance costs through equity with amount of RMB42,906,000, the Group received RMB920,464,000. Excluding the par value, the amount was recorded as share premium.
- (ii) All the 293,709,341 Preferred Shares of the Company were converted into 293,709,341 ordinary shares at offering price HKD43 per share upon the completion of Global Offering and were reclassified from liabilities to equity accordingly. The difference between HKD43 and the par value of each share were capitalized as share premium. In addition, the cumulative fair value changes on Preferred Shares due to own credit risk were transferred from other reserve to accumulated losses on the same date.
- (iii) On December 18, 2024, the Company successfully completed the placing of 10,000,000 shares at HKD27.75 per placing share to not less than six placees. The total gross proceeds from the placing are approximately RMB256.7 million and the net proceeds after deducting the underwriting commissions and other issuance costs are approximately RMB250.9 million.
- (iv) On March 5, 2025, the Company successfully completed the placing of 22,000,000 shares at HKD46.15 per placing share to not less than six placees. The total gross proceeds from the placing are approximately RMB936.6 million and the net proceeds after deducting the underwriting commissions and other issuance costs are approximately RMB912.2 million.
- (v) On April 30, 2025, the Company issued 1,529,130 new ordinary shares with a par value of USD0.0001 each relating to RSUs granted under a post-IPO share incentive scheme. As of December 31, 2025, 884,351 of those new ordinary shares have been delivered to employees to settle the vested RSUs under Employee Stock Ownership Plans ("**ESOP**") C scheme and the remaining 644,779 ordinary shares are still issued but not outstanding.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Share capital and reserves (Continued)

(b) Reserves movement of the Group

Notes	Treasury shares	Share premium	Capital reserve	Share-based compensation reserve	Own credit risk reserve	Foreign currency translation reserve	Safety reserve	Subtotal	Accumulated losses	Total
						RMB'000				
As of January 1, 2024	(23)	-	(67,112)	396,905	(13,943)	(373,062)	516	(56,719)	(9,029,044)	(9,085,763)
Loss for the year	-	-	-	-	-	-	-	-	(481,827)	(481,827)
- currency translation differences	-	-	-	-	-	22,108	-	22,108	-	22,108
Employee share scheme										
- value of employee services	-	-	-	83,368	-	-	-	83,368	-	83,368
- vesting of restricted shares and RSUs	18	407,571	-	(393,762)	-	-	-	13,827	-	13,827
Issuance of ordinary shares relating to initial public offering, net of underwriting commissions and other issuance costs	-	920,446	-	-	-	-	-	920,446	-	920,446
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	-	250,857	-	-	-	-	-	250,857	-	250,857
Repurchase of ordinary shares	(150,951)	-	-	-	-	-	-	(150,951)	-	(150,951)
Conversion of Preferred Shares to ordinary shares	-	11,484,935	-	-	13,943	-	-	11,498,878	(13,943)	11,484,935
Reversal of safety reserves	-	-	-	-	-	-	(516)	(516)	516	-
As of December 31, 2024	(150,956)	13,063,809	(67,112)	86,511	-	(350,954)	-	12,581,298	(9,524,298)	3,057,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29 Share capital and reserves (Continued)

(b) Reserves movement of the Group (Continued)

Notes	Treasury shares	Share premium	Capital reserve	Share-based compensation reserve	Own credit risk reserve	Foreign currency translation reserve	Safety reserve	Subtotal	Accumulated losses	Total
						RMB'000				
As of January 1, 2025	(150,956)	13,063,809	(67,112)	86,511	-	(350,954)	-	12,581,298	(9,524,298)	3,057,000
Loss for the year	-	-	-	-	-	-	-	-	(145,922)	(145,922)
- currency translation differences	-	-	-	-	-	(93,394)	-	(93,394)	-	(93,394)
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs	29(a)(iv)	912,193	-	-	-	-	-	912,193	-	912,193
Issuance of ordinary shares relating to RSU	29(a)(v)	(1)	-	-	-	-	-	(1)	-	(1)
Repurchase of ordinary shares	(i)	(34,868)	-	-	-	-	-	(34,868)	-	(34,868)
Employee share scheme										
- value of employee services	31	-	-	91,444	-	-	-	91,444	-	91,444
- vesting of restricted shares and RSUs		2	74,684	(72,851)	-	-	-	1,835	-	1,835
As of December 31, 2025	(185,822)	14,050,685	(67,112)	105,104	-	(444,348)	-	13,458,507	(9,670,220)	3,788,287

- (i) During the year ended December 31, 2025, the Company repurchased 1,230,000 of its own shares from the market (2024: 11,038,200). The shares were repurchased at prices ranging from HKD26.65 to HKD34.50 per share, with an average price of HKD30.23 per share. The total consideration of approximately RMB34,868,000 paid, including the transaction costs of the equity transaction, is deducted from equity attributable to owners of the Company as treasury shares.

As of December 31, 2025, 12,268,200 repurchased ordinary shares were included in treasury shares (2024: 11,038,200).

- (iii) As of December 31, 2025, 6,479,302 ordinary shares were issued related to RSUs and included in treasury shares (2024: 7,943,223).

30 Dividends

No dividends have been paid or declared by the Company for the year ended December 31, 2025 (2024: nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 Share-based compensation

	Year ended December 31,	
	2025	2024
	RMB'000	
Share-based compensation expenses	91,444	83,368

A limited liability partnership ("**ESOP LLP**"), was established in August 2015 and holds ordinary shares of Shenzhen Suteng on behalf of Shenzhen Suteng for the purpose of ESOP. In May 2021, Shenzhen Suteng approved a share incentive plan ("**Suteng ESOP**") to grant certain amounts of equity interests in the ESOP LLP to certain directors, executive officers and employees with vesting commencement date in December 2020. The awards include both service conditions and the occurrence of a qualified IPO as performance conditions. All of the RSUs shall become vested 36 months post the occurrence of a qualified IPO. Employees are required to provide continued services through the occurrence of a qualified IPO in order to retain the award.

During the reorganization, the pre-IPO share incentive scheme A (the "**ESOP A scheme**") and the pre-IPO share incentive scheme B (the "**ESOP B scheme**") have been established and approved pursuant to the Shareholders' resolutions dated on December 30, 2021. On December 31, 2021, the Company issued 18,299,626 equity shares in proportion to ESOP LLP's equity interests holding in Shenzhen Suteng. On the same day, the Company issued 17,210,526 shares for another new share incentive plan.

In addition, a post-IPO share incentive plan ("**ESOP C scheme**") was approved pursuant to the Shareholders' resolutions dated on October 27, 2022.

The Group's ESOP platforms of the share incentive plans were designed and operated to grant equity interests in the form of restricted shares and RSUs with certain service conditions and/or performance conditions to eligible employees. Once the vesting conditions for the underlying restricted shares and RSUs are met, the shares will be released or exchanged to employees. The Group accounts for such awards in accordance with IFRS 2, Share-based payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 Share-based compensation (Continued)

(a) ESOP A scheme

Movements in the number of equity awards granted under ESOP A scheme are as follows:

	Number of restricted shares	Number of RSUs	Total number of equity awards	Weighted average grant date fair value RMB
Outstanding as of January 1, 2024	13,450	18,286,176	18,299,626	10.37
Vested during the year	(13,450)	(17,936,926)	(17,950,376)	10.06
Outstanding as of December 31, 2024	–	349,250	349,250	19.22
Outstanding as of January 1, 2025	–	349,250	349,250	19.22
Vested during the year	–	(137,250)	(137,250)	18.58
Outstanding as of December 31, 2025	–	212,000	212,000	19.63

- (i) In January 2023, the Company granted 299,000 RSUs under the platforms of ESOP A scheme to an employee at a consideration of RMB12.00 per share, with both four years' service conditions and the occurrence of an IPO as performance conditions. The difference of RMB2,861,000 between total consideration and the grant date fair value would be recognized over the vesting period.

If the employee leaves the Group during the vesting period, the consideration for the non-vested portion will be refunded. The Group recorded the cash consideration received as other payables and accruals and would transfer the portion to equity account upon vesting of each tranche. As of December 31, 2025 and 2024, the payables in relation to these grants (Note 37(b)) amounted to RMB2,732,000 and RMB4,566,000, respectively.

- (ii) An expense of RMB429,000 was recognized for the year ended December 31, 2025 (2024: RMB5,061,000). The remaining expenses amounting to RMB193,000 are expected to be recognized for the future service over a weighted average period of 0.99 year since December 31, 2025, taking into consideration the projected forfeiture rate. The vesting period varied from 0.18 year to 4.00 years based on the IPO date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 Share-based compensation (Continued)

(b) ESOP B scheme

Movements in the number of equity awards granted under ESOP B scheme, are as follows:

	Number of restricted shares	Number of RSUs	Total number of equity awards	Weighted average grant date fair value RMB
Outstanding as of January 1, 2024	17,210	14,898,579	14,915,789	23.44
Vested during the period	(17,210)	(9,599,343)	(9,616,553)	22.71
Forfeited during the year	–	(751,773)	(751,773)	25.10
Outstanding as of December 31, 2024	–	4,547,463	4,547,463	24.70
Outstanding as of January 1, 2025	–	4,547,463	4,547,463	24.70
Vested during the period	–	(1,971,450)	(1,971,450)	23.59
Forfeited during the year	–	(94,075)	(94,075)	21.09
Outstanding as of December 31, 2025	–	2,481,938	2,481,938	25.70

An expense of RMB28,733,000 was recognized for the year ended December 31, 2025 (2024: RMB76,794,000). The remaining expenses amounting to RMB15,510,000 are expected to be recognized for the future service over a weighted average period of 0.72 year since December 31, 2025, taking into consideration the projected forfeiture rate. The vesting period varied from 0.18 years to 4.28 years based on the IPO date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 Share-based compensation (Continued)

(c) ESOP C scheme – RSUs

Movements in the number of equity awards granted under ESOP C scheme are as follows:

	Number of RSUs	Weighted average grant date fair value RMB
Outstanding as of January 1, 2024	–	–
Granted during the period	216,607	14.62
Forfeited during the period	(9,760)	14.62
Outstanding as of December 31, 2024	206,847	14.62
Outstanding as of January 1, 2025	206,847	14.62
Granted during the period (Notes (i))	2,493,920	32.84
Vested during the period	(884,351)	28.97
Forfeited during the period	(429,536)	30.92
Outstanding as of December 31, 2025	1,386,880	33.19

- (i) In 2025, 2,493,920 RSUs were granted under ESOP C scheme to eligible employees at nil consideration. The RSUs shall vest within a period between one month and 49 months from the grant date pursuant to the vesting schedule specified in the award agreement, which is based on performance conditions. The grant date fair value of the RSUs granted was determined based on the share price of the Company's shares at the grant date, which ranged from HKD 33.35 to HKD38.00 per share, and would be recognized over the vesting period.
- (ii) An expense of RMB41,356,000 was recognized for the year ended December 31, 2025 (2024: RMB1,512,000). The remaining expenses amounting to RMB21,397,000 are expected to be recognized for the future service over a weighted average period of 1.44 years since December 31, 2025, taking into consideration the projected forfeiture rate. The vesting period is 0.08 years to 4.08 years based on the grant date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 Share-based compensation (Continued)

(d) ESOP C scheme – share options

Movements in the number of equity awards granted under ESOP C scheme are as follows:

	Number of share options	Weighted average grant date fair value RMB
Outstanding as of January 1, 2024 and December 31, 2024	N/A	N/A
Outstanding as of January 1, 2025	–	–
Granted during the period (Note (i))	8,800,000	31.04
Forfeited during the period	(50,000)	31.04
Outstanding as of December 31, 2025	8,750,000	31.04

- (i) In June 2025, 8,800,000 share options were granted under ESOP C scheme to eligible employees. Each share option shall entitle the grantee to subscribe for one share upon exercise of such share option at an exercise price of HKD33.87 per share.

The share options shall vest and become exercisable by the relevant grantees in the proportion and at the schedule as specified in the award agreement, which is based on performance conditions. The share options will be vested in two batches in 2028 and 2029, respectively. The share options are valid for exercise from the grant date until June 30, 2029 upon fulfilment of the vesting conditions.

The fair value at grant date is HKD16.56 per share option and it is independently determined using a binomial model. The fair value is recognized as an expense over the relevant service period, which is the vesting period of the options. The significant model inputs for options granted are as follows:

Exercise price determined at the grant date	HKD33.87
Expected option life	4.07 years
Share price at grant date	HKD33.10
Estimated volatility of the share price	64.77%
Estimated dividend yield	0.00%
Risk-free interest rate	2.05%

- (ii) An expense of RMB20,926,000 was recognized for the year ended December 31, 2025 (2024: N/A). The remaining expenses amounting to RMB109,910,000 are expected to be recognized for the future service over a weighted average period of 3.04 years since December 31, 2025, taking into consideration the projected forfeiture rate. The vesting period is 3.56 years to 3.66 years based on the grant date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32 Borrowings

	As of December 31,	
	2025	2024
	RMB'000	
Included in non-current liabilities		
- Non-current portion of long-term bank borrowings, unsecured (Note (a))	157,300	28,200
Included in current liabilities		
- Bank borrowings, unsecured (Note (a))	29,105	120,000
- Current portion of long-term bank borrowings, unsecured (Note (a))	234,000	1,200
- Collateralized borrowing (Note (b))	26,812	-
	289,917	121,200
	447,217	149,400

As of December 31, 2025, the Group's borrowings were repayable as follows:

	2025
	RMB'000
Within 1 year	289,917
Between 1 and 2 years	117,300
Between 2 and 3 years	40,000
	447,217

(a) As of December 31, 2025, the Group's unsecured bank borrowings were denominated in RMB with an effective interest rate of 2.2% to 3.1% per annum (2024: 3.00% to 3.10% per annum).

(b) The Company has entered into notes receivable discounting arrangements with several banks. As the Company retains substantially all risks and rewards associated with the notes, the transaction is accounted for as a collateralized borrowing. The carrying amount of notes receivable pledged as collateral for this borrowing was RMB26,812,000 as of December 31, 2025. The secured borrowing is carried at amortized cost and bears interest ranged from 0.8% and 1.8%, repayable within 6 months.

(c) Compliance with loan covenants

The Company has complied with the financial covenants of its bank borrowings during the years ended December 31, 2025 and 2024.

(d) As of December 31, 2025 and 2024, the carrying amounts of borrowings approximated their fair values.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33 Government grants

	As of December 31,	
	2025	2024
	RMB'000	
Government grants	26,631	29,269

Movement of government grants is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
At the beginning of the year	29,269	35,833
Additions	14,691	4,775
Recognition of income	(17,329)	(11,339)
At the end of the year	26,631	29,269

34 Deferred income tax

(a) Deferred tax assets

	As of December 31,	
	2025	2024
	RMB'000	
The balance comprises temporary differences attributable to:		
– Lease liabilities	4,566	6,219
Set-off of deferred tax liabilities pursuant to set-off provisions	(4,566)	(6,219)
Net deferred tax assets	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34 Deferred income tax (Continued)

(b) Deferred tax liabilities

	As of December 31,	
	2025	2024
	RMB'000	
The balance comprises temporary differences attributable to:		
– Right-of-use assets	(4,566)	(6,219)
– Financial assets at fair value through profit or loss	(14,308)	–
	(18,874)	(6,219)
Set-off of deferred tax liabilities pursuant to set-off provisions	4,566	6,219
Net deferred tax liabilities	(14,308)	–

(c) The net movements on deferred income tax account were as follows:

	As of December 31,	
	2025	2024
	RMB'000	
At the beginning of the year	–	–
(Charged)/Credited to profit or loss	(14,308)	–
Exchange differences	–	–
At the end of the year	(14,308)	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 Other non-current liabilities

	As of December 31,	
	2025	2024
	RMB'000	
Warranty provision (Note (a))	20,531	16,959
License fees payable (Note (b))	8,637	12,989
Refundable government grants	6,700	38,850
Refund liabilities	–	596
Other payable	238	118
	36,106	69,512

(a) Warranty provision

The Group provides warranties for certain LiDAR products and undertakes the obligation to repair or replace items that fail to perform satisfactorily. The amount of provisions for product warranties is estimated based on the sales volume and historical experience of the level of repairs and returns. The estimation is reviewed on an ongoing basis and is revised when appropriate.

The movements of the Group's warranty provisions are analyzed as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
At the beginning of the year	35,114	19,313
Provisions	12,841	24,760
Amounts utilized	(2,094)	(8,959)
Reversals	(6,760)	–
At the end of the year	39,101	35,114
Current portion of warranty provision (Note 37)	18,570	18,155
Non-current portion of warranty provision	20,531	16,959

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 Other non-current liabilities (Continued)

(b) License fees payable

The Group entered into a license agreement with Adapt Vision Holdings, LLC (formerly known as Velodyne Lidar Inc.) in September 2020 to obtain cross-license of patent from February 2021 to February 2030. Pursuant to the agreement, a license fee calculated based on the net sales of the licensed products shall be paid by the Group in tranches during the lives of the license. For each year starting from February 2021, the payment of the license fee is determined to be the greater of fixed minimum annual payments and the amount calculated based on a tiered percentage of net sales of the licensed products.

The license rights are recognized as intangible assets initially measured at a total amount of the present value of the fixed minimum annual payments to be made in subsequent years and are amortized using the straight-line method to allocate the cost of the licenses over the period of the respective contractual rights of 9 years.

License fees payable is initially recorded at the fair value, which represents the present value of the fixed minimum annual payments to be made in subsequent years. They are subsequently stated at amortized cost using the effective interest method less payments made. Interests incurred on license fees payable are charged to the consolidated statements of comprehensive income as interest expense. The variable payment exceeds the fixed minimum annual payments will directly be recognized as cost of sales.

Movement in license fees payable is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	
At the beginning of the year	18,093	22,623
Payment of license fees	(5,736)	(5,683)
Interest expenses	643	874
Adjustment for exchange difference	(300)	279
At the end of the year	12,700	18,093
Current portion of the license fees payable (Note 37)	4,063	5,104
Non-current portion of license fees payable	8,637	12,989

The license fees payable is denominated in USD.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

36 Trade payables

	As of December 31,	
	2025	2024
	RMB'000	
Trade payables	545,673	475,825

The carrying amounts of trade payables approximate as their fair value due to their short-term maturity in nature.

As of December 31, 2025 and 2024, the aging analysis of the trade payables based on the date of the goods and services received are as follows:

	As of December 31,	
	2025	2024
	RMB'000	
Up to 6 months	540,189	473,330
Between 6 months and 1 year	3,861	307
Over 1 year	1,623	2,188
	545,673	475,825

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 Other payables and accruals

	As of December 31,	
	2025	2024
	RMB'000	
Salaries and welfare payables	149,081	123,692
Payables for long-term assets	51,508	32,278
Refundable government grants	36,603	–
Accrued expenses	30,395	16,094
Payables for services	23,778	32,240
Warranty provision (Note 35(a))	18,570	18,155
Tax payables	5,989	8,561
Payable for customer rebates	5,971	20,975
License fees payable (Note 35(b))	4,063	5,104
Refund liabilities (Note (a))	3,631	8,158
Payables in relation to ESOP (Note (b))	2,732	4,566
Amounts due to related parties (Note 39(b))	1,884	8,814
Other payables	4,243	3,974
	338,448	282,611

As of December 31, 2025 and 2024, other payables and accruals were mainly denominated in RMB and the carrying amounts of other payables and accruals approximated their fair values.

- (a) Refund liabilities represented the variable consideration in relation to the estimated sales return and sales exchange with a corresponding adjustment to revenue.
- (b) As of December 31, 2025, the liability to an employee in relation to the grant of 212,000 RSUs (2024: 349,250 RSUs) under ESOP A scheme (Note 31(a) – ESOP A scheme (i)) amounted to RMB2,732,000 (2024: RMB4,566,000).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 Note to the consolidated statements of cash flows

(a) Cash used in operations

	Year ended December 31,	
	2025	2024
	RMB'000	
Cash flows from operating activities		
Loss before income tax	(125,667)	(476,825)
– Depreciation of property and equipment	66,519	87,117
– Amortization of intangible assets	18,144	16,375
– Depreciation of right-of-use assets	15,022	11,409
– Loss/(gain) of disposal of long-term assets	(102)	4,598
– Amortization of government grants	(17,329)	(11,339)
– Credit loss allowances on financial assets	1,174	11,769
– Inventory provision	36,738	10,260
– Foreign exchange (gain)/loss	(22,472)	17,672
– Share of net loss/(profit) of associates accounted for using the equity method	13,398	(10,473)
– Impairment loss of an associate accounted for using the equity method	16,531	–
– Share-based compensation	91,444	83,368
– Fair value losses on financial instruments issued to investors	–	2,799
– Finance income – net	(88,415)	(99,970)
– Interest income on time deposit and amortized cost classified as investing cash flows	(11,053)	(374)
– Fair value gains on financial assets at fair value through profit or loss	(92,403)	(3,896)
Operating loss before changes in working capital	(98,471)	(357,510)
Changes in working capital:		
– Trade and notes receivables	(337,786)	119,093
– Prepayments, other receivables and other current assets	(36,648)	(31,471)
– Inventories	(228,521)	(13,238)
– Restricted cash	(6,416)	3,932
– Other non-current assets	(6,557)	(4,759)
– Trade payables	69,848	69,834
– Contract liabilities	4,156	(561)
– Government grants	–	3,930
– Other payables and accruals	34,684	38,056
– Other non-current liabilities	(31,220)	13,336
– Financial assets at fair value through other comprehensive income	(28,243)	(1,222)
Net cash used in operations	(665,174)	(160,580)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 Note to the consolidated statements of cash flows (Continued)

(b) Non-cash investing activities

Non-cash transactions of acquisition of right-of-use assets for the year ended December 31, 2025 and 2024 were disclosed in Note 14(a).

Non-cash transaction of acquisition of an investment in an associate classified as financial assets at FVTPL with property, plant and equipment for the year ended December 31, 2025 amounted to RMB35,738,000 (2024: nil).

Non-cash acquisition of property, plant and equipment settled through endorsement of notes receivables classified as financial assets at FVOCI for the year ended December 31, 2025 amounted to RMB33,356,000 (2024: nil).

(c) Net debt reconciliation

The following table provides a reconciliation for the movement of liabilities arising from financing activities for the years ended December 31, 2025 and 2024.

	Borrowings	Financial instruments issued to investors	Liabilities from financing activities			Total
			Lease liabilities	License fees payable (included in other payables and accruals and other non-current liabilities)	Other payables and accruals (excluding non-financing nature)	
			RMB'000			
As of January 1, 2024	(1,003)	(11,449,687)	(15,521)	(22,623)	(18,582)	(11,507,416)
Financing cash flows	(149,400)	-	10,806	4,809	-	(133,785)
New leases	-	-	(38,662)	-	-	(38,662)
Changes in fair values	-	(2,799)	-	-	-	(2,799)
Currency translation differences	-	(32,657)	(26)	(279)	-	(32,962)
Other changes						
- Payables in relation to ESOP	-	-	-	-	14,016	14,016
- Interest expenses	-	-	(343)	(874)	-	(1,217)
- Interest payments (presented as operating cash flows)	-	-	343	874	-	1,217
- Conversion of Preferred Shares into ordinary shares	-	11,485,143	-	-	-	11,485,143
- Other changes	1,003	-	440	-	-	1,443
As of December 31, 2024	(149,400)	-	(42,963)	(18,093)	(4,566)	(215,022)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

38 Note to the consolidated statements of cash flows (Continued)

(c) Net debt reconciliation (Continued)

	Borrowings	Financial instruments issued to investors	Liabilities from financing activities			Total
			Lease liabilities	License fees payable (included in other payables and accruals and other non-current liabilities)	Other payables and accruals (excluding non-financing nature)	
			RMB'000			
As of January 1, 2025	(149,400)	-	(42,963)	(18,093)	(4,566)	(215,022)
Financing cash flows	(297,817)	-	14,384	5,093	-	(278,340)
New leases	-	-	(17,488)	-	-	(17,488)
Currency translation differences	-	-	46	300	-	346
Other changes						
- Payables in relation to ESOP	-	-	-	-	1,834	1,834
- Interest expenses	-	-	(880)	(643)	-	(1,523)
- Interest payments (presented as operating cash flows)	-	-	880	643	-	1,523
- Other changes	-	-	14,696	-	-	14,696
As of December 31, 2025	(447,217)	-	(31,325)	(12,700)	(2,732)	(493,974)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 Related party transactions

The following is a summary of the transactions carried out between the Group and its related parties for the years ended December 31, 2025 and 2024, and balances with related party transactions as of December 31, 2025 and 2024.

(a) Name and relationship with related parties

The following individuals/companies are related parties of the Group that had significant balances and/or transactions with the Group as of/or for the years ended December 31, 2025 and 2024.

Name of related parties	Relationship with the Group
Luxsense	Associate of the Group
Shenzhen Qingmang Robotics Technology Co. Ltd. ("Qingmang")	Associate of the Group
Gesong	Associate of the Group
Mr. Qiu Chunchao	Executive director
Dr. Qiu Chunxin	Founding shareholder
Mr. Liu Letian	Founding shareholder
Dr. Zhu Xiaorui	Founding shareholder

(b) Significant transactions and balances with related parties

The following transactions occurred with associates:

	Year ended December 31,	
	2025	2024
	RMB'000	
Purchase of goods and services	252,047	481,761
Purchase of property, plant and equipment	13,682	10,615
Sales of goods, services and others	123	–
Sales of property, plant and equipment	3,491	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

39 Related party transactions (Continued)

(b) Significant transactions and balances with related parties (Continued)

	Year ended December 31,	
	2025	2024
	RMB'000	
Loans to associates		
Beginning of the year	–	–
Loans advanced	50,000	–
Interest charged	274	–
End of year	50,274	–

The following balances are outstanding at the end of the reporting period in relation to transactions with associates:

	As of December 31,	
	2025	2024
	RMB'000	
Trade receivables	98	–
Other receivables	4,176	–
Trade payables	76,680	192,606
Contract liabilities	59	–
Other payables	1,884	8,814

(c) Key management compensation

Key management includes directors and senior managements. The compensation paid or payable to key management for employee services is shown below:

	Year ended December 31,	
	2025	2024
	RMB'000	
Wages, salaries and bonuses	6,786	6,616
Share-based compensation expenses	6,660	8,825
Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances	333	306
Other employee benefits	–	372
	13,779	16,119

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 Benefits and interests of directors

(a) Directors' emoluments

Details of the emoluments paid or payable to the directors are set out as follows:

	Fees	Wages, salaries and bonuses	Share-based compensation	Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances	Other employee benefits	Total
	RMB'000					
Year ended December 31, 2025						
Name of executive directors:						
Dr. Qiu Chunxin (Note (a)(ii))	-	1,684	-	111	-	1,795
Mr. Liu Letian (Note (a)(iii))	-	1,389	-	111	-	1,500
Mr. Qiu Chunchao (Note (a)(iii))	-	1,620	-	111	-	1,731
Name of a non-executive director:						
Dr. Zhu Xiaorui (Note (a)(iv))	-	-	-	-	-	-
Name of independent non-executive directors:						
Mr. Feng Jianfeng (Note (a)(vi))	145	-	-	-	-	145
Mr. Ng Yuk Keung (Note (a)(vi))	250	-	-	-	-	250
Mr. Liu Ming (Note (a)(vi))	250	-	-	-	-	250
Ms. Yang Rixin (Note (a)(vi))	108	-	-	-	-	108
	753	4,693	-	333	-	5,779



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 Benefits and interests of directors (Continued)

(a) Directors' emoluments (Continued)

	Fees	Wages, salaries and bonuses	Share-based compensation	Pension costs – defined contribution plans, housing funds, medical insurances and other social insurances	Other employee benefits	Total
				RMB'000		
Year ended December 31, 2024						
Name of executive directors:						
Dr. Qiu Chunxin (Note (a)(i))	-	1,659	-	102	372	2,133
Mr. Liu Letian (Note (a)(ii))	-	1,361	-	102	-	1,463
Mr. Qiu Chunchao (Note (a)(iii))	-	1,600	1,446	102	-	3,148
Name of a non-executive director:						
Dr. Zhu Xiaorui (Note (a)(iv))	-	-	-	-	-	-
Name of independent non-executive directors:						
Mr. Feng Jianfeng (Note (a)(v))	250	-	-	-	-	250
Dr. Lu Cewu (Note (a)(v))	21	-	-	-	-	21
Mr. Ng Yuk Keung (Note (a)(v))	250	-	-	-	-	250
Mr. Liu Ming (Note (a)(v))	229	-	-	-	-	229
	750	4,620	1,446	306	372	7,494

- (i) Dr. Qiu Chunxin was appointed as a director on June 23, 2021 and was re-designated as an executive director on June 28, 2023.
- (ii) Mr. Liu Letian was appointed as a director on December 31, 2021, was re-designated as an executive director on June 28, 2023, and was re-elected as an executive director on June 27, 2024.
- (iii) Mr. Qiu Chunchao was appointed as a director on December 31, 2021 and was re-designated as an executive director on June 28, 2023.
- (iv) Dr. Zhu Xiaorui was appointed as a director on December 31, 2021, was re-designated as a non-executive director on June 28, 2023, and was re-elected as a non-executive director on June 27, 2024.
- (v) Mr. Feng Jianfeng, Dr. Lu Cewu and Mr. Ng Yuk Keung were appointed as independent non-executive directors of the Company on June 28, 2023, the term of their appointment took effect from the listing date. Dr. Lu Cewu had resigned and Mr. Liu Ming had been appointed as an independent non-executive director of the Company from February 9, 2024. Mr. Feng Jianfeng, Mr. Liu Ming and Mr. Ng Yuk Keung were re-elected as independent non-executive directors of the Company on June 27, 2024.
- (vi) Mr. Feng Jianfeng has resigned and Ms. Yang Rixin has been appointed as an independent non-executive director of the Company with effect from July 30, 2025.

All of these individuals have not received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for the loss of office.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

40 Benefits and interests of directors (Continued)

(b) Directors' retirement and termination benefits

For the year ended December 31, 2025, there were no termination benefit nor no additional retirement benefit received by the directors except for the attributions to a retirement benefit scheme in accordance with the rules and regulations in the PRC (2024: nil).

(c) Consideration provided to the third parties for making available directors' services

For the years ended December 31, 2025 and 2024, the Group did not pay consideration to any third parties for making available directors' services.

(d) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

For the years ended December 31, 2025 and 2024, there were no loans, quasi-loans and other dealings entered into by the Company or subsidiaries undertaking of the Company, where applicable, in favor of director.

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted as of December 31, 2025 and 2024 or at any time for the years ended December 31, 2025 and 2024.

41 Commitments

Significant capital expenditure contracted as at the end of the reporting period but not recognized as liabilities is as follows:

	As of December 31,	
	2025	2024
	RMB'000	
Contracted but not provided for		
– Property, plant and equipment	108,331	5,982
– Intangible assets	4,976	5,808
	113,307	11,790



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

42 Contingencies

(a) Contingent assets

The subsidiary of the Group, Shenzhen Suteng has lodged three claims against a company (“**the Defendant**”) in November and December 2025, for misappropriation of trade secrets and infringement of patents, and seeking total damages of RMB91,000,000. All claims have been formally accepted and registered by the court. Upon legal advice, the directors concluded that the outcomes of these litigations remain uncertain at this stage. As of December 31, 2025, the Group’s contingent assets have not been recognised as receivables, as receipt of the amount is dependent on the outcome of the litigation process.

As of December 31, 2024, the Group did not have any significant contingent assets.

(b) Contingent liabilities

As of December 31, 2025, the Group had a contingent liability in respect of a claim for RMB20,500,000, which was lodged against Shenzhen Suteng by the Defendant in December 2025 in relation to alleged infringement of a patent right. Shenzhen Suteng has disclaimed liability and is defending the action. It is not practical to estimate the potential effect of this claim but management assessed that it is not probable that a material liability will arise.

As of December 31, 2024, the Group did not have any significant contingent liabilities.

43 Events occurring after the reporting period

(i) Investment in an associate

In January 2026, the Group and a third-party investor entered into a share subscription agreement with an associate to acquire 3.5% and 1.5% equity interest of the associate for a consideration of RMB35,000,000 and RMB15,000,000, respectively. On the same day, the Group entered into a share transfer agreement with another third party to transfer 5% of the Group’s equity interest in the associate for a total cash consideration of RMB50,000,000.

(ii) Investment in a limited partnership

In February 2026, the Group entered into a subscription agreement with a limited partnership to become a limited partner and paid total consideration of RMB36,900,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

(a) Balance sheet of the Company

	Notes	As of December 31, 2025	2024
		RMB'000	
ASSETS			
Non-current assets			
Investments in subsidiaries		4,355,987	4,365,037
Amounts due from subsidiaries		3,749,422	3,211,616
		8,105,409	7,576,653
Current assets			
Prepayments, other receivables and other current assets		1,539	2,456
Financial assets at fair value through profit or loss		369,735	–
Cash and cash equivalents	44(a)(i)	1,764,492	1,848,250
		2,135,766	1,850,706
Total assets		10,241,175	9,427,359
EQUITY			
Share capital		336	319
Other reserves	44(b)	15,199,889	14,462,890
Accumulated losses	44(b)	(4,988,051)	(5,064,403)
Total equity		10,212,174	9,398,806
LIABILITIES			
Current liabilities			
Other payables and accruals		29,001	28,553
		29,001	28,553
Total liabilities		29,001	28,553
Total equity and liabilities		10,241,175	9,427,359

The balance sheet of the Company was approved by the Board of Directors on March 25, 2026 and was signed on its behalf:

Dr. Qiu Chunxin
Chairman of the Board and Executive Director

Mr. Qiu Chunchao
Executive Director and Chief Executive Officer



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(a) Balance sheet of the Company (Continued)

- (i) Cash and cash equivalents mainly include time deposit with initial terms within three months and are denominated in USD.

(b) Reserves movement of the Company

	Notes	Treasury shares	Share Premium	Capital reserve	Share-based compensation reserve	Own credit risk reserve RMB'000	Foreign currency translation reserve	Subtotal	Accumulated losses	Total
As of January 1, 2024		(23)	-	1,312,945	395,749	(9,661)	62,251	1,761,261	(5,122,164)	(3,360,903)
Profit for the year		-	-	-	-	-	-	-	57,761	57,761
Employee share scheme:										
- value of employee services		-	-	-	83,368	-	-	83,368	-	83,368
- vesting of restricted shares and RSUs	18	407,571	-	(393,762)	-	-	-	13,827	-	13,827
Issuance of ordinary shares relating to initial public offering, net of underwriting commissions and other issuance costs		-	920,446	-	-	-	-	920,446	-	920,446
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs		-	250,857	-	-	-	-	250,857	-	250,857
Repurchase of ordinary shares	(150,946)	-	-	-	-	-	-	(150,946)	-	(150,946)
Conversion of Preferred Shares to ordinary shares		-	11,484,935	-	-	9,661	-	11,494,596	-	11,494,596
Currency translation differences		-	-	-	-	-	89,481	89,481	-	89,481
As of December 31, 2024		(150,951)	13,063,809	1,312,945	85,355	-	151,732	14,462,890	(5,064,403)	9,398,487

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

44 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(b) Reserves movement of the Company (Continued)

	Notes	Treasury shares	Share Premium	Capital reserve	Share-based compensation reserve	Own credit risk reserve RMB'000	Foreign currency translation reserve	Subtotal	Accumulated losses	Total
As of January 1, 2025		(150,951)	13,063,809	1,312,945	85,355	-	151,732	14,462,890	(5,064,403)	9,398,487
Profit for the year		-	-	-	-	-	-	-	76,352	76,352
Employee share scheme:										
- value of employee services	31	-	-	-	91,444	-	-	91,444	-	91,444
- vesting of restricted shares and RSUs		2	74,684	-	(72,851)	-	-	1,835	-	1,835
Issuance of ordinary shares relating to placing, net of underwriting commissions and other issuance costs		-	912,193	-	-	-	-	912,193	-	912,193
Issuance of ordinary shares relating to RSUs	29(b)(ii)	-	(1)	-	-	-	-	(1)	-	(1)
Repurchase of ordinary shares	29(b)(i)	(34,873)	-	-	-	-	-	(34,873)	-	(34,873)
Currency translation differences		-	-	-	-	-	(233,599)	(233,599)	-	(233,599)
As of December 31, 2025		(185,822)	14,050,685	1,312,945	103,948	-	(81,867)	15,199,889	(4,988,051)	10,211,838



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies

45.1 Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated fully from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated balance sheets, respectively.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates in the form of ordinary shares are accounted for using the equity method of accounting, after initially being recognized at cost. The Group's investments in these associates include goodwill identified on acquisition, net of any accumulated impairment loss. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is treated as goodwill.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.1 Principles of consolidation and equity accounting (Continued)

Equity method of accounting

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivables from associates are recognized as a reduction in the carrying amount of the investment.

Where the Group's share of loss in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 45.8(d).

45.2 Separate financial statements

The Company initially measures its investment in subsidiaries at cost.

Investments in subsidiaries are subsequently accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivables.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.3 Segment reporting

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer of the Company that makes strategic decisions.

45.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The functional currency of the Company is United States Dollars ("**USD**"). The Company's primary subsidiaries are incorporated in the PRC and these subsidiaries consider RMB as their functional currency. The Group determined to present its consolidated financial statements in RMB.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss. Foreign exchange gains and losses that relate to borrowings or financing activities are presented in the consolidated statements of comprehensive income within "finance income – net". Foreign exchange gains and losses that relate to financial instruments issued to investors are presented in the consolidated statements of comprehensive income within "fair value changes in financial instruments issued to investors". All other foreign exchange gains and losses impacting profit or loss are presented in the consolidated statements of comprehensive income within "other gains/(losses) – net".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.4 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in other comprehensive income or loss.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in other comprehensive income or loss. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses (if any). Historical cost includes expenditure that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

(i) Depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate their costs net of their residual values over their estimated useful lives or, in case of leasehold improvements, the shorter lease term, as follows:

Machinery and equipment	5-10 years
Mold and tooling	3 years
Computer, electronic equipment and others	3-5 years
Vehicles	4 years
Leasehold improvements	Lesser of the term of the lease or the estimated useful lives of the assets

The assets’ residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within “other gains/(losses) - net” in the consolidated statements of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.5 Property, plant and equipment (Continued)

(i) Depreciation methods and useful lives (Continued)

Construction in progress represents unfinished construction and equipment under construction or pending for installation, and is stated at cost less accumulated impairment losses, if any. Cost includes construction costs, installation costs and other costs necessary to bring the construction in progress ready for their intended use. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and are available for intended use. When the construction activities necessary to prepare the assets for their intended use are completed, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated in the preceding paragraphs.

45.6 Intangible assets

(a) Software

Acquired software is recognized at historical cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. The Group's software is amortized on a straight-line basis over their estimated useful lives of 3-5 years.

(b) Patent

Patents are shown at cost when acquired. Patents have a finite useful life and are carried at cost less accumulated amortization and impairment, if any. Amortization is calculated using the straight-line method to allocate the cost of patents over their estimated useful lives of 10 years.

(c) License rights

License rights are stated at historical cost less accumulated amortization. They are initially measured at the present value of the consideration given to acquire the license at the time of the acquisition, which represents historical cost comprising the capitalized present values of the fixed minimum periodic payments to be made on date of acquisition and in the subsequent years in respect of the acquisition of the license rights. License rights are amortized as a fixed overhead expenditure using the straight-line method to allocate the cost of the licenses over the period of the respective contractual rights of 9 years.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.6 Intangible assets (Continued)

(d) Research and development (“R&D”)

Research expenditure is recognized as an expense as incurred. Costs incurred on research and development projects are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the research and development project so that it will be available for the Group;
- management intends to complete the research and development project and use or sell it;
- there is an ability to use or sell the research and development project;
- it can be demonstrated how the research and development project will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the research and development project are available; and
- the expenditure attributable to the research and development project during its development can be reliably measured.

Directly attributable costs which are eligible to be capitalized as part of the research and development project may include employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred.

Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

For the years ended December 31, 2025 and 2024, there were no internally generated development costs meeting these criteria and capitalized as intangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

45.8 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- Those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income or loss.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.8 Financial assets (Continued)

(a) Classification (Continued)

If collection of the amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The Group's financial assets comprise trade and notes receivables, other receivables, financial assets measured at fair value through profit or loss ("FVTPL"), financial assets measured at fair value through other comprehensive income ("FVOCI"), financial assets measured at amortized cost, restricted time deposit, time deposit, cash and cash equivalents and restricted cash.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all of the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.8 Financial assets (Continued)

(c) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group held debt instruments classified as financial assets at amortized costs, FVTPL and FVOCI.

- Amortized cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in "other gains/(losses) – net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statements of comprehensive income.
- FVOCI: assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial assets are derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains/(losses) – net" and impairment expenses are presented as a separate line item in the consolidated statements of comprehensive income.
- FVTPL: assets that do not meet the criteria for amortized cost or financial assets at FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognized in profit or loss and presented net within "other gains/(losses) – net" in the period in which it arises.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.8 Financial assets (Continued)

(c) Measurement (Continued)

Equity instruments

The Group's equity instruments include an investment in ordinary shares in a listed company and investments in ordinary shares with special rights. The group subsequently measures all equity investments at FVTPL. Dividends from such investments continue to be recognized in profit or loss as other income when the group's right to receive payments is established. A gain or loss on an equity instrument that is subsequently measured at FVTPL is recognized in profit or loss and presented net within "other gains/(losses) - net" in the period in which it arises.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3 details how the Group determines whether there has been a significant increase in credit risk.

Impairment on other financial assets measure at amortized cost is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

45.9 Derivatives and hedging activities

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses) - net.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheets where the Group has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

45.11 Trade and notes receivables

Trade and notes receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection of trade and notes receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and notes receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognized at fair value. The Group holds the trade and notes receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

See Note 3.1(b)(i) for a description of the Group's impairment policies.

45.12 Cash and cash equivalents and restricted cash

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, demand deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash that is restricted from withdrawal, from use or from being pledged as security is reported separately on the face of the consolidated balance sheets and is not included in the total cash and cash equivalents in the consolidated statements of cash flows.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.13 Inventories

Raw materials, work-in-progress and finished goods are stated at the lower of cost and net realizable value. Cost comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

45.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction, net of tax, from the proceeds.

45.15 Trade and other payables

Trade and other payables represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less of the reported period (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

All other trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.16 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

45.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.18 Current and deferred income tax

The income tax expenses or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.19 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheets.

(b) Pension costs – defined contribution plans

The Group contributes on a monthly basis to a defined contribution plan organized by the relevant governmental authorities based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these plans is limited to the contributions payable in each period. Other than the monthly contributions, the Group has no further payment obligations once the contributions have been paid. The Group's contributions to the defined contribution retirement scheme are expensed as incurred.

(c) Bonus plans

The expected cost of bonuses is recognized as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

(d) Housing funds, medical insurances and other social insurances

The employees of the Group are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the monthly contributions payable in each period. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.19 Employee benefits (Continued)

(e) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

45.20 Share-based compensation

The Group operates certain equity-settled share-based compensation plans (Note 31), under which the Group receives service from its eligible employees as consideration for the equity instruments of the Group. The fair value of the employee services in exchange for the grant of equity instruments is recognized as an expense over the vesting period with a corresponding increase in equity. The fair value of the equity instruments granted is determined:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

The fair value of the employee services received is measured by reference to the fair value of the shares at grant date. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied, using graded vesting method. At the end of each period, the entity revises its estimates of the number of equity instruments that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. For awards with performance conditions, share-based compensation expenses are recognized if and when the Group concludes that it is probable that the performance condition will be achieved. The estimates shall be reassessed and revised in subsequent periods, if necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.20 Share-based compensation (Continued)

The Group may modify the terms and conditions on which share-based compensation plans were granted. If a modification increases the fair value of the equity instruments granted, the incremental fair value granted is included in the measurement of the amount recognized for the services received over the remainder of the vesting period.

If the Group modifies the vesting conditions in a manner that is beneficial to the employee, for example, by reducing the vesting period or by modifying or eliminating a performance condition (other than a market condition), the modification is accounted for retrospectively, to reflect the best estimate available (as of that date) of awards that are expected to vest.

A grant of share-based compensation plans, that is cancelled or settled during the vesting period, is treated as an acceleration of vesting. The Group immediately recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date.

45.21 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.21 Provisions (Continued)

The Group provides standard warranty for all LiDARs sold. The Group considers that the standard warranty is not providing incremental service to customers rather an assurance to the quality of the LiDAR, and therefore is not a separate performance obligation and should be accounted for as an assurance-type standard warranty.

The Group records warranty liabilities at the time of sale for the estimated costs that will be incurred according to the warranty policy provided to customers and reassesses its estimates on a quarterly basis to assess the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary.

The portion of the warranty provisions expected to be incurred within the next 12 months is included within other payables and accruals, while the remaining balance is included within other non-current liabilities in the consolidated balance sheets. Warranty expense is recorded as a component of cost of sales in the consolidated statements of comprehensive income.

45.22 Leases

Lease as lessee

The Group leases various offices and factories. Leases are initially recognized as a right-of-use asset and corresponding liability at the date when the leased asset is available for use by the Group. Each lease payment is allocated between the principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's estimated useful life and the lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as of the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.22 Leases (Continued)

Lease as lessee (Continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of lease liabilities.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentive received;
- any initial direct costs; and
- restoration costs, if any.

Payments associated with short-term leases are recognized on a straight-line basis as an expense. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

45.23 Government grants

The Group's PRC based subsidiaries received government subsidies from certain governments. Subsidies from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

The Group's government subsidies consist of specific subsidies and other subsidies. Specific subsidies are subsidies that the government has provided for a specific purpose, such as completion of research and development projects. Other subsidies are the subsidies that the government has not specified its purpose for and are not tied to future trends or performance of the Group, receipt of such subsidy income is not contingent upon any further actions or performance of the Group and the amounts do not have to be refunded under any circumstances.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

45 Summary of other potentially material accounting policies (Continued)

45.23 Government grants (Continued)

Specific subsidies relating to cost that are received in advance are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Specific subsidies relating to property, plant and equipment that are received in advance are included in non-current liabilities as government grants and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Other subsidies are recognized as other income upon receipt as no condition is attached to these subsidies and no further performance by the Group is required.

Some of the specific subsidies received were refundable as the Group has no reasonable assurance that the Group will comply with all attached conditions. Refundable government grants are recognized as other non-current liabilities upon receipt. Refundable government grants are reclassified from other non-current liabilities to other payables and accruals when the expected acceptance of completion is due in one year and then will be reclassified as government grants upon government's acceptance of completion of the related project development and amortized as other income.

45.24 Interest income

Interest income on financial assets at amortized cost and debt investments measured at FVOCI calculated using the effective interest method is recognized in profit or loss.

Interest income is presented as finance income where it is earned from cash and cash equivalents and restricted cash which are held for cash management purposes. Any other interest income is included in other income.

DEFINITIONS AND GLOSSARY

In this annual report, unless the context otherwise requires, the following terms and expressions have the meanings as set forth below.

"ADAS"	advanced driver assistance systems, the groups of electronic technologies that assist drivers in driving and parking functions; it also refers to levels 1 to 3 autonomous driving as defined by the Society of Automotive Engineers
"AGM" or "Annual General Meeting"	the annual general meeting to be held on June 18, 2026 or any adjournment thereof
"AI"	artificial intelligence
"Audit Committee"	the audit committee of the Company
"Auditor"	PricewaterhouseCoopers, the independent auditor of the Company
"automotive OEMs"	the original equipment manufacturer, which assembles and installs automotive parts during the construction of a new vehicle
"Beijing Surui"	Beijing Surui Consulting Services Co., Ltd. (北京速銳諮詢服務有限公司), a company incorporated under the laws of the PRC on June 4, 2021, and an indirectly wholly-owned subsidiary of the Company
"Board"	the board of Directors of the Company
"Board Committee(s)"	the board committee(s) of the Company, namely the Audit Committee, Remuneration Committee, Nomination Committee and ESG Committee
"Chief Executive Officer"	the chief executive officer of the Company
"Company" or "our Company" or "the Company"	RoboSense Technology Co., Ltd (速騰聚創科技有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2498)
"Companies Ordinance"	Companies Ordinance, Chapter 622 of Laws of Hong Kong



DEFINITIONS AND GLOSSARY

“Concert Party Confirmation”	the concert party confirmation dated April 21, 2023 executed by Dr. Qiu Chunxin, Dr. Zhu Xiaorui and Mr. Liu Letian to confirm that they have been parties acting in concert in exercising shareholders’ rights of the Group since the they become shareholders or directors of the relevant member of the Group (whichever is earlier)
“connected person(s)”	has the meanings ascribed to it under the Listing Rules
“Corporate Governance Code” or “CG Code”	Corporate Governance Code, as set out in Appendix C1 to the Listing Rules
“Director(s)”	director(s) of the Company
“Dr. Qiu”	Qiu Chunxin (邱純鑫), our co-founder, chairman of the Board, executive Director and chief scientist
“Dr. Zhu”	Zhu Xiaorui (朱曉蕊), our co-founder, non-executive Director and scientific advisor
“ESOP Holding Entities”	Robust Limited, Ruby International Limited, and Hoping Dream International Limited
“ESG”	environmental, social and governance
“ESG Committee”	the environmental, social and governance committee of the Company
“ESG Guide”	Environmental, Social and Governance Reporting Guide, as set out in Appendix C2 to the Listing Rules
“Global Offering”	the Hong Kong public offering and the international offering of the Company, details of which are set out in the Prospectus
“Group” or “our Group” or “the Group” or “RoboSense” or “we” or “us” or “our”	the Company and its subsidiaries from time to time
“HKD” or “HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

DEFINITIONS AND GLOSSARY

“Hong Kong Suteng”	Hong Kong Suteng Innovation Technology Co. Limited (香港速騰聚創科技有限公司), a company incorporated under the laws of Hong Kong on February 7, 2018, and an indirect wholly owned subsidiary of the Company
“IFRS”	IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and interpretation issued by the International Accounting Standards Committee
“Independent Third Party(ies)”	third party(ies) which is/are independent of the Company and its connected persons
“Latest Practicable Date”	April 15, 2026, being the latest practicable date for the purpose of ascertaining certain information in this annual report prior to its publication
“LiDAR”	a remote sensing method that uses light to measure the distance or range of objects
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on January 5, 2024
“Listing Date”	January 5, 2024, the date on which our Shares are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix C3 to the Listing Rules
“Mr. Liu”	Liu Letian (劉樂天), our co-founder, executive Director and chief technology officer
“Mr. Qiu”	Qiu Chunchao (邱純潮), our executive Director and Chief Executive Officer
“Nomination Committee”	the nomination committee of our Company
“Optixpan Semiconductors”	Optixpan Semiconductors Inc. (深圳市涵光半導體有限公司), a company incorporated under the laws of the PRC on October 16, 2016, and an indirectly wholly-owned subsidiary of the Company



DEFINITIONS AND GLOSSARY

“perception solution”	visual, LiDAR or fusion solution that provides perception capabilities based on information collected from cameras, LiDARs or other sensors
“Post-IPO Share Incentive Scheme”	the post-IPO share incentive scheme of the Company adopted and approved by the Shareholders with effect from June 29, 2024, the principal terms of which are set out in Prospectus
“PRC” or “Mainland China” or “China”	the People’s Republic of China, which, for the purpose of this annual report and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Preferred Shares”	convertible redeemable preferred shares of the Company, all of which were converted into ordinary shares upon Listing
“Pre-IPO Share Incentive Scheme A”	the pre-IPO share incentive scheme of the Company adopted and approved by the then Shareholders with effect from December 30, 2021, the principal terms of which are set out in the Prospectus
“Pre-IPO Share Incentive Scheme B”	the pre-IPO share incentive scheme of the Company adopted and approved by the then Shareholders with effect from December 30, 2021, the principal terms of which are set out in the Prospectus
“Prospectus”	the prospectus of the Company dated December 27, 2023 in relation to the Global Offering and the Listing
“Remuneration Committee”	the remuneration committee of our Company
“Reporting Period”	the year ended December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“RoboSense BVI”	RoboSense Limited, a company incorporated under the laws of the BVI on June 25, 2021, and a wholly-owned subsidiary of the Company
“RoboSense HK”	RoboSense HongKong Limited, a company incorporated under the laws of Hong Kong, and an indirectly wholly-owned subsidiary of the Company
“R&D”	research and development

DEFINITIONS AND GLOSSARY

"Securities and Futures Ordinance" or "SFO"	Securities and Futures Ordinance, Chapter 571 of Laws of Hong Kong
"Shanghai Suteng"	Shanghai Suteng Innovation Technology Co., Ltd. (上海速騰聚創科技有限公司), a company incorporated under the laws of the PRC on December 4, 2018, and an indirectly wholly-owned subsidiary of the Company
"Share(s)" or "Ordinary Share(s)"	the ordinary shares in the share capital of the Company
"Shareholder(s)"	the holder(s) of Share(s)
"Shenzhen Suteng"	Suteng Innovation Technology Co., Ltd. (深圳市速騰聚創科技有限公司), a company incorporated under the laws of PRC, on August 28, 2014 and an indirectly wholly-owned subsidiary of the Company
"SOC"	systems on a chip
"SOP"	start of production, which signifies the transition from the development and testing phase to manufacturing and commercialization, when the product is ready for mass production and delivery
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Suteng Zhigan Technology"	RoboSense Shenzhen Zhigan Technology Co., Ltd. (深圳速騰智感科技有限公司), a company incorporated under the laws of the PRC on September 6, 2021, and an indirectly wholly-owned subsidiary of the Company
"Suzhou Xijing MEMS"	Suzhou Xijing MEMS Technology Co., Ltd. (蘇州希景微機電科技有限公司), a company incorporated under the laws of the PRC on November 29, 2017, and a subsidiary of the Company, which is owned as to 55% indirectly by the Company and 45% by Ms. ZHANG Xiaohong (張小紅), who is an Independent Third Party other than being the substantial shareholder of Suzhou Xijing MEMS
"Tianjin Lubo"	Tianjin Lubo Shengshi Technology Co., Ltd (天津路泊盛世科技有限公司), a company incorporated under the laws of the PRC on November 9, 2022



DEFINITIONS AND GLOSSARY

"Tier 1 supplier"	a company that supplies parts or systems directly to automotive OEMs
"Treasury Shares"	has the meaning ascribed to it under the Listing Rules
"U.S. dollar(s)" or "USD"	United States dollars, the lawful currency of the United States of America
"V2X"	communication between a vehicle and any object, such as road, traffic lights and roadside signals that may affect, or may be affected by, the vehicle

In this annual report, certain amounts and percentage figures included have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

For ease of reference, the names of the PRC established companies or entities, governmental authorities, institutions, natural persons, laws or regulations have been included in this annual report in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translation of the official Chinese names are for identification purpose only.

This annual report contains certain forward-looking statements. These forward-looking statements are based on information currently available to the Group or the current belief, expectations and assumptions of the Board. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company’s control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements. In light of the risks and uncertainties, the inclusion of forward-looking statements in this annual report should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and Shareholders and investors of the Company should not place undue reliance on such statements.



robosense

