

Haitong International Capital Limited
Suites 3001-3006 and 3015-3016
One International Finance Centre
No. 1 Harbour View Street
Central, Hong Kong

March 16, 2026

The Board of Directors
Jiangsu New Vision Automotive Electronics Co., Ltd.
江蘇澤景汽車電子股份有限公司
Building 1, Automobile Electronics
Industry Park
3 Tianyue Road, Automobile Industry Park
Yizheng, Yangzhou, Jiangsu Province
PRC

Dear Sirs,

Proposed listing (the “Proposed Listing”) of the H shares of Jiangsu New Vision Automotive Electronics Co., Ltd. (江蘇澤景汽車電子股份有限公司) (the “Company”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

We, Haitong International Capital Limited, as one of the joint sponsors in connection with the Proposed Listing, refer to the prospectus of the Company dated March 16, 2026 (the “**Prospectus**”) in respect of the Proposed Listing. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

We hereby give consent, and confirm that we have not withdrawn our consent, to the issue of the Prospectus, with the inclusion therein of all references to our name, our qualifications and our statements, confirmations and opinions, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to this letter being (i) released to the Stock Exchange and the Registrar of Companies in Hong Kong and referred to in the Prospectus, and (ii) made available on display as described in the section headed “Documents Delivered to the Registrar of Companies and Available on Display” in Appendix V to the Prospectus.

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For and on behalf of

HAITONG INTERNATIONAL CAPITAL LIMITED

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a series of loops and a long horizontal stroke.

Name: Steven Kwok

Title: Managing Director

CITIC Securities (Hong Kong) Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

March 16, 2026

The Board of Directors
Jiangsu New Vision Automotive Electronics Co., Ltd.
江蘇澤景汽車電子股份有限公司
Building 1, Automobile Electronics
Industry Park
3 Tianyue Road, Automobile Industry Park
Yizheng, Yangzhou, Jiangsu Province
PRC

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For and on behalf of

CITIC SECURITIES (HONG KONG) LIMITED

A handwritten signature in black ink, appearing to read 'Vin', is positioned above a horizontal line.

Name: Vincent Lau

Title: Executive Director



Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

16 March 2026

The Directors

Jiangsu New Vision Automotive Electronics Co., Ltd.

Dear Sirs,

Jiangsu New Vision Automotive Electronics Co., Ltd. (the “Company”) and its subsidiaries (the “Group”)

Listing on the Main Board of The Stock Exchange of Hong Kong Limited

We refer to the prospectus dated 16 March 2026 (the “Prospectus”) in connection with the proposed initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a copy of which is attached and initialed by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants' report dated 16 March 2026 on the historical financial information for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025 and our accountants' report dated 16 March 2026 on the pro forma financial information for the nine months ended 30 September 2025 in the Prospectus, and the references to our name in the form and context in which they are included.

This letter is solely being issued in connection with the filing of the Prospectus regarding the listing of the Company's securities on The Stock Exchange of Hong Kong Limited and not for any other purpose.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Ernst & Young", written in a cursive, flowing style.

Certified Public Accountants
Hong Kong



江蘇澤景汽車電子股份有限公司

JIANGSU NEW VISION AUTOMOTIVE ELECTRONICS CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2632

GLOBAL OFFERING



Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



國泰海通
GUOTAI HAITONG

海通國際
HAITONG



CITIC SECURITIES

Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager



中銀國際 BOCI

Joint Bookrunners and Joint Lead Managers



富途證券
FUTU Securities International



百惠金控 PATRONS

IMPORTANT

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain professional independent advice.



JIANGSU NEW VISION AUTOMOTIVE ELECTRONICS CO., LTD. 江蘇澤景汽車電子股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

Global Offering

Number of Offer Shares under the Global Offering	: 16,226,500 H Shares
Number of Hong Kong Offer Shares	: 1,622,650 H Shares (subject to reallocation)
Number of International Offer Shares	: 14,603,850 H Shares (subject to reallocation)
Maximum Offer Price	: HK\$48.00 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal value	: RMB0.50 per H Share
Stock code	: 2632

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers



國泰海通
GUOTAI HAITONG

海通國際
HAITONG



CITIC SECURITIES

Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager



中銀國際 BOCI

Joint Bookrunners and Joint Lead Managers



富途證券
FUTU Securities International



百惠金控 PATRONS

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in "Appendix V — Documents Delivered to the Registrar of Companies and Available on Display" in this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Price is expected to be determined by agreement between the Overall Coordinators (on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or around Friday, March 20, 2026 (Hong Kong time) and, in any event, not later than 12:00 noon on Friday, March 20, 2026 (Hong Kong time). The Offer Price will not be more than HK\$48.00 per Offer Share and is currently expected to be not less than HK\$42.00 per Offer Share unless otherwise announced. If, for any reason, the Offer Price is not agreed by 12:00 noon on Friday, March 20, 2026 (Hong Kong time) between the Overall Coordinators (on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Overall Coordinators, on behalf of the Underwriters, may, where considered appropriate and with the consent of our Company, reduce the number of Hong Kong Offer Shares and/or the indicative Offer Price range below that is stated in this prospectus (being HK\$42.00 per Offer Share to HK\$48.00 per Offer Share) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, notices of the reduction in the number of Hong Kong Offer Shares and/or the indicative Offer Price range will be published on the website of our Company at www.zjautomotive.com/ and on the website of the Hong Kong Stock Exchange at www.hkexnews.hk as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. For further details, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Overall Coordinators (on behalf of the Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. For details, see "Underwriting" in this prospectus.

The Offer Shares have not been and will not be registered under the US Securities Act or any state securities laws in the United States, and may not be offered, sold, pledged or transferred within or to the United States, or for the account or benefit of US persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act. The Offer Shares are being offered and sold to non-U.S. persons outside the United States in offshore transactions in accordance with Regulation S.

March 16, 2026

IMPORTANT

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at www.zjautomotive.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	www.hkeipo.hk	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, March 16, 2026 to 11:30 a.m. on Thursday, March 19, 2026 (Hong Kong time). The latest time for completing full payment of application monies will be 12:00 noon on Thursday, March 19, 2026 (Hong Kong time).
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Applicants who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this Prospectus are identical to the printed Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary, broker** or **agent**, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses above.

Please refer to “How to Apply for Hong Kong Offer Shares” for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

IMPORTANT

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be made for a minimum of 50 Hong Kong Offer Shares and in multiples of that number of Hong Kong Offer Shares as set out in the table below.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, you are required to pre-fund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment
	HK\$		HK\$		HK\$		HK\$
50	2,424.20	800	38,787.27	7,000	339,388.55	100,000	4,848,408.00
100	4,848.41	900	43,635.67	8,000	387,872.65	200,000	9,696,816.00
150	7,272.61	1,000	48,484.08	9,000	436,356.72	300,000	14,545,224.00
200	9,696.81	1,500	72,726.12	10,000	484,840.80	400,000	19,393,632.00
250	12,121.02	2,000	96,968.15	20,000	969,681.60	500,000	24,242,040.00
300	14,545.22	2,500	121,210.20	30,000	1,454,522.40	600,000	29,090,448.00
350	16,969.43	3,000	145,452.25	40,000	1,939,363.20	700,000	33,938,856.00
400	19,393.63	3,500	169,694.28	50,000	2,424,204.00	811,300 ⁽¹⁾	39,335,134.10
450	21,817.83	4,000	193,936.32	60,000	2,909,044.80		
500	24,242.05	4,500	218,178.35	70,000	3,393,885.60		
600	29,090.45	5,000	242,420.40	80,000	3,878,726.40		
700	33,938.86	6,000	290,904.48	90,000	4,363,567.20		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

EXPECTED TIMETABLE⁽¹⁾

If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.zjautomotive.com.

Hong Kong Public Offering commences 9:00 a.m. Monday, March 16, 2026

Latest time for completing electronic applications
under the **HK eIPO White Form** service through
the designated website at www.hkeipo.hk⁽²⁾ . . . 11:30 a.m. on Thursday, March 19, 2026

Application lists of the Hong Kong Public Offering open⁽³⁾ . 11:45 a.m. on Thursday, March
19, 2026

Latest time to (a) complete payments of
HK eIPO White Form applications by effecting
internet banking transfer(s) or PPS payment transfer(s)
and (b) give **electronic application instructions**
to HKSCC⁽⁴⁾ 12:00 noon on Thursday, March 19, 2026

If you are instructing your broker or custodian who is a HKSCC Participant and will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction, you are advised to contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

Application lists of the Hong Kong Public
Offering close⁽³⁾ 12:00 noon on Thursday, March 19, 2026

Expected Price Determination Date⁽⁵⁾ at or before 12:00 noon on Friday,
March 20, 2026

Announcement of the final Offer Price, the level of
indications of interest in the International Offering,
the level of applications in the Hong Kong Public
Offering and the basis of allocation of the Hong Kong
Offer Shares to be published on the websites of our
Company at www.zjautomotive.com⁽⁶⁾ and the Stock
Exchange at www.hkexnews.hk on or before Monday, March 23, 2026

EXPECTED TIMETABLE⁽¹⁾

Results of allocations in the Hong Kong Public Offering
(with successful applicants' identification document numbers,
where appropriate) to be available through a variety
of channels, including:

- in the announcement to be posted on our
website and the website of the Stock Exchange at
www.zjautomotive.com and www.hkexnews.hk
respectively. Monday, March 23, 2026
- from the "Allotment Results" page on the
designated results of allocations website
at www.tricor.com.hk/ipo/result
or www.hkeipo.hk/IPOResult with a
"search by ID" function on a
24-hour basis from 11:00 p.m. on Monday, March 23, 2026
to 12:00 midnight on
Sunday, March 29, 2026
- from the allocation results telephone enquiry line
by calling +852 3691 8488 between 9:00 a.m. and
6:00 p.m. from Tuesday, March 24, 2026
to Friday, March 27, 2026
(except Saturday, Sunday
and public holiday
in Hong Kong)

H Share certificates in respect of wholly
or partially successful applications to be
despatched or deposited into CCASS on or before⁽⁷⁾⁽⁹⁾ Monday, March 23, 2026

HK eIPO White Form e-Auto Refund

payment instructions/refund cheques in respect of
wholly or partially successful applications if the final
Offer Price is less than the maximum Offer Price
per Offer Share initially paid on application (if applicable)
or wholly or partially unsuccessful applications
to be despatched on or before⁽⁸⁾⁽⁹⁾ Tuesday, March 24, 2026

Dealings in the H Shares on the Main Board of the
Stock Exchange to commence at 9:00 a.m. on Tuesday, March 24, 2026

Notes:

(1) All dates and times refer to Hong Kong local dates and times, except as otherwise stated.

EXPECTED TIMETABLE⁽¹⁾

- (2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at www.hkeipo.hk after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of the application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.
- (3) If there is/are a “black” rainstorm warning signal, a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, March 19, 2026, the application lists will not open or close on that day. See the section headed “How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements”.
- (4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via HKSCC’s FINI system should refer to the section headed “How to Apply for Hong Kong Offer Shares — A. Applications for Hong Kong Offer Shares — 2. Application Channels”.
- (5) The Price Determination Date is expected to be on or around Friday, March 20, 2026 and, in any event, not later than 12:00 noon on Friday, March 20, 2026. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us by 12:00 noon on Friday, March 20, 2026, the Global Offering will not proceed and will lapse.
- (6) None of the websites or any of the information contained on the websites forms part of this Prospectus.
- (7) The H Share certificates will only become valid at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional and the right of termination described in “Underwriting — Underwriting Arrangements and Expenses — The Hong Kong Public Offering — Grounds for Termination” has not been exercised. Investors who trade the H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.
- (8) **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and in respect of wholly or partially successful applicants in the event that the final Offer Price is less than the price payable per Offer Share on application. Part of the applicant’s identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund cheque, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant’s identification document number before encashment of the refund cheque. Inaccurate completion of an applicant’s identification document number may invalidate or delay encashment of the refund cheque.
- (9) Applicants who have applied on **HK eIPO White Form** service for 500,000 or more Hong Kong Offer Shares may collect any H Share certificates in person from our H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong from 9:00 a.m. to 1:00 p.m. on Tuesday, March 24, 2026 or any other places or date as notified by us as the date of despatch/collection of H Share certificates/**HK eIPO White Form** e-Auto Refund payment instructions/refund cheques. Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. Individuals must produce evidence of identity acceptable to our H Share Registrar at the time of collection.

Applicants who have applied for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies” for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) despatched to the bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) despatched to the address as specified in their application instructions in the form of refund cheques in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

EXPECTED TIMETABLE⁽¹⁾

The H Share certificates and/or refund cheques (if applicable) for applicants who have applied for less than 500,000 Hong Kong Offer Shares and any uncollected H Share certificates will be despatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

Further information is set out in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies".

The above expected timetable is a summary only. For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares", respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, our Company will make an announcement as soon as practicable thereafter.

CONTENTS

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for purposes of a public offering and the offering and sale of the Hong Kong Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not contained nor made in this prospectus must not be relied on by you as having been authorized by us, any of the Joint Sponsors, the Overall Coordinators, the Capital Market Intermediaries, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the Global Offering.

	<i>Page</i>
Important	ii
Expected Timetable	iv
Contents	viii
Summary	1
Definitions	27
Glossary of Technical Terms	46
Forward-Looking Statements	51
Risk Factors	53
Waivers from Strict Compliance with the Listing Rules and Exemptions from the Companies (Winding Up and Miscellaneous Provisions) Ordinance	99

CONTENTS

Information about this Prospectus and the Global Offering	109
Directors, Supervisors and Parties Involved in the Global Offering	114
Corporate Information	119
Industry Overview	122
Regulatory Overview	145
History, Development and Corporate Structure	170
Business	201
Directors, Supervisors and Senior Management	321
Relationship with our Controlling Shareholder Group	343
Substantial Shareholders	347
Share Capital	351
Cornerstone Investors	355
Financial Information	361
Future Plans and Use of Proceeds	418
Underwriting	424
Structure of the Global Offering	439
How to Apply for Hong Kong Offer Shares	448
Appendix I Accountants' Report	I-1
Appendix IIA Unaudited Pro Forma Financial Information	IIA-1
Appendix IIB Unaudited Preliminary Financial Information for the Year Ended December 31, 2025	IIB-1
Appendix III Summary of Articles of Association	III-1
Appendix IV Statutory and General Information	IV-1
Appendix V Documents Delivered to the Registrar of Companies and Available on Display	V-1

SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire prospectus before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed “Risk Factors.” You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We focus on HUD solutions. During the Track Record Period, we provided comprehensive solutions that are primarily centered on CyberLens, our windshield HUD (W-HUD) solution, and CyberVision, our augmented reality HUD (AR-HUD) solution, supplemented by testing solutions and other innovative visual technology initiatives. We collaborate with automotive OEMs in depth on joint development at solution definition stage, empowering new vehicle models with more immersive human-vehicle interactions and intelligent driving experience.



Through our innovative solution offerings, we promote the evolution and market penetration of visual presentation and human-vehicle interaction for intelligent cockpit from 2D to 3D and AR.

18	101	1.9 million
OEM customers ⁽¹⁾	cumulative design-wins ⁽¹⁾	cumulative sales volume ⁽¹⁾

Note:

(1) As of September 30, 2025

SUMMARY

Leveraging our integrated and full-range proprietary technology architecture and production and quality control capabilities, we have established a development process under a user experience centric design philosophy. We offer our HUD solutions primarily to our OEM customers with consistent performance, high reliability, efficient delivery, flexible customization and cost-effectiveness. We believe the value propositions that we offer meet OEM needs for value-for-money, agile and differentiated competitive advantages in the intelligent vehicle market, while bringing end users a safer, smarter, more personalized and technologically advanced driving experience.

Our Integrated and Full-Range Proprietary Technology Architecture

We have built an integrated and full-range proprietary technology architecture that integrates hardware and software capabilities across optical design, mechanical engineering, electronics design, software algorithms and human-machine interface (HMI), coupled with rigorous verification and validation processes. Our technology architecture encompasses core competencies in HUD solutions with unique capabilities that create sustainable market differentiations.

- **Optical Design:** Optical design capability is the cornerstone of our technological excellence. We possess comprehensive optical path layout and design capabilities, achieving precise analysis and optimization of optical systems through our proprietary algorithm plug-ins. Additionally, we conduct complex analyses, including dynamic distortion visualization, stray light simulation and sunlight backflow simulation to ensure imaging quality and reliability. Our outstanding optical design capabilities result in solutions with smaller dynamic distortion and binocular parallax and superior performance parameters, achieving optimal dynamic effects. We also actively explore next-generation technologies, including holographic optics, diffractive optics, micro-nano optics and waveguides, positioning us at the forefront of automotive optical innovation to address evolving industry demands while continuously redefining performance standards.
- **Mechanical Engineering:** Our mechanical engineering capabilities have enabled platform-based design for transmission and optical-mechanical systems. Through optimal design and deployment of various system structures within limited vehicle space, we achieve compact integration of components while avoiding interference with other parts. We are dedicated to solving mechanical pain points in HUD solutions, including heat dissipation, vibration resistance, durability and adaptability. Our platform-based mechanical engineering significantly increases component commonality. The component sharing percentage reaches over 60% for CyberLens while that of CyberVision exceeds 65%, which greatly enhances development efficiency and cost-effectiveness. We utilize advanced design tools and simulation analysis to conduct strength and modal analyses, ensuring the reliability of mechanical engineering.

SUMMARY

- **Electronics Design:** We have a comprehensive electronics design platform adaptable to different types of HUD solutions. Our solutions are designed to have excellent compatibility with controllers, optical PGUs and other components. During the design process, we emphasize component selection and ensure component quality, with over 90% of our electronic components achieving platform-based development. We employ advanced design tools, simulation analyses and component performance testing to guarantee quality and reliability of electronics design.
- **Software Algorithm Development:** We have accumulated profound expertise in software algorithm development, covering algorithms throughout the HUD solution chain from input to execution to output. We are the first HUD solution provider in China to introduce Automotive SPICE (ASPICE), an international standard framework used in the automotive industry to assess and improve the capabilities of software development and systems engineering processes, for HUD development according to CIC. We have built a proprietary software algorithm development platform with comprehensive development tools, fully meeting international OEMs' strict assessment requirements for automotive software algorithm process capabilities. To satisfy the diverse needs of different users, we have conducted in-depth research on various computing platforms, possessing capabilities across multiple graphic development platforms with high code reusability and stable architecture. We maintain leading advantages in the implementation of functional features, such as height adjustment, brightness adjustment and AR fusion algorithms, providing users with immersive interactive experience and high-performance functional support.
- **HMI Design:** As one of the front-runner in China's automotive HMI design, we embrace "scenario-defined interaction" as our core concept. We implement driving-scenario-native design, which is supported by the high integration of optical design and driving scenarios as well as comprehensive innovations in hardware, software and interaction logic. Through deep collaboration with multiple mainstream OEMs, we have built full-chain capabilities from technology R&D to scenario implementation, creating a more intuitive HMI experience. Our HMI design technology layout focuses on optical system innovation, driving in-vehicle HMI to evolve from functional displays to intelligent and personalized interactions.
- **Verification and Validation:** We have established a comprehensive verification and validation platform with comprehensive equipment and automated tools, providing full visual application verification and validation capabilities. Leveraging such capabilities, we have improved verification and validation efficiency and accuracy, ensuring our solutions reliably meet user needs and expectations.

SUMMARY

Our HUD Solutions

We provide a full range of platform-based HUD solutions, including CyberLens, CyberVision, testing solutions and other innovative initiatives to meet diverse customer needs.

	Optical Specifications	Software Algorithm	Functionality	Effect Display
CyberLens	- PGU: TFT - VID: 2~4.5 meters	- ZJ Cyber – W Platform - Warping algorithm - Support personalized HMI development	- Image height, angle and brightness adjustment - Display of information such as vehicle speed, gear position and range - Display of telephone Bluetooth, WeChat and text message - Recreational function, navigation and ADAS integration - Display of traffic lights, construction warnings, etc.	
CyberVision	- PGU: TFT, DLP & LCoS - VID: ≥7 meters - FOV: Wider than CyberLens - Image size: Larger than CyberLens	- ZJ Cyber – AR Platform - Warping algorithm - Multimodal fusion algorithm - Dynamic light and color compensation algorithm, delay and spatial alignment algorithm - Support personalized HMI development	Enhancement over CyberLens: - Precision navigation - Richer ADAS integration via AR - Provision of more engaging and intuitive driving experiences to drivers by enhancing driving comfort, reducing stress, highlighting potential hazards, displaying real-time vehicle information and enabling personalization - Scenario-based basic setting identification	
Testing Solutions	- Monocular vision - Binocular vision - Chroma recognition - Brightness recognition, etc.	- Visual recognition algorithm - Visual processing algorithm - Motion control algorithm	- HUD testing - Glass calibration testing - Whole vehicle testing	
Other Innovative Initiatives	- HOE - Optical waveguide - RISD	- ZJ Cyber Platform - VPA virtual image rendering - Support personalized HMI development	- Virtual display 3D display - Multimodal interaction	

- CyberLens:** CyberLens is a windshield HUD (W-HUD) solution that uses windshield projection technology to display basic driving information, such as speed, navigation directions, driving assistance alerts and media information, directly on the windshield in front of a driver. CyberLens can automatically adjust the brightness and height of the display to ensure clear visibility. Since it is based on relatively mature technologies, we are capable of providing CyberLense for our customers at competitive costs.
- CyberVision:** CyberVision is a more advanced augmented reality HUD (AR-HUD) solution. It goes beyond simple windshield projection by using sophisticated AR algorithms and optical imaging to overlay virtual information onto the real world through the windshield, creating a more immersive and intuitive driving experience than CyberLens. For instance, CyberVision can provide AR navigation that looks

SUMMARY

like it is part of the road, integrate advanced driver assistance system (ADAS) information, display dynamic tracking of objects and offer intelligent interactions based on different driving scenarios.

- **Testing Solutions:** Based on our profound understanding of automotive vision and interaction solutions, we provide the industry with comprehensive visual application testing equipment and services that primarily focus on HUD coupling testing to verify the interaction compatibility with collaborative functionality between the HUD solutions and external systems. Our testing solutions primarily include flexible testing platforms, vehicle end-of-line testing equipment, HUD collaborative robot testing platforms and AR-HUD online testing systems. The purpose of the HUD coupling testing is to ensure seamless integration within the vehicle ecosystem.
- **Other Innovative Initiatives:** In addition to our HUD solutions and testing solutions, we also engage in other innovative initiatives, such as camera monitoring systems (CMS), transparent window display solutions and real-image suspensory display (RISD) solutions. Advancing the exploration of innovative intelligent cockpit vision and interaction technologies and applications, we aim to leverage our technology capabilities to provide safer, more immersive and more intelligent cockpit vision and interaction experience, leading industry transformation.

Our HUD solutions solve problems in the intelligent cockpit vision and interaction solution industry, including heat dissipation, vibration resistance, durability and adaptability, by elevating HUD image quality and environmental adaptability while optimizing space, power utilization and hardware reliability. We have also enhanced modal fusion algorithms for superior performance and computational efficiency. To bridge the industry-wide shortage of standardized and automated testing capabilities, we empower participants in the industry value chain with robust testing solutions that streamline operations and ensure consistent quality.

We establish deep collaboration with OEMs and foster a collaborative joint development ecosystem where complementary expertise converges to solve complex challenges, evolving from merely supplying specialty technologies to building in-depth partnership with OEMs in defining the driving and interaction experience. We empower OEMs to meet diverse needs for intelligent cockpit vision and interaction functions and scenarios, satisfying end users' pursuit of safer, smarter and personalized driving experience. Our deep collaboration with OEMs significantly increases the loyalty of our customers, capturing market opportunities in the intelligent cockpit vision and interaction solution industry.

Leveraging our competitive advantages, our solutions generally feature the following:

- **Performance and Reliability:** Supported by our integrated and full-range proprietary technology architecture, our HUD solutions are integrated products combining optics, mechanics, electronics and software algorithms. Through organic coordination between software algorithms and hardware platforms supplemented by rigorous verifications and validations, we ensure that our HUD solutions achieve

SUMMARY

superior performance when deployed in vehicles. Guided by strict automotive-grade requirements, we design customizable hardware and software architectures adapted to different vehicle models' personalized needs, achieving clear and stable display effects, precise control processes, small system volume, intelligent environmental adaptation and power consumption optimization.

- **Scenario-oriented Development:** We adhere to the core concept of “scenario-defined interaction,” placing HMI design and driving-scenario-native design in key positions. We start from user insights and connect scenario definitions, technology development, practical verification and continuous iteration at each stage. We collaborate with OEMs to cover diverse scenarios across safety, navigation and environmental adaptation, forming a tightly connected and efficiently operating process with human-vehicle-road interaction at its core. Scenario-oriented development and collaboration not only promotes the scaled application of new technologies including AR-HUD, but also defines a new paradigm of human-vehicle interaction in the intelligent vehicle era.
- **Efficient Delivery:** Through our platform-based technology architecture and solution offerings, we have accumulated rich experience in R&D, enabling us to further innovate building upon our existing R&D achievements. Our development tools enable automated adjustments, which effectively reduces coordination costs in development and production processes, allows rapid development and adaptation and maximizes solution development and mass production delivery efficiency. Currently, we can achieve delivery cycles as short as 10 months, far below the industry average of 18 months according to CIC.
- **Cost-Effectiveness:** We promote popularization of HUD solutions and cost optimization, constantly improving our solution design from a variety of perspectives.

For end users, our solutions serve as bridges for human-vehicle interaction, providing diverse usage scenarios, outstanding display quality, high stability and strong visual impact. Our solutions not only meet end users' basic driving needs such as safe driving and navigation, but also expand to satisfy information interaction, personalized experience and entertainment needs, bringing them safer, more intelligent, personalized and technologically distinctive driving experience.

Our Financial Performance

We have achieved strong revenue growth in recent years, laying a solid foundation for our continued success. Our revenue grew from RMB214.1 million in 2022 to RMB549.4 million in 2023, and further grew to RMB577.6 million in 2024, with a CAGR of 64.3% from 2022 to 2024. Our revenue increased by 11.7% from RMB429.7 million in the nine months ended September 30, 2024 to RMB479.9 million in the nine months ended September 30, 2025. We recorded loss for the year of RMB256.1 million in 2022, RMB174.6 million in 2023 and

SUMMARY

RMB137.9 million in 2024. We recorded loss for the period of RMB127.8 million and RMB343.7 million in the nine months ended September 30, 2024 and 2025, respectively. We had adjusted loss for the year (non-IFRS measure) of RMB79.1 million in 2022, adjusted profit for the year (non-IFRS measure) of RMB13.3 million in 2023 and adjusted loss for the year (non-IFRS measure) of RMB7.1 million in 2024. We had adjusted loss for the period (non-IFRS measure) of RMB4.4 million and RMB17.5 million in the nine months ended September 30, 2024 and 2025, respectively. See “— Summary of Historical Financial Information — Non-IFRS Measure.” Despite that we recorded net cash outflow from operating activities of RMB139.9 million in 2022, RMB124.5 million in 2023 and RMB49.0 million in the nine months ended September 30, 2025, we achieved net cash inflow from operating activities of RMB14.5 million in the nine months ended September 30, 2024 and RMB29.2 million in 2024.

OUR STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors:

- front-runner of HUD solutions with significant first-mover advantages;
- integrated and full-range proprietary technology architecture underpinning differentiated competitive advantages;
- comprehensive, flexible and high-performance solutions addressing diverse customer needs;
- robust production and quality control systems;
- diverse and loyal customer base sustaining long-term growth; and
- seasoned management with global vision and strong shareholder lineup.

OUR STRATEGIES

Our growth strategies include:

- promoting penetration of HUD solutions;
- driving technological innovation and iteration;
- advancing global expansion strategy;
- deepening industry ecosystem collaboration to foster innovation; and
- strengthening global talent pool.

SUMMARY

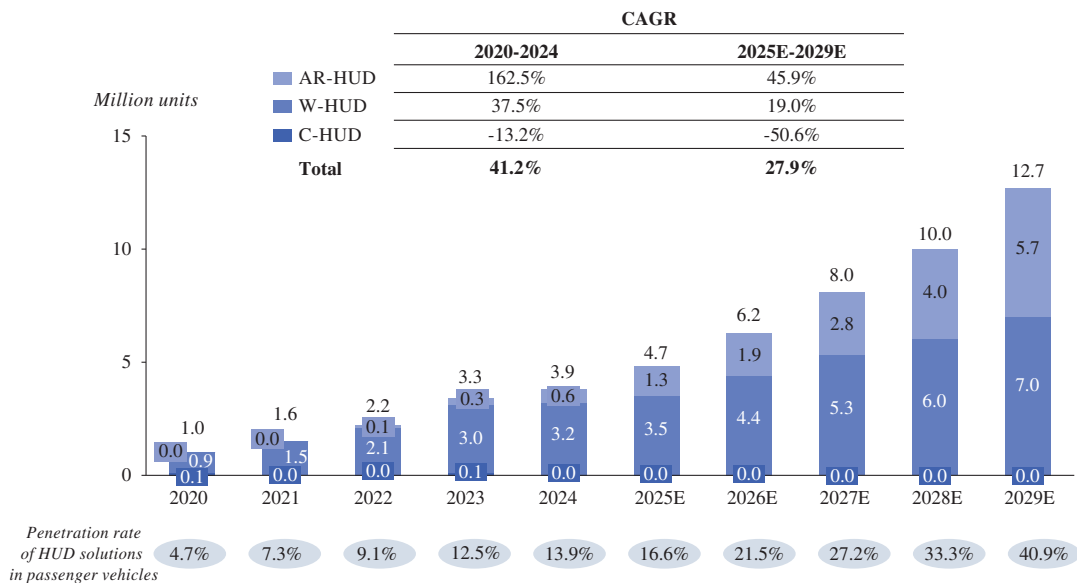
MARKET OPPORTUNITIES

As intelligent vehicles evolve from transportation tools to integrated travel spaces, user demand for enhanced cockpit experience in safety, visualization and interaction continues to rise. Automotive HUD solutions serve as core interfaces between driving systems and users, improving information collection efficiency and safety while elevating the human-vehicle interaction experience. The Chinese government also supports this sector with comprehensive policies providing clear direction for industry development.

Automotive HUD solutions have achieved significant breakthroughs in optical design, image processing, AR rendering and human-vehicle interaction, driving advancements towards intelligence and miniaturization while improving solution performance, environmental adaptability and vehicle integration efficiency. As vehicle manufacturers increasingly appreciate intelligent and differentiated layouts, these solutions have become key factors in attracting end users.

According to CIC, China's automotive HUD solution market in terms of sales volume grew from 1.0 million units in 2020 to 3.9 million units in 2024, with a CAGR of 41.2%, and is expected to reach 12.7 million units by 2029, with a CAGR of 27.9% from 2025 to 2029.

Market Size and Penetration Rate of the Automotive HUD Solution Industry in China by Solution Type, Measured by Sales Volume, 2020-2029E



In the global market, W-HUD remains the mainstream HUD solution, with projected sales volume growing from 10.7 million units in 2024 to 20.9 million units in 2029. AR-HUD emerges as the future growth driver, the sales volume of which is expected to increase from 2.0 million units to 7.6 million units in the same period. Chinese HUD manufacturers have accumulated significant technological advantages in optical design, imaging quality and

SUMMARY

system integration, with performance and capabilities approaching international standards. As China's leading automotive HUD solution provider, we are well positioned to capture overseas opportunities through collaborations with domestic automotive OEMs expanding globally or directly with overseas OEMs.

OUR CUSTOMERS AND SUPPLIERS

Our customers primarily consist of automotive OEMs in China. In 2022, 2023, 2024 and the nine months ended September 30, 2025, revenues from our five largest customers in each period during the Track Record Period accounted for 93.0%, 93.8%, 80.9% and 83.1% of our total revenue for the respective periods, and revenues from our largest customer in each period during the Track Record Period accounted for 47.6%, 26.1%, 23.2% and 18.3% of our total revenue for the respective periods. See “Business — Sales and Marketing — Major Customers.”

Our suppliers primarily consist of raw materials and components suppliers, including those for optical components, electronic parts and mechanical parts. In 2022, 2023, 2024 and the nine months ended September 30, 2025, purchases from our five largest suppliers in each period during the Track Record Period accounted for 38.9%, 38.9%, 38.5% and 32.0% of our total purchase amount for the respective periods, and purchases from our largest supplier in each period during the Track Record Period accounted for 11.5%, 13.2%, 15.2% and 9.0% of our total purchase amount for the respective periods. See “Business — Procurement and Supply Chain Management — Major Suppliers.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present our summary historical financial information for the periods or as of the dates indicated. This summary has been derived from our historical financial information set forth in the Accountants' Report in Appendix I to this prospectus. The summary historical financial data set forth below should be read together with, and is qualified in its entirety by reference to, the historical financial information included in the Accountants' Report in Appendix I to this prospectus, including the accompanying notes, and the information set forth in “Financial Information.” Our historical financial information was prepared in accordance with IFRSs.

SUMMARY

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amounts	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>										
<i>(Unaudited)</i>										
Revenue	214,092	100.0	549,362	100.0	577,620	100.0	429,716	100.0	479,921	100.0
Cost of sales	(165,709)	(77.4)	(408,932)	(74.4)	(419,749)	(72.7)	(312,441)	(72.7)	(365,027)	(76.1)
Gross profit	48,383	22.6	140,430	25.6	157,871	27.3	117,275	27.3	114,894	23.9
Other income and gains . .	37,194	17.4	10,362	1.9	11,073	1.9	3,575	0.8	5,784	1.2
Selling and marketing expenses	(15,318)	(7.2)	(13,101)	(2.4)	(24,014)	(4.2)	(17,707)	(4.1)	(18,321)	(3.8)
Administrative expenses . .	(63,239)	(29.5)	(76,597)	(13.9)	(80,334)	(13.9)	(60,951)	(14.2)	(85,191)	(17.7)
Research and development expenses	(83,425)	(39.0)	(54,523)	(9.9)	(62,085)	(10.7)	(43,554)	(10.1)	(48,880)	(10.2)
Impairment (losses)/reversal on financial and contract assets, net	(1,987)	(0.9)	(8,542)	(1.6)	(147)	(0.0)	2,306	0.5	137	0.0
Other expenses	(3,552)	(1.7)	(3,689)	(0.7)	(7,694)	(1.3)	(4,525)	(1.1)	(244)	(0.1)
Finance costs	(1,888)	(0.9)	(2,247)	(0.4)	(3,234)	(0.6)	(1,873)	(0.4)	(2,150)	(0.4)
Loss before fair value losses on redemption liabilities on equity shares	(83,832)	(39.2)	(7,907)	(1.4)	(8,564)	(1.5)	(5,454)	(1.3)	(33,971)	(7.1)
Fair value losses on redemption liabilities on equity shares	(172,312)	(80.5)	(166,656)	(30.4)	(127,992)	(22.2)	(121,371)	(28.2)	(306,975)	(63.9)
LOSS BEFORE TAX . . .	(256,144)	(119.7)	(174,563)	(31.8)	(136,556)	(23.7)	(126,825)	(29.5)	(340,946)	(71.0)
Income tax expenses	—	—	(55)	(0.0)	(1,295)	(0.2)	(979)	(0.2)	(2,739)	(0.6)
LOSS FOR THE YEAR/PERIOD	(256,144)	(119.7)	(174,618)	(31.8)	(137,851)	(23.9)	(127,804)	(29.7)	(343,685)	(71.6)
Loss attributable to:										
Owners of the parent	(252,372)	(117.9)	(181,918)	(33.1)	(143,274)	(24.8)	(130,664)	(30.4)	(351,747)	(73.3)
Non-controlling interests . .	(3,772)	(1.8)	7,300	1.3	5,423	0.9	2,860	0.7	8,062	1.7

SUMMARY

The table below sets forth our revenue breakdown by solution type in absolute amounts and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)									
	(Unaudited)									
Sales of HUD solutions . . .	171,186	80.0	494,541	90.0	540,574	93.6	400,635	93.2	448,355	93.4
– CyberLens	169,708	79.3	481,489	87.6	477,659	82.7	358,326	83.4	322,411	67.2
– CyberVision	1,478	0.7	13,052	2.4	62,915	10.9	42,309	9.8	125,944	26.2
Sales of testing solutions . .	8,347	3.9	15,223	2.8	32,407	5.6	24,647	5.8	15,936	3.3
Others ⁽¹⁾	34,559	16.1	39,598	7.2	4,639	0.8	4,434	1.0	15,630	3.3
Total	214,092	100.0	549,362	100.0	577,620	100.0	429,716	100.0	479,921	100.0

Note:

- (1) Others primarily represent our provision of research and development services and tooling development services for customers as well as sales of certain components.

During the Track Record Period, our revenue increased continuously. Our revenue from RMB214.1 million in 2022 to RMB549.4 million in 2023, and further increased to RMB577.6 million in 2024. Our revenue increased from RMB429.7 million in the nine months ended September 30, 2024 to RMB479.9 million in the nine months ended September 30, 2025. Our revenue increased significantly from RMB214.1 million in 2022 to RMB549.4 million in 2023, primarily attributable to the revenue growth from our sales of HUD solutions, driven by a significant increased sales volume of CyberVision from 2022 to 2023 as a result of the mass delivery of the key vehicle models in 2023 for which we obtained the design-wins previously. See “Financial Information — Period-to-Period Comparison of Results of Operations.”

The following table sets forth a breakdown of the sales volume and average selling price of HUD solutions and testing solutions for the periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices
	(units or projects)	(RMB)	(units or projects)	(RMB)	(units or projects)	(RMB)	(units or projects)	(RMB)	(units or projects)	(RMB)
HUD solutions . . .	175,714	974.2	534,598	925.1	624,597	865.5	462,969	865.4	608,035	737.4
CyberLens	174,792	970.9	530,841	907.0	570,588	837.1	426,483	840.2	486,921	662.1
CyberVision	922	1,602.8	3,757	3,473.9	54,009	1,164.9	36,486	1,159.6	121,114	1,039.9
Testing solutions ⁽¹⁾ .	12	695,576.7	35	434,951.7	73	443,928.1	53	465,034.4	70	227,656.6

SUMMARY

Note:

- (1) The prices of the testing solutions are highly subject to the specific requirements from our customers.

During the Track Record Period, the average selling price of our CyberLens HUD solutions decreased by 31.8% from RMB970.9 in 2022 to RMB662.1 in the nine months ended September 30, 2025, primarily due to the introduction of lower-price CyberLens HUD solutions tailored for more affordable vehicle models in order to increase our market penetration and capture more market share. The decrease in the average selling price of our CyberLens HUD solutions was also attributable to our technological breakthroughs and procurement of lower-cost alternatives for critical components, such as PGU and freeform mirrors, which substantially reduced our production costs.

The versatility of our CyberVision HUD solutions, which offer multiple technological pathways such as DLP, LCoS and innovative TFT, allows us to cater to diverse OEM requirements and vehicle market positioning. These technological pathways enable us to address the varied requirements of OEM customers across various vehicle types and application scenarios. By integrating optical architectures, PGU technologies and functional features, we offer customised CyberVision HUD solutions to meet a range of OEM needs, including cost-effective options for entry-level models, enhanced brightness and color performance for vehicles used in demanding lighting conditions, and high-resolution displays for models with advanced technological requirements. These technologies also support continuous product upgrades in display size, resolution, power efficiency and AR functionality. Consequently, the average selling price of our CyberVision HUD solutions typically fluctuates in reflection of the shifts in our OEM customers' preferences for specific technologies and features.

See “Business — Our Solutions.”

The following table sets forth a breakdown of our gross profit and gross margin by solution type for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Gross Profit/Loss	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)
<i>(RMB in thousands, except for percentages)</i>										
<i>(Unaudited)</i>										
Sales of HUD solutions . . .	35,530	20.8	131,191	26.5	149,169	27.6	110,752	27.6	105,332	23.5
– CyberLens	35,835	21.1	130,440	27.1	142,800	29.9	105,889	29.6	82,063	25.5
– CyberVision ⁽¹⁾	(305)	(20.6)	751	5.8	6,369	10.1	4,863	11.5	23,269	18.5
Sales of testing solutions . .	2,080	24.9	3,704	24.3	8,285	25.6	6,118	24.8	4,672	29.3
Others ⁽²⁾	10,773	31.2	5,535	14.0	417	9.0	405	9.1	4,890	31.3
Total/Overall	<u>48,383</u>	<u>22.6</u>	<u>140,430</u>	<u>25.6</u>	<u>157,871</u>	<u>27.3</u>	<u>117,275</u>	<u>27.3</u>	<u>114,894</u>	<u>23.9</u>

Notes:

- (1) We recorded a gross loss for CyberVision in 2022 and achieved gross profit in subsequent years/periods, primarily due to the initial ramp-up phase and the gradual realization of economies of scale.
- (2) Others primarily represent our provision of research and development services and tooling development services for customers as well as sales of certain components.

SUMMARY

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted (loss)/profit for the year/period (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRSs. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, such non-IFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure has limitations as analytical tools, and you should not consider it in isolation form or as a substitute for analysis of our results of operations or financial condition as reported under IFRSs.

We define adjusted (loss)/profit for the year/period (non-IFRS measure) as loss for the year/period adjusted by adding back (i) fair value losses on redemption liabilities on equity shares, (ii) share-based payment expenses and (iii) listing expenses. The following table reconciles our adjusted (loss)/profit for the year/period (non-IFRS measure) presented in accordance with IFRSs, which is loss for the year/period:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
	(Unaudited)				
Reconciliation of our loss for the year/period to adjusted (loss)/profit for the year/period (non-IFRS measure)					
Loss for the year/period . .	(256,144)	(174,618)	(137,851)	(127,804)	(343,685)
Add:					
– Fair value losses on redemption liabilities on equity shares ⁽¹⁾ . . .	172,312	166,656	127,992	121,371	306,975
– Share-based payment expenses ⁽²⁾	4,700	21,275	2,728	2,046	3,011
– Listing expenses	–	–	–	–	16,247
Adjusted (loss)/profit for the year/period (non-IFRS measure) . . .	<u>(79,132)</u>	<u>13,313⁽³⁾</u>	<u>(7,131)</u>	<u>(4,387)</u>	<u>(17,452)</u>

Notes:

- (1) Fair value losses on redemption liabilities on equity shares represent fair value losses on our convertible preferred shares issued in our Pre-IPO financing and relates to changes in the valuation of our Company. We do not expect to record any further changes in fair value of our convertible preferred shares after the Listing as such convertible preferred shares will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing, which is expected to turn our net liabilities position into net assets position immediately following the Listing. The reconciling item is non-cash and does not result in cash outflow.

SUMMARY

- (2) Share-based payment expenses represent the non-cash expenses in relation to our share awards to certain eligible participants under our share incentive plans. See Note 33 of Appendix I to this prospectus.
- (3) We recorded adjusted net profit (non-IFRS measure) in 2023, primarily due to our improved gross profit, mainly attributable to a surge in our sales volume of our HUD solutions, especially the CyberLens, from 2022 to 2023, which enabled us to achieve significant economies of scale.

Our historical accumulated losses (for example, we recorded accumulated losses of RMB194.3 million as of January 1, 2022) and operating cash outflows were the result of our deliberate strategic investments in R&D before achieving large-scale sales, production capacity optimization, continuous market expansion and organizational structure development to solidify our leadership in the HUD industry. These investments were necessary to build scalable technology, partnerships and manufacturing capabilities, which now position us to capitalize on accelerating market and customer demand.

Our net loss decreased from RMB256.1 million in 2022 to RMB174.6 million in 2023, and further decreased to RMB137.9 million in 2024, primarily due to (i) the increase in our revenue in line with our business development, and (ii) the decrease in fair value losses on redemption liabilities on equity shares. Our net loss increased from RMB127.8 million in the nine months ended September 30, 2024 to RMB343.7 million in the nine months ended September 30, 2025, primarily due to the increase in fair value losses on redemption liabilities on equity shares. Notably, excluding the impact of fair value losses on redemption liabilities on equity shares, share-based payment expenses and listing expenses, we had adjusted net loss (non-IFRS measure) of RMB79.1 million, RMB7.1 million, RMB4.4 million and RMB17.5 million in 2022, 2024 and the nine months ended September 30, 2024 and 2025, respectively, and adjusted net profit (non-IFRS measure) of RMB13.3 million in 2023.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Total non-current assets	77,263	105,072	100,268	169,887
Total current assets	256,062	460,677	675,868	593,635
Total current liabilities	808,484	1,200,738	1,641,829	1,976,474
Net current liabilities	(552,422)	(740,061)	(965,961)	(1,382,839)
Total assets less current				
liabilities	(475,159)	(634,989)	(865,693)	(1,212,952)
Total non-current liabilities .	11,371	8,737	31,697	23,038
Net liabilities	(486,530)	(643,726)	(897,390)	(1,235,990)

SUMMARY

For details of our fluctuation in key items of our consolidated statements of financial position during the Track Record Period, see “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position.”

We recorded net current liabilities of RMB552.4 million, RMB740.1 million, RMB966.0 million and RMB1,382.8 million and net liabilities of RMB486.5 million, RMB643.7 million, RMB897.4 million and RMB1,236.0 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, primarily due to the redemption liabilities arising from the preferred shares that we issued during Pre-IPO financing. Such redemption liabilities reflect the increasing valuation of our Company during the Track Record Period as the redemption amount is linked to our fair value. Upon the Listing, such redemption liabilities will be converted into ordinary shares and reclassified as equity, thereby eliminating the liabilities.

Our net current liabilities increased by 43.2% from RMB966.0 million as of December 31, 2024 to RMB1,382.8 million as of September 30, 2025, primarily due to (i) an increase in redemption liabilities on equity shares of RMB307.0 million, which represents change in fair value of the preferred shares, (ii) a decrease in cash and cash equivalents of RMB125.7 million, and (iii) a decrease in trade and bill receivables of RMB18.0 million, partially offset by (i) an increase in inventories of RMB27.7 million, and (ii) an increase in current financial assets at fair value through profit and loss of RMB19.9 million.

Our net current liabilities increased by 30.5% from RMB740.1 million as of December 31, 2023 to RMB966.0 million as of December 31, 2024, primarily due to (i) an increase in redemption liabilities on equity shares of RMB366.6 million, which represents the preferred shares issued in our Pre-IPO financing, (ii) an increase in interest-bearing bank and other borrowings of RMB49.1 million, primarily to support our day-to-day operations and anticipated business growth, and (iii) an increase in trade payables of RMB22.9 million, generally in line with our business growth during such period, partially offset by (i) an increase in cash and cash equivalents of RMB166.5 million, (ii) an increase in financial assets at fair value through profit and loss of RMB34.9 million, primarily due to our purchase of structured deposits to optimize our fund management and enhance our fund utilization efficiency, and (iii) an increase in inventories of RMB11.1 million, generally in line with our business growth.

Our net current liabilities increased by 34.0% from RMB552.4 million as of December 31, 2022 to RMB740.1 million as of December 31, 2023, primarily due to (i) an increase in redemption liabilities on equity shares of RMB343.0 million, which represents the preferred shares issued in our Pre-IPO financing, (ii) an increase in trade payables of RMB55.9 million, generally in line with our business growth during such period, and (iii) a decrease in financial assets at fair value through profit and loss of RMB16.1 million, primarily due to the maturity of certain of our structured deposits, partially offset by (i) an increase in trade and bills receivables of RMB161.8 million, generally in line with our significant sales growth in 2023, (ii) an increase in cash and cash equivalents of RMB34.0 million, and (iii) an increase in inventories of RMB11.9 million, generally in line with our business growth.

Our net liabilities increased from RMB486.5 million as of December 31, 2022 to RMB643.7 million as of December 31, 2023, primarily due to (i) the loss for the year of RMB174.6 million, partially offset by (i) the capital injection from shareholders of RMB172.7 million, and (ii) the share-based payment of RMB21.3 million.

SUMMARY

Our net liabilities increased from RMB643.7 million as of December 31, 2023 to RMB897.4 million as of December 31, 2024, primarily due to (i) the loss for the year of RMB137.9 million, partially offset by the capital injection from shareholders of RMB119.9 million, and (iii) the share-based payment of RMB2.7 million.

Our net liabilities increased from RMB897.4 million as of December 31, 2024 to RMB1,236.0 million as of September 30, 2025, primarily due to the loss for the period of RMB343.7 million, partially offset by (i) the share-based payment of RMB3.0 million, and (ii) the capital injection from non-controlling shareholders of RMB2.2 million.

As of December 31, 2022, 2023 and 2024 and September 30, 2025, we had total liabilities of RMB819.9 million, RMB1,209.5 million, RMB1,673.5 million and RMB1,999.5 million, respectively, among which we recorded redemption liabilities on equity shares of RMB651.3 million, RMB994.3 million, RMB1,360.9 million and RMB1,667.9 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Our redemption liabilities on equity shares primarily represent the preferred shares we issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.” Our preferred shares will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing, which is expected to turn our net liabilities position into net assets position immediately following the Listing.

Liquidity and Capital Resources

The following table sets forth details of our cash flows for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)			(Unaudited)	
Net cash flows (used in)/from operating activities	(139,891)	(124,499)	29,189	14,536	(48,969)
Net cash flows from/(used in) investing activities	789	(1,579)	(55,962)	(52,061)	(74,325)
Net cash flows from/(used in) financing activities	93,472	159,974	193,234	45,719	(2,328)
Net (decrease)/increase in cash and cash equivalents .	(45,630)	33,896	166,461	8,194	(125,622)
Cash and cash equivalents at beginning of year/period . . .	75,743	29,923	63,971	63,971	230,435
Effect of foreign exchange differences, net	(190)	152	3	3	(49)
Cash and cash equivalents at end of year/period	29,923	63,971	230,435	72,168	104,764

See “Financial Information — Liquidity and Capital Resources — Cash Flow.”

SUMMARY

We recorded net cash flows from operating activities of RMB29.2 million and RMB14.5 million in 2024 and the nine months ended September 30, 2024, respectively, primarily because (i) we started to leverage the economies of scale in line with our business expansion, and (ii) we continued to optimize working capital through a disciplined approach across trade receivables, trade payables and inventory. We recorded net cash flows used in operating activities of RMB139.9 million, RMB124.5 million and RMB49.0 million in 2022, 2023 and the nine months ended September 30, 2025, respectively, primarily due to our operating expenses, reflecting the continuous upgrade and innovation of our technological capabilities and our rapid business expansion.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the years/periods or as of the dates indicated:

	As of or for the Year ended December 31,			As of or for the nine months ended September 30,	
	2022	2023	2024	2024	2025
			(%)		
				(Unaudited)	
Debt-to-Asset Ratio ⁽¹⁾	246.0	213.8	215.6	241.8	261.9
Gross Profit Margin ⁽²⁾	22.6	25.6	27.3	27.3	23.9
Current Ratio ⁽³⁾	31.7	38.4	41.2	34.9	30.0
Quick Ratio ⁽⁴⁾	23.5	31.9	35.7	30.0	24.1
Net Loss Margin ⁽⁵⁾	(119.6)	(31.8)	(23.9)	(29.7)	(71.6)
Adjusted Net (loss)/profit Margin (non-IFRS measure) ⁽⁶⁾	(37.0)	2.4	(1.2)	(1.0)	(3.6)

Notes:

- (1) Debt-to-asset ratio equals total liabilities as of the dates indicated divided by total assets as of the same date, multiplied by 100%. As of December 31, 2022, 2023 and 2024 and September 30, 2025, we had total liabilities of RMB819.9 million, RMB1,209.5 million, RMB1,673.5 million and RMB1,999.5 million, respectively, among which we recorded redemption liabilities on equity shares of RMB651.3 million, RMB994.3 million, RMB1,360.9 million and RMB1,667.9 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Our redemption liabilities on equity shares primarily represent the preferred shares we issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”
- (2) Gross profit margin equals gross profit for the year/period divided by revenue for the same year/period, multiplied by 100%.
- (3) Current ratio equals total current assets as of the end of the year/period divided by total current liabilities as of the same date, multiplied by 100%.
- (4) Quick ratio equals current assets as of the end of the year/period less inventories as of the same date divided by current liabilities as of the same date, multiplied by 100%.
- (5) Net loss margin equals loss for the year/period divided by revenue for the same year/period, multiplied by 100%.
- (6) Adjusted net (loss)/profit margin equals adjusted (loss)/profit for the year/period (a non-IFRS measure) divided by revenue for the same year/period, multiplied by 100%. We define adjusted (loss)/profit for the year/period (non-IFRS measure) as loss for the year/period adjusted by adding back (i) fair value losses on redemption liabilities on equity shares, (ii) share-based payment expenses, and (iii) listing expenses. See “Financial Information — Non-IFRS Measure.”

SUMMARY

BUSINESS SUSTAINABILITY AND PROFITABILITY

Since our inception, we have placed relentless focus on long-term sustainable growth, driven by technological expertise and market insights. We made substantial strategic investments in top talents and technology architecture to establish a robust platform for sustainable growth. We have built a dedicated team of industry experts and systematically upgraded our production facilities, while persistently exploring the most viable business model aligned with long-term value creation. Historically, our resources were strategically allocated to: (i) research and development efforts to develop proprietary technologies and comprehensive solution matrix, (ii) implementation of advanced manufacturing protocols to achieve industry-leading quality standards, and (iii) cultivation of comprehensive technology routes through continuous innovations.

These strategic investments, while resulting in loss for the year/period of RMB256.1 million, RMB174.6 million, RMB137.9 million, RMB127.8 million and RMB343.7 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, have led to competitive advantages, fueling our rapid growth. Notably, excluding fair value losses on redemption liabilities on equity shares, share-based payment expenses and listing expenses, we had adjusted loss for the year/period (non-IFRS measure) of RMB79.1 million in 2022, RMB7.1 million in 2024, RMB4.4 million in the nine months ended September 30, 2024 and RMB17.5 million in the nine months ended September 30, 2025, and adjusted profit for the year (non-IFRS measure) of RMB13.3 million in 2023.

The rapid industry expansion creates a fertile environment for our scalable solutions to achieve profitability at pace. Driven by the rapid development and implementation of intelligent vehicles and the user demand for safer and more convenient driving experience, the penetration rate of automotive HUD solutions in China continues to rise, with the market expanding rapidly. In terms of sales volume, the market size of China's automotive HUD solutions increased from 1.0 million units in 2020 to 3.9 million units in 2024, with a CAGR of 41.2% during the period. With the trends of full cockpit intelligence and the increasing penetration rate of automotive HUD solutions, the number of automotive HUD solutions in China is expected to increase to 12.7 million units by 2029, with a CAGR of 27.9% from 2025 to 2029. In the global market, W-HUD remains the mainstream HUD solution with projected growth from 10.7 million units in 2024 to 20.9 million units in 2029. AR-HUD emerges as the future growth driver, which is expected to increase from 2.0 million units to 7.6 million units in the same period.

We believe our industry-leading design-wins with a broad customer base, robust technology architecture and solutions matrix, and strong mass production capabilities have laid a solid foundation for long-term development and business sustainability. In particular, we expect that our profitability will be enhanced in the next few years, primarily by (i) driving revenue growth; (ii) enhancing economies of scale; (iii) strengthening operating leverage; and (iv) optimizing working capital. With the industry's growth trajectory aligning with our capacity to deliver cost-optimized solutions at mass scale, we are poised to transform early-stage investments into sustainable profitability, capturing value as the market matures.

See “Business — Business Sustainability and Profitability” for details.

SUMMARY

USE OF PROCEEDS

Please see “Future Plans and Use of Proceeds” for a detailed discussion of our future plans.

We estimate that the net proceeds which we will receive, assuming an Offer Price of HK\$45.00 per H Share (being the mid-point of the indicative Offer Price range of HK\$42.00 and HK\$48.00 stated in this prospectus), will be approximately HK\$662.1 million, after deduction of underwriting fees and estimated commissions and other estimated offering expenses paid and payable by us in connection with the Listing and the Global Offering.

In line with our strategies, we intend to use our proceeds from the Global Offering for the following purposes in the amounts set forth below:

- approximately 46.7% of the net proceeds, or HK\$309.1 million, is expected to be used for production line expansion and automation and intelligentization upgrades.
- approximately 32.4% of the net proceeds, or HK\$214.7 million, is expected to be used to enhance our research and development and technological capabilities as well as upgrade our existing solutions and develop new products based on homologous technologies.
- approximately 10.9% of the net proceeds, or HK\$72.1 million, is expected to be used in potential strategic collaboration with participants across the industry value chain that are focused on optical imaging, near-eye display, wearable products and other related fields, aiming to consolidate and enhance our leading market position and technological capabilities.
- approximately 10.0% of the net proceeds, or HK\$66.2 million, is expected to be used for working capital and general corporate purposes.

See “Future Plans and Use of Proceeds” for details.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the listing of, and permission to deal in, the H Shares in issue and pursuant to the Global Offering on the basis that, among other things, we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2024, being RMB577.6 million, which is over HK\$500 million; and (ii) our expected market capitalization at the time of Listing, which, based on the low-end of the indicative Offer Price range, exceeds HK\$4 billion.

SUMMARY

DIVIDENDS

No dividends have been paid or declared by our Company during the Track Record Period. Currently, we do not have a formal dividend policy or a fixed dividend distribution ratio. Any future declarations and payments of dividends will be at the discretion of our Directors and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors which our Directors consider relevant. As advised by our PRC Legal Advisor, any future net profit that we make shall be used to pay or declare dividends after our Board has formulated a profit distribution plan and approved by our Shareholders in a general meeting. However, such net profit must be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such statutory common reserve fund has reached more than 50% of our registered capital.

SUMMARY OF MAJOR RISK FACTORS

Our business and the Global Offering involve certain risks as set out in “Risk Factors.” You should read that section in its entirety carefully before you decide to invest in our Shares. Some of the major risks we face include:

- We operate in a highly competitive industry, and we may be unable to continually maintain a leading position in this industry;
- Our historical results may not be indicative of future performance, which makes it difficult to evaluate our business prospects and financial performance;
- We recorded net losses and net cash outflow from operating activities during the Track Record Period, and we may not be able to achieve profitability or maintain net cash inflow from operating activities in the future;
- We recorded net liabilities and net current liabilities during the Track Record Period;
- We are exposed to customer concentration risks.
- The industry we operate in is characterized by rapid technological changes and advancements. Technological changes and advancements in the industry could render our solutions less competitive or obsolete, which may adversely impact our business, financial condition and results of operations;

SUMMARY

- We may not be successful in implementing our business plans and strategies effectively or at all, which could materially and adversely affect our business, financial condition and results of operations;
- Our success depends to a great extent on our R&D capabilities. Failure of our technology and R&D efforts may hurt our competitiveness and profitability;
- Any failure to continuously upgrade, develop and innovate our solutions to meet the evolving needs of our customers in a timely and cost-effective manner may materially and adversely compromise our competitive edge and reduce our market share; and
- We are in a new industry where emerging technologies used in human-vehicle interactions may not be mature. Any major solution defects, malfunctions or negative news may damage our reputation and adversely affect our business, financial condition and results of operations.
- The expansion of our manufacturing facility may be subject to delays, disruptions, cost overruns, or may not produce expected benefits.

OUR CONTROLLING SHAREHOLDER GROUP

As of the Latest Practicable Date, the Controlling Shareholder Group, including Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian, Yangzhou Zeying and Yangzhou Zewu by virtue of the acting-in-concert agreements and relationship among them, was collectively interested in approximately 44.66% of our total share capital. See “History, Development and Corporate Structure — The Concert Party Group” in this prospectus for details.

Immediately following the completion of the Global Offering (assuming the Share Subdivision is completed), the Controlling Shareholder Group will continue to control in aggregate approximately 38.79% of our total share capital. Therefore, they will remain as a group of our Controlling Shareholders. See “Relationship With Our Controlling Shareholder Group” for details.

PRE-IPO INVESTMENTS

Since the inception of our Group and up to the Latest Practicable Date, we concluded several rounds of Pre-IPO Investments. For further details of the background of the Pre-IPO Investors and the principal terms of the Pre-IPO Investments, see “History, Development and Corporate Structure — Pre-IPO Investments” in this prospectus.

SUMMARY

OFFERING STATISTICS

	Based on an Offer Price of HK\$42.00 per H Share	Based on an Offer Price of HK\$48.00 per H Share
Market capitalization of our Shares ⁽¹⁾	HK\$5,182.60 million	HK\$5,922.97 million
Unaudited pro forma adjusted net tangible assets per Share ⁽²⁾	HK\$8.72	HK\$9.48

Notes:

- (1) The calculation of market capitalization is based on 123,395,266 Shares expected to be in issue upon completion of the Global Offering.
- (2) The unaudited pro forma adjusted consolidated net tangible assets of our Group attributable to owners of our Company per Share is calculated after making the adjustments referred to in the paragraph headed “Unaudited Pro Forma Financial Information — A. Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets” in Appendix IIA to this prospectus and based on the 123,395,266 Shares expected to be in issue immediately after completion of the Share Subdivision and the Global Offering.

LISTING EXPENSES

Listing expenses consist of professional fees, underwriting commissions and other fees incurred in connection with the Listing and the Global Offering. During the Track Record Period, we incurred listing expenses of RMB22.2 million, of which RMB16.2 million was charged to our consolidated statements of profit or loss for the nine months ended September 30, 2025, while the listing expenses directly attributable to the issue of shares of RMB6.0 million was recognized in the consolidated statement of financial position as of September 30, 2025 and is expected to be accounted for as a deduction in equity upon completion of the Global Offering. We expect to incur listing expenses of approximately HK\$68.1 million (based on the mid-point of the indicative Offer Price range), which accounts for approximately 9.3% of the gross proceeds from the Global Offering. We estimate the listing expenses to consist of approximately HK\$29.3 million in underwriting fees and HK\$38.8 million in non-underwriting fees (which consist of fees and expenses of legal advisors and our Reporting Accountant of approximately HK\$25.2 million and other fees and expenses of approximately HK\$13.6 million). Among the total listing expenses, approximately a total amount of HK\$34.6 million is expected to be directly attributable to the issue of our Shares, which will be deducted from equity upon the completion of the Global Offering, and a total amount of HK\$33.5 million is expected to be expensed, of which HK\$16.2 million has been reflected in our consolidated statements of profit or loss.

SUMMARY

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Recent Development

Recently there had been a pricing war among automotive OEMs in China, with some selling their vehicles at prices that disrupted fair market competition and squeezed the profit margins of their upstream suppliers.

Nonetheless, considering that we (i) are a front-runner of HUD solutions in China; (ii) possess platform-based R&D capabilities that seamlessly integrate hardware and software; (iii) offer diverse HUD and testing solutions to cater to the needs of customers for vehicles models across various price ranges; (iv) have mass production capability supported by our production facility and quality control systems; (v) have long-term and loyal automotive OEM customers; and (vi) are led by visionary and seasoned management, we believe that we are well-positioned to navigate recent industry and regulatory developments, and that our business operations and financial performance will not be materially and adversely affected.

Recent regulatory developments in the PRC automotive industry have shifted market dynamics from aggressive price competition to a greater focus on operational efficiency, supply chain resilience and product value. These changes have supported the growing adoption of intelligent cockpit solutions such as HUDs, enhancing our market positioning. While pricing pressure and cost volatility persist, we have not experienced any material adverse impact on our operations or financial performance. Supported by strong industry growth prospects, and our strengths in innovation, customer development and supply chain efficiency, our Directors are of the view that the price war in the PRC electric vehicle market is entering a more rational phase and is unlikely to have a material adverse effect on us going forward.

Subsequent to the Track Record Period, on January 26, 2026, New Vision Jilin, a subsidiary of the Company, declared a dividend of RMB10.4 million to the Company pursuant to the approval of its shareholders, which was distributed out of its accumulated profits and paid on February 12, 2026.

No Material Adverse Change

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our business, financial condition and results of operations since September 30, 2025, which is the end date of the years/periods reported on in the Accountants' Report in Appendix I to this prospectus, and there has been no event since September 30, 2025 which would materially affect the information as set out in the Accountants' Report in Appendix I to this prospectus.

We expect to record a significant increase in net loss in 2025 compared to 2024, primarily due to (i) an increase in the fair value loss of our redemption liabilities on equity as a result of the redemption liabilities arising from the preferred shares that we issued during Pre-IPO financing. We do not expect to record any further changes in fair value of our convertible

SUMMARY

preferred shares after the Listing as such convertible preferred shares will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing; (ii) non-recurring listing expenses associated with our Listing application, which was launched in 2025; (iii) an increase in our administrative expenses, mainly attributable to (a) an increase in office, utilities and sundry expenses in relation to additional management training and recruitment of overseas management personnel in preparation for our overseas business expansion; and (b) an increase in employee benefit expenses, primarily in relation to (1) salaries paid to new management personnel recruited for our overseas subsidiary; and (2) annual bonuses paid to our administrative personnel in reward for our recognition as an approved supplier by a well-known automotive maker; (iv) an increase in our selling and marketing expenses, mainly attributable to (a) an increase in travelling and accommodation expenses as our management and sales personnel increased international travelling for overseas business development activities; and (b) higher employment benefit expenses in relation to (1) salaries paid to new sales personnel recruited for our overseas subsidiary; and (2) annual bonuses paid to our sales personnel in reward for our recognition as an approved supplier by a well-known automotive maker. The foregoing increases in our administrative expenses and selling and marketing expenses were incurred primarily to strengthen our overseas presence and prepare for our anticipated overseas growth, as well as to incentivize our employees for performance achievements. Hence, while they caused an increase in our net loss in 2025, we believe that the foregoing increases in our administrative expenses and selling and marketing expenses will help improve our operating performance and profitability in the long term. an increase in our research and development expense, mainly attributable to (a) an increase in employee benefit expenses as we expanded our R&D team to meet the needs of our overseas expansion, and (b) an increase in our testing and design expenses as a result of our increased R&D activities. These R&D activities are intended to benefit our long-term growth and we expected our R&D expenses to gradually stabilize as key R&D programs progress toward commercialization. We also expect that our successful R&D initiatives will help to improve our profitability over time by enhancing the competitiveness of our product offering and technologies. In addition, in the early ramp-up stage, we strategically prioritized customer acquisition and relationship development while also focusing on talent retention through competitive compensation packages. These early-stage investments, while necessary for long-term growth, have delayed our ability to realize the economic benefits of our solutions and to fully leverage the economies of scale expected from mass production.

We also expect our adjusted net loss (non-IFRS measure) to increase from 2024 to 2025, primarily due to the increases in our administrative expenses, selling and marketing expenses and research and development expense for the reasons above. Considering that the increases in such expenses are to benefit our long-term growth, and our revenue and gross profit increased in 2025 compared to 2024, we expect our losses to narrow as our business continues to scale in the future, and that our expected increases in net loss and adjusted net loss (non-IFRS measure) in 2025 do not indicate a deterioration in our long-term profitability prospects. See also Appendix IIB to this prospectus.

SUMMARY

RECENT REGULATORY DEVELOPMENT

U.S. Tariff Evolvement

Recently, the U.S. government has been rolling out a series of tariffs and relevant new policies, affecting various countries and regions as well as industries.

In 2019, the U.S. government completed an investigation into the national security threats posed by imports of automobiles and automobile parts. In addition, between February and April 2025, the current U.S. administration imposed multiple tariffs on several major trading partners of the U.S., including the PRC. As of the Latest Practicable Date, the U.S. had imposed 62.5% tariffs in aggregate on our products if imported into the U.S., including a 2.5% Most Favored Nations tariff, supplemented by additional tariffs including a 25% tariff under Section 301 of the Trade Act of 1974 (as amended), a 10% Fentanyl-related tariff under the International Emergency Economic Powers Act (“**IEEPA**”) and a 25% tariff under Section 232 of the Trade Expansion Act of 1962. Tariffs imposed under the IEEPA, including the Fentanyl-related tariff, are subject to ongoing judicial challenges but remained in effect as of the date of this prospectus. That said, the reciprocal tariff imposed against PRC imports under the IEEPA, being 10% as of the Latest Practicable Date, will not apply to our products, by virtue of tariffs stacking rules. On October 11, 2025, in reaction to the PRC tightening export controls on rare earths, the U.S. President announced on social media 100% tariffs on all PRC imports effective November 1, 2025. As of the Latest Practicable Date, this had not been implemented. On February 20, 2026, the U.S. Supreme Court ruled that the tariffs imposed under IEEPA exceeded the powers given to the U.S. President under the relevant law. On the same day of the Supreme Court ruling, the U.S. President issued an executive order ending the abovementioned IEEPA tariffs with immediate effect, together with a fact sheet imposing a temporary 150-day, 10% *ad valorem* duty on all imported articles, effective February 24, 2026 on the basis of a different statute.

Given that we are expanding into the overseas markets and some of our automotive OEM customers may have sales to the U.S., the uncertainties of the U.S. tariff policies may affect their demand for our HUD solutions. The magnitude of such indirect impact depends on several factors, such as our automotive OEM customers’ reliance on the U.S. market and their business adjustments in response to U.S. tariff policies. As of the Latest Practicable Date, none of our customers had canceled their orders with us as a result of recent geopolitical tensions between China and the U.S.

Export Controls and Economic Sanctions

In the first half of 2025, the U.S. has further tightened export controls and economic sanctions affecting automotive and related technologies, particularly targeting advanced optics, semiconductors and AI-driven components critical to autonomous driving systems and next-generation HUD solutions. These new restrictions focus on limiting the transfer of dual-use technologies to certain regions such as the PRC and Russia with expanded Entity List designations impacting supply chains. Automotive OEMs and suppliers must now conduct

SUMMARY

enhanced due diligence on exports, especially for components with potential military applications. Additionally, stricter enforcement of the “Foreign Direct Product Rule” affects third-country transactions involving U.S. technology. Given that we procured raw materials and components from international suppliers, continuous monitoring and compliance to laws and regulations pertaining to export controls and economic sanctions remain critical for us to avoid penalties and supply chain disruptions.

Import Controls and CV Rule

On January 16, 2025, BIS implemented the final rule of Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles (the “**Connected Vehicles Rule**” or “**CV Rule**”), which went into effect on March 17, 2025. Under the CV Rule, subject to certain exceptions, U.S. persons are prohibited from knowingly importing or selling into the United States (i) certain covered vehicle connectivity systems (“**VCS**”) hardware or (ii) completed connected vehicles that incorporate software that supports the function of VCS or automated driving software (“**ADS**”). For the purpose of the CV Rule, a “connected vehicle” means any vehicle driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, that integrates onboard networked hardware with automotive software systems to communicate via dedicated short-range communication, cellular telecommunications connectivity, satellite communication, or other wireless spectrum connectivity with any other network or device, but vehicles operated only on rail lines and vehicles with gross vehicle weight rating of more than 4,536 kilograms (10,000 pounds) are excluded from this definition. Moreover, certain transactions involving connected vehicle manufacturers owned or controlled by, or subject to the jurisdiction or direction of, China or Russia, irrespective of where the connected vehicle was manufactured, are also blocked under the rule.

During the Track Record Period and up to the Latest Practicable Date, we did not sell our products directly or indirectly (e.g. through incorporation into completed vehicles) to or in the United States, and did not derive any revenue directly or indirectly from the United States; therefore we were not and are not expected to be subject to the restrictions under the CV Rule. Even if we were to sell to the United States in the future, our products should not be subject to the CV Rule because they would unlikely be classified as VCS hardware or software that supports the function of VCS or ADS. As such, we are of the view that the CV Rule is not applicable to our HUD solutions. Therefore, our Directors are of the view that the CV Rule (i) does not have any material and adverse impact on our business operation, financial performance or future prospects; and (ii) does not have any negative implications on our plan to expand into overseas markets and to grow our international sales.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms and expressions have the meanings set forth below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this prospectus.

“Accountants’ Report”	the accountants’ report of our Company, the text of which is set out in Appendix I to this prospectus
“affiliate(s)”	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	the Accounting and Financial Reporting Council
“Anhui Jiaokong”	Anhui Jiaokong Jinshi Equity Investment Fund Partnership Enterprise (Limited Partnership) (安徽交控金石股權投資基金合夥企業(有限合夥)), a limited partnership established in PRC on July 13, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Articles of Association” or “Articles”	the articles of association of our Company, conditionally adopted on April 18, 2025, with effect from the Listing Date, and as amended from time to time, a summary of which is set out in Appendix III to this prospectus
“Audit Committee”	the audit committee of our Company
“BIS”	The Bureau of Industry and Security of the U.S. Department of Commerce
“Board” or “Board of Directors”	the Board of directors of our Company
“Business day” or “business day”	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“Capital Market Intermediaries”	the capital market intermediaries named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this prospectus
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

DEFINITIONS

“Changzhou Binfu”	Changzhou Binfu Modern Service Industry Fund Management Partnership Enterprise (Limited Partnership) (常州彬復現代服務業基金管理合夥企業(有限合夥)), a limited partnership established in PRC on July 26, 2017, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“China” or “PRC”	the People’s Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires, references in this prospectus to “China” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Region and Taiwan, China
“Chutian Changxing”	Chutian Changxing (Wuhan) Enterprise Management Center (Limited Partnership) (楚天長興(武漢)企業管理中心(有限合夥)), a limited partnership established in PRC on February 24, 2017, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“CIT Law”	Corporate Income Tax Law of the People’s Republic of China (中華人民共和國企業所得稅法), as amended, supplemented or otherwise modified from time to time
“Companies (Winding up and Miscellaneous Provisions) Ordinance”	the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, “the Company”	Jiangsu New Vision Automotive Electronics Co., Ltd. (江蘇澤景汽車電子股份有限公司), a joint stock company incorporated in the PRC with limited liability on May 29, 2015
“Company Law” or “PRC Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Zhang Tao (張濤), Mr. Zhang Bo (張波), Mr. Lyu Tao (呂濤), Mr. Wang Zhenggang (王正剛), Ms. Guo Hui (郭慧), Ms. Ye Jing (葉靜), Ms. Lyu Xianglian (呂湘連), Yangzhou Zeying and Yangzhou Zewu, a group of Controlling Shareholders, as further detailed in the section headed “Relationship with Our Controlling Shareholder Group” in this Prospectus
“Conversion of Domestic Unlisted Shares into H Shares”	the conversion of 92,810,529 Domestic Unlisted Shares (immediately following the Share Subdivision) in aggregate held by 40 existing Shareholders into H Shares upon the completion of the Global Offering. Such conversion of Domestic Unlisted Shares into H Shares has been filed with the CSRC and an application for H Shares to be listed on the Stock Exchange has been made to the Listing Committee
“COVID-19”	a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus
“CSDC”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
“CSDC (Hong Kong)”	China Securities Depository and Clearing (Hong Kong) Company Limited
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	director(s) of our Company
“Domestic Unlisted Share(s)”	ordinary shares in the share capital of our Company, with a par value of RMB1.00 each, which are not listed on any stock exchange before the completion of the Share Subdivision, and par value of RMB0.50 per share after the Share Subdivision

DEFINITIONS

“Exchange Participant(s)”	a person: (a) who, in accordance with the Hong Kong Listing Rules, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange
“Extreme Conditions”	the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern for a prolonged period
“FAW Investment”	FAW Equity Investment (Tianjin) Co., Ltd. (一汽股權投資(天津)有限公司), a limited liability company established in the PRC on March 28, 2018, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“FINI”	“Fast Interface for New Issuance”, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
“General Rules of HKSCC”	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Gold Investment”	Gold Investment (HK) Limited, a private company established in Hong Kong on January 27, 2022, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Golden Growth”	Golden Growth III (Hong Kong) Limited (金色成長叁(香港)有限公司), a private company established in Hong Kong on November 11, 2022, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”

DEFINITIONS

“Gongqingcheng Yintai”	Gongqingcheng Yintai Jiana Investment Management Partnership Enterprise (Limited Partnership) (共青城銀泰嘉納投資管理合夥企業(有限合夥)), a limited partnership established in the PRC on December 22, 2020, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Group,” “our Group,” “we” or “us”	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
“Guangde Changzheng”	Guangde Changzheng Guotou Xinghuo Investment Partnership Enterprise (Limited Partnership) (廣德長證國投星火投資合夥企業(有限合夥)), a limited partnership established in PRC on February 15, 2022, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Guide”	Guide for New Listing Applicants issued by the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
“Guochuang Data”	Inner Mongolia Guochuang Big Data Application Industry Investment Center (Limited Partnership) (內蒙古國創大數據應用產業投資中心(有限合夥)), a limited partnership established in PRC on July 27, 2018, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“H Share(s)”	overseas listed foreign shares in the share capital of our Company with nominal value of RMB0.50 each, which are to be subscribed for and traded in HK dollars and are to be listed on the Hong Kong Stock Exchange
“H Share Registrar”	Tricor Investor Services Limited
“ HK eIPO White Form ”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name, submitted online through the designated website at www.hkeipo.hk
“ HK eIPO White Form Service Provider ”	the HK eIPO White Form service provider designated by our Company as specified on the designated website at www.hkeipo.hk

DEFINITIONS

“HK\$” or “HK dollars”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HKSCC Participant”	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
“HKSCC Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Hong Kong Offer Shares”	the 1,622,650 H Shares initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to reallocation as described in “Structure of the Global Offering” in this prospectus)
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong (subject to adjustment as described in “Structure of the Global Offering” in this prospectus) at the Offer Price (plus brokerage, SFC transaction levy, AFRC transaction levy and Hong Kong Stock Exchange trading fees), on and subject to the terms and conditions described in this prospectus as further described in “Structure of the Global Offering — Hong Kong Public Offering” in this prospectus

DEFINITIONS

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in “Underwriting — Hong Kong Underwriters” in this prospectus
“Hong Kong Underwriting Agreement”	the underwriting agreement, dated March 13, 2026, relating to the Hong Kong Public Offering and entered into by our Company, the Controlling Shareholders, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed “Underwriting — Underwriting Arrangements and Expenses — The Hong Kong Public Offering — Hong Kong Underwriting Agreement” in this prospectus
“Huatai Yuanhong”	Huai’an Huatai Yuanhong Technology Venture Capital Partnership Enterprise (Limited Partnership) (淮安華泰遠宏科技創業投資合夥企業(有限合夥)), a limited partnership established in PRC on July 14, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Huzhou Yuntong”	Huzhou Yuntong Equity Investment Partnership (Limited Partnership) (湖州贊通股權投資合夥企業(有限合夥)), a limited partnership established in PRC on January 10, 2017, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Huzhou Yutong”	Huzhou Yutong Equity Investment Partnership (Limited Partnership) (湖州煜通股權投資合夥企業(有限合夥)), a limited partnership established in PRC on December 5, 2016, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“IFRS”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Committee

DEFINITIONS

“Independent Third Party(ies)”	any entity or person who is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules
“International Offer Shares”	the 14,603,850 H Shares initially offered by our Company for subscription pursuant to the International Offering (subject to reallocation as described in “Structure of the Global Offering” in this prospectus)
“International Offering”	the offer of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in accordance with Regulation S under the US Securities Act or any other available exemption from registration under the US Securities Act, as further described in “Structure of the Global Offering” in this prospectus
“International Sanctions”	International laws and regulations relating to the economic sanctions and export control restrictions administered and enforced by the Relevant Jurisdictions
“International Sanctions Legal Advisor”	Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo), our legal advisor as to International Sanctions in connection with the Listing
“International Underwriters”	the group of international underwriters, led by the Overall Coordinators, that is expected to enter into the International Underwriting Agreement to underwrite the International Offering
“International Underwriting Agreement”	the underwriting agreement expected to be entered into on or around the Price Determination Date by our Company, the Controlling Shareholders, the Joint Sponsors, the Overall Coordinators and the International Underwriters in respect of the International Offering, as further described in “Underwriting — Underwriting Arrangements and Expenses — The International Offering” in this prospectus

DEFINITIONS

“Jiaqiao Capital”	Dongguan Jiaqiao Phase IV Advanced Manufacturing Investment Partnership Enterprise (Limited Partnership) (東莞市架橋四期先進製造投資合夥企業(有限合夥)), a limited partnership established in PRC on June 15, 2020, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Jiaxing Juntai”	Jiaxing Juntai Equity Investment Partnership Enterprise (Limited Partnership) (嘉興君欽股權投資合夥企業(有限合夥)), a limited partnership established in PRC on September 7, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Jiaxing Kailian”	Jiaxing Kailian Junle Investment Partnership Enterprise (Limited Partnership) (嘉興凱聯鈞樂投資合夥企業(有限合夥)), a limited partnership established in PRC on August 28, 2018, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Joint Bookrunners”	the joint bookrunners named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this Prospectus
“Joint Global Coordinators”	the joint global coordinators named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this Prospectus
“Joint Lead Managers”	the joint lead managers named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this Prospectus
“Joint Sponsors”	the joint sponsors named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this Prospectus
“Kenge No. 3”	Qingdao Xinding Kenge No. 3 Investment Partnership Enterprise (Limited Partnership) (青島新鼎哨哥盈叁投資合夥企業(有限合夥)), a limited partnership established in PRC on August 22, 2022, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”

DEFINITIONS

“Kenge No. 5”	Qingdao Xinding Kenge No. 5 Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (青島新鼎啃哥欣伍創業投資合夥企業(有限合夥)), formerly known as Qingdao Xinding Kenge No. 5 Investment Partnership Enterprise (Limited Partnership) (青島新鼎啃哥欣伍投資合夥企業(有限合夥)), a limited partnership established in PRC on January 16, 2023, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Kenge No. 53”	Qingdao Xinding Kenge No. 53 Equity Investment Partnership Enterprise (Limited Partnership) (青島新鼎啃哥伍叁股權投資合夥企業(有限合夥)), a limited partnership established in PRC on May 17, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Kenge No. 9”	Qingdao Xinding Kenge No. 9 Equity Investment Partnership Enterprise (Limited Partnership) (青島新鼎啃哥玖號股權投資合夥企業(有限合夥)), a limited partnership established in PRC on October 9, 2020, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Latest Practicable Date”	March 7, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
“Lianshan Investment”	Hefei Lianshan Innovation Industry Investment Fund Partnership Enterprise (Limited Partnership) (合肥連山創新產業投資基金合夥企業(有限合夥)), a limited partnership established in PRC on November 29, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Listing”	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
“Listing Committee”	the Listing Committee of the Hong Kong Stock Exchange
“Listing Date”	the date, expected to be on or around Tuesday, March 24, 2026 on which our H Shares are listed and from which dealings therein are first permitted to take place on the Hong Kong Stock Exchange

DEFINITIONS

“Macau”	the Macau Special Administrative Region of the PRC
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
“Ministry of Finance” or “MOF”	the Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“New Vision Chongqing”	New Vision (Chongqing) Automotive Electronics Co., Ltd. (澤景(重慶)汽車電子有限責任公司), a limited liability company established in the PRC on September 30, 2021, one of our subsidiaries
“New Vision Jilin”	Jilin New Vision Automotive Electronics Co., Ltd. (吉林澤景汽車電子有限公司), a limited liability company established in the PRC on September 29, 2021, one of our subsidiaries
“New Vision Ningbo”	New Vision (Ningbo) Automotive Electronics Co., Ltd. (澤景(寧波)汽車電子有限公司), a limited liability company established in the PRC on August 22, 2024, one of our subsidiaries
“New Vision Shanghai”	New Vision (Shanghai) Automotive Electronics Co., Ltd. (澤景(上海)汽車電子有限公司), a limited liability company established in the PRC on January 21, 2026, one of our subsidiaries
“New Vision Xi’an”	New Vision (Xi’an) Automotive Electronics Co., Ltd. (澤景(西安)汽車電子有限責任公司), a limited liability company established in the PRC on May 13, 2021, one of our subsidiaries
“Nomination Committee”	the nomination committee of our Company

DEFINITIONS

“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)
“OFAC”	The US Treasury Department’s Office of Foreign Assets Control
“Offer Price”	the final price per Offer Share in Hong Kong dollars (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565%) of not more than HK\$48.00 and expected to be not less than HK\$42.00, at which Hong Kong Offer Shares are to be subscribed, to be determined in the manner further described in “Structure of the Global Offering — Pricing and Allocation” in this prospectus
“Offer Share(s)”	the Hong Kong Offer Shares and the International Offer Shares
“OTC Market”	Over-the-counter market
“Overall Coordinators”	the overall coordinators named in the section headed “Directors, Supervisors and Parties Involved in the Global Offering” of this Prospectus
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PRC GAAP”	generally accepted accounting principles of PRC
“PRC Legal Advisor”	Allbright Law Offices, the PRC legal advisor of our Company
“Price Determination Agreement”	the agreement to be entered into by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date to record and fix the Offer Price
“Price Determination Date”	the date, expected to be on or around Friday, March 20, 2026 (Hong Kong time) on which the Offer Price is determined, or such later time as the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company may agree, but in any event no later than 12:00 noon on Friday, March 20, 2026 (Hong Kong time)

DEFINITIONS

“Primary Sanctioned Activity”	has the meaning ascribed to it under Chapter 4.4 of the Guide, and means any activity in a Sanctioned Country or (i) with; or (ii) directly or indirectly benefiting, or involving the property or interests in property of, a Sanctioned Target by a listing applicant incorporated or located in a Relevant Jurisdiction or which otherwise has a nexus with such jurisdiction with respect to the relevant activity, such that it is subject to the relevant sanctions law or regulation
“prospectus” or “Prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“province”	a province or, where the context requires, a provincial level autonomous region or municipality, under the direct supervision of the central government of the PRC
“Qianzhan Yuanzhi”	Ningbo Qianzhan Yuanzhi Equity Investment Partnership Enterprise (Limited Partnership) (寧波前瞻遠至股權投資合夥企業(有限合夥)), a limited partnership established in PRC on November 1, 2022, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Regulation S”	Regulation S under the US Securities Act
“Relevant Jurisdiction(s)”	has the meaning ascribed to it under Chapter 4.4 of the Guide, and means any jurisdiction that is relevant to the listing applicant and has sanctions related laws or regulations restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets of certain countries, governments, persons or entities targeted by such law or regulation. For the purposes of this prospectus, Relevant Jurisdictions include the U.S. and the UN
“Relevant Person(s)”	has the meaning ascribed to it under Chapter 4.4 of the Guide, and means the Group, its investors and shareholders and persons who might, directly or indirectly, be involved in permitting the listing, trading, clearing and settlement of its shares, including the Sponsors and the Stock Exchange

DEFINITIONS

“Remuneration Committee”	the remuneration committee of our Company
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAC”	the Securities Association of China (中國證券業協會)
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“Sanctioned Country”	has the meaning ascribed to it under Chapter 4.4 of the Guide and means any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdictions
“Sanctioned Target”	has the meaning ascribed to it under Chapter 4.4 of the Guide, and means any person or entity (i) designated on SDN List or any list of targeted persons or entities issued under the sanctions-related laws or regulations of a Relevant Jurisdiction; (ii) that is, or is owned or controlled by, a government of a Sanctioned Country; or (iii) that is the target of sanctions under the laws or regulations of a Relevant Jurisdiction because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii)
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)
“SAT”	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“SDN”	Specially Designated Nationals designated pursuant to US sanctions programs
“Secondary Sanctionable Activity”	has the meaning ascribed to it under Chapter 4.4 of the Guide, and means certain activity by a listing applicant that may result in the imposition of sanctions against the Relevant Person(s) by a Relevant Jurisdiction (including designation as a Sanctioned Target or the imposition of penalties), even though the listing applicant is not incorporated or located in that Relevant Jurisdiction and does not otherwise have any nexus with that Relevant Jurisdiction

DEFINITIONS

“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Securities Law”	the Securities Law of the People’s Republic of China (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
“SFC”	the Securities and Futures Commission of Hong Kong
“Shanghai Shangqi”	Shanghai Shangqi Venture Capital Center (Limited Partnership) (上海尚頤創業投資中心(有限合夥)), a limited partnership established in PRC on December 26, 2016, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Shanghai Sirius”	Shanghai Sirius Testing Technology Co., Ltd. (上海思瑞斯檢測科技有限公司), a limited liability company established in the PRC on October 20, 2021, one of our subsidiaries
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	ordinary shares in the capital of our Company with a nominal value of RMB0.50 each upon the completion of the Share Subdivision, comprising Domestic Unlisted Share(s) and H Share(s); before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
“Share Subdivision”	the share subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into two Shares with par value of RMB0.50 each
“Shareholders(s)”	holder(s) of the Share(s)
“Shenzhen Stock Exchange”	the Shenzhen Stock Exchange (深圳證券交易所)
“Shunyi Fund”	Beijing Shunyi Automotive Industry Venture Capital Fund (Limited Partnership) (北京順義汽車產業創業投資基金(有限合夥)), a limited partnership established in PRC on January 26, 2025, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”

DEFINITIONS

“State Council”	State Council of the People’s Republic of China (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“Supervisor(s)”	member(s) of our Supervisory Committee
“Supervisory Committee”	the supervisory committee of our Company
“Suzhou Sushang”	Suzhou Sushang Joint Venture Capital Partnership Enterprise (Limited Partnership) (蘇州蘇商聯合創業投資合夥企業(有限合夥)), a limited partnership established in PRC on July 7, 2017, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Track Record Period”	the three years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025
“Tianying Investment”	Ningbo Meishan Bonded Port Area Tianying Hecheng Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區天鷹合城投資管理合夥企業(有限合夥)), a limited partnership established in PRC on April 28, 2016, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“UN”	the United Nations
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“US” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder

DEFINITIONS

“US\$” or “US dollars”	United States dollars, the lawful currency of the United States
“Wenzhou Kechuang”	Wenzhou Kechuang Investment Partnership Enterprise (Limited Partnership) (溫州柯創投資合夥企業(有限合夥)), a limited partnership established in PRC on May 10, 2018, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Wuxi Binfu”	Wuxi Binfu Haichuang Talent Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (無錫彬復海創人才創業投資合夥企業(有限合夥)), a limited partnership established in PRC on September 25, 2020, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Xiangyang Changzheng”	Xiangyang Changzheng Xinghuo Equity Investment Partnership Enterprise (Limited Partnership) (襄陽長證星火股權投資合夥企業(有限合夥)), a limited partnership established in PRC on January 13, 2023, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Xiaomi”	Xiaomi Corporation, an exempted limited liability company incorporated in the Cayman Islands on January 5, 2010, with its shares listed on the Stock Exchange (stock code: 1810)
“Yangzhou Chanquan”	Yangzhou Property Rights Comprehensive Service Market Co., Ltd (揚州產權綜合服務市場有限責任公司), a limited partnership established in PRC on May 25, 2012, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Yangzhou Qizheng”	Yangzhou Qizheng Equity Investment Partnership Enterprise (Limited Partnership) (揚州啟正股權投資合夥企業(有限合夥)), a limited partnership established in PRC on November 23, 2021, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”

DEFINITIONS

“Yangzhou Siruijing”	Yangzhou Siruijing Enterprise Management Partnership Enterprise (Limited Partnership) (揚州思瑞景企業管理合夥企業(有限合夥)), a limited partnership established in PRC on December 28, 2023 and an employee share incentive shareholding platform of Shanghai Sirius
“Yangzhou Zewu”	Yangzhou Zewu Enterprise Management Partnership Enterprise (Limited Partnership) (揚州澤蕪企業管理合夥企業(有限合夥)), a limited partnership established in PRC on May 9, 2020 and one of our employee share incentive shareholding platforms
“Yangzhou Zeying”	Yangzhou Zeying Enterprise Management Partnership Enterprise (Limited Partnership) (揚州澤盈企業管理合夥企業(有限合夥)), a limited partnership established in PRC on December 14, 2023 and one of our employee share incentive shareholding platforms
“Yingke Fund”	Beijing Yingke Huashun Equity Investment Fund (Limited Partnership) (北京盈科華順股權投資基金(有限合夥)), a limited partnership established in PRC on April 18, 2024, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Yuhu Investment”	Zibo Yuhu Growth No. 2 Equity Investment Partnership Enterprise (Limited Partnership) (淄博鈺湖成長貳號股權投資合夥企業(有限合夥)), a limited partnership established in PRC on August 11, 2023, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“Yuying Investment”	Ningbo Meishan Bonded Port Yuying Venture Capital Partnership Enterprise (Limited Partnership) (寧波梅山保稅港區瑜盈創業投資合夥企業(有限合夥)), a limited partnership established in PRC on December 13, 2018, one of our Pre-IPO Investors, the details of which are set out in “History, Development and Corporate Structure”
“%”	per cent

In this Prospectus, the terms “associate,” “close associate,” “connected person,” “core connected person,” “connected transaction” and “substantial shareholder” shall have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.

DEFINITIONS

Certain amounts and percentage figures included in this Prospectus have been subject to rounding. 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, laws or regulations have been included in this Prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this prospectus in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

“ADAS”	advanced driver assistance system. ADAS is designed to assist drivers in the operation and safety of vehicles, by utilizing various sensors, cameras and software algorithms to provide additional functionalities and enhance the driving experience
“automotive OEM” or “OEM”	the original equipment manufacturer, which assembles and installs automotive parts during the construction of a new vehicle
“AI”	artificial intelligence
“AR-HUD”	augmented reality head-up display, an advanced version of a HUD that uses augmented reality technology to project virtual images onto the windshield
“automotive SPICE” or “ASPICE”	automotive software process improvement and capability determination, an international standard framework used in the automotive industry to assess and improve the capabilities of software development and systems engineering processes, aiming to ensure products meet high-quality and safety requirements
“binocular parallax”	the difference in the position of an image on the retinas of both eyes, particularly in the horizontal direction, providing information about the depth of an object relative to the point of fixation
“CAGR”	compound annual growth rate
“delivery cycle”	the time span from the start of development after securing a design-win to the final mass production and delivery to the customer

GLOSSARY OF TECHNICAL TERMS

“DLP”	digital lighting processing, a set of chipsets based on optical micro-electro-mechanical technology that uses a digital micromirror device. DLP technology is used in a variety of display applications from traditional static displays to interactive displays and also non-traditional embedded applications including medical, security and industrial uses
“dynamic distortion”	non-stationary distortion phenomena in optical systems caused by environmental disturbances, material deformation or dynamic loading during real-time operation, which typically requires adaptive optics, real-time feedback calibration or active thermal/mechanical compensation techniques for mitigation
“FoV”	field of view, a display range parameter that refers to visible angular range of the virtual image in horizontal and vertical directions
“HMI”	Human-machine interface
“HOE”	holographic optical element, a lightweight, compact component that uses diffraction to control light — such as focusing, bending, or splitting beams — enabling simpler and more integrated optical systems in AR, HUDs, lasers, and communications
“HUD”	head-up display, a term commonly used in both the automotive as well as intelligent cockpit vision and interaction solution industries, is a display that projects important information onto the windscreen without requiring the drivers to look away from their usual viewpoint
“IATF16949”	the international technical specification of automotive industry quality management system, prepared by the IATF (International Automotive Task Force) and the ISO
“intelligent cockpit”	a comprehensive application space for various new technologies of intelligent connected vehicles

GLOSSARY OF TECHNICAL TERMS

“intelligent vehicle”	vehicles equipped with advanced sensors, controllers, actuators and other devices, utilizing new technologies such as AI and possessing autonomous driving functions, which conforms with the industry definition according to CIC
“IP”	Intellectual property
“ISO”	the International Organization for Standardization, a worldwide federation of national standards bodies
“ISO14001”	the Environmental Management System published by the ISO
“ISO45001”	the Occupational Health and Safety Management System published by the ISO
“IT”	information technology
“LCoS”	liquid crystal on silicon, a silicon-based liquid crystal microdisplay technology that modulates reflected light through a liquid crystal layer to generate images that is known for its high resolution, low power consumption and compact size
“LDA”	look-down angle, a human-machine interaction parameter that refers to vertical angle between the driver’s line of sight when looking straight ahead and the line of sight to the center of the virtual image area displayed by the HUD solution
“LiDAR”	a remote sensing method that uses light to measure the distance or range of objects
“local dimming”	an LED backlight technology used in LCD display to improve picture quality. It works by dimming the backlight areas of the screen that need to be dark, while keeping the backlight bright parts of the screen bright, thereby increasing the contrast ratio and creating a better image

GLOSSARY OF TECHNICAL TERMS

“mass-produced” or “mass production”	A mass-produced solution refers to a solution that has passed development and validation processes, met customer acceptance standards, and is ready for large-scale delivery to OEMs for integration into vehicle models available for sale
“MCU”	microcontroller unit, a programmable integrated circuit that integrates central processing unit along with memory and input/out peripherals
“OTA”	over-the-air, a technology that updates vehicle software and firmware remotely through network
“PCB”	printed circuit board
“PCBA”	printed circuit board assembly, the process of mounting or placing electronic components which give the board its functionality on a PCB
“platformization” or “platform-based R&D”	platformization or platform-based R&D refers to our strategic shift from developing isolated, standalone solutions or technologies towards creating standardized, modular and reusable foundational systems—or platforms—that serve as the backbone for multiple derivative innovations. It emphasizes on scalability, interoperability and efficiency by consolidating our core technological infrastructure and processes into a unified framework that can be rapidly adapted for various automotive HUD solutions
“R&D”	research and development
“real-image suspensory display” or “RISD”	a display solution that utilizes dynamic optical field modulation and multidimensional optical compensation technology to generate naked-eye visible, medium free 3D real images in automotive scenarios
“SMT”	surface mount technology, a method used in the assembly of PCBs where components are directly attached onto the designated position on the surface of the boards

GLOSSARY OF TECHNICAL TERMS

“SoC”	system-on-chip, programmable integrated circuit(s) that integrates central processing unit, memory interfaces, on-chip input/output devices, input/output interfaces, and secondary storage interfaces
“stray light” or “glare”	any light in an optical system which is not intended in the design and interferes with the performance of an optical system’s intended functions
“sunlight backflow”	an interference phenomenon in optical system where high-intensity ambient sunlight infiltrates internal components via unintended retrograde paths
“TFT”	thin-film transistor, a technology that utilizes an array of microtransistors to precisely control the brightness and color of each pixel that is characterized by its high response speed, low power consumption and excellent display quality
“Tier-1 supplier”	a company that supplies parts or systems directly to automotive OEMs. Other types of suppliers in the automotive industry include Tier-2 and Tier-3 suppliers. Tier-2 suppliers supply to Tier-1 suppliers. Tier-3 suppliers supply to Tier-2 suppliers
“V2X”	vehicle-to-everything, referring to the communication between a vehicle and any entity that may affect, or may be affected by, the vehicle
“VAVE”	value analysis and value engineering
“VID”	virtual image distance, an imaging distance parameter that refers to the distance between the human eye and the virtual image projected by our HUD solutions
“W-HUD”	windshield head-up display

FORWARD-LOOKING STATEMENTS

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This prospectus includes forward-looking statements. All statements other than statements of historical facts contained in this prospectus, including, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals, targets and future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual performance or achievements to differ materially from those in the forward-looking statements include, among other things, the following:

- our ability to successfully implement our business plans and strategies;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- general political and economic conditions of jurisdictions in which we operate;
- our business operations and prospects;
- our capital expenditure plans;
- weather, natural disasters and climate change;
- the actions and developments of our competitors;
- our financial condition and performance;
- capital market developments;
- our dividend policy;

FORWARD-LOOKING STATEMENTS

- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and business plans; and
- various business opportunities that we may pursue.

RISK FACTORS

You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment. These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof and is subject to the cautionary statements in the section headed “Forward-Looking Statements” in this prospectus.

RISKS RELATING TO OUR INDUSTRY AND BUSINESS

We operate in a highly competitive industry, and we may be unable to continually maintain a leading position in this industry.

We operate in a highly competitive industry, primarily offering HUD solutions. The competitive landscape of this industry is subject to a variety of factors that are constantly evolving and is expected to continue to intensify in the future. We believe that our ability to compete effectively against other market participants depends upon many factors, some of which are beyond our control, including:

- the performance, reliability and technology advancement of our solutions compared to those of our competitors, which are highly dependent on our research and development and technological capabilities of our solutions, and our insights into customer needs and preferences as compared to our competitors;
- our ability to identify and capture new market opportunities in advance of our competitors;
- our reputation and brand recognition as compared to our competitors;
- regulations or government policies in the industry where we operate;
- our ability to attract, retain and motivate talented employees, in particular highly qualified research and development personnel; and
- our ability to manage and grow our operations in a cost-effective manner.

RISK FACTORS

We face challenges from both established competitors and emerging market entrants. Some of our current and potential competitors may have greater financial resources, marketing resources, ordering quantities, portfolios of solutions and intellectual properties and other resources. Certain competitors may be able to secure raw materials and products from suppliers on more favorable terms, devote greater resources to marketing and promotional campaigns, adopt more aggressive pricing or inventory policies and devote substantially more resources to product development and technology.

Increased competition may also exacerbate pricing challenges and erode our profit margins, which may adversely affect our results of operations, market share and brand recognition, or force us to incur losses. There can be no assurance that we will be able to successfully compete against current and future competitors, and competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations.

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

We commenced our operations in China in May 2015 and have grown since then. We expect to continue to grow our business and explore new market opportunities. However, there can be no assurance that we will be able to maintain our historical growth rates in future periods. We may encounter risks and difficulties frequently experienced by rapidly growing companies in evolving industries. Also, any predictions about our future revenue and expenses may not be as accurate as they would be if we had a longer operating history or we operated in a more predictable industry. Our business, results of operations and financial condition depend in part on our ability to effectively manage our growth or implement our growth strategies. The management of our growth may place significant demands on our managerial, administrative, operational, financial and other resources. Moreover, our growth depends on the ability to maintain stable production capacity and offer reliable products to our customers. Our efforts to grow our business may be more costly than we expect, and we may not be able to increase our revenue enough to offset our increased operating expenses. We may incur significant losses in the future for a number of reasons, including the other risks described herein, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, our business may be harmed. If we fail to achieve the necessary level of efficiency as we grow, our growth rate may decline, investors' perceptions of our business and prospects may be adversely affected and the market price of our Shares could decline.

RISK FACTORS

We recorded net losses and net cash outflow from operating activities during the Track Record Period, and we may not be able to achieve profitability or maintain net cash inflow from operating activities in the future.

We incurred loss for the year of RMB256.1 million, RMB174.6 million and RMB137.9 million in 2022, 2023 and 2024, respectively. We incurred loss for the period of RMB127.8 million and RMB343.7 million in the nine months ended September 30, 2024 and 2025, respectively. Even though we had net cash inflow from operating activities of RMB29.2 million in 2024 and RMB14.5 million in the nine months ended September 30, 2024, we had net cash outflow from operating activities of RMB139.9 million in 2022, RMB124.5 million in 2023 and RMB49.0 million in the nine months ended September 30, 2025.

We cannot assure you that we will be able to generate profits or net cash inflow in the future. Our ability to achieve future profitability is affected by various factors. For example, our revenues depend on our ability to expand our customer base and enhance our sales volume, our ability to enrich our solution offerings and our ability to expand our production capacity. In addition, we have incurred, and may continue to incur, significant costs and expenses, which may affect our ability to achieve future profitability. It is possible that we may continue to incur loss for the year/period or net cash outflow from operating activities in the future due to various reasons, such as our continued investments in R&D and production expansion, changes in the macroeconomic and regulatory environment, as well as competitive dynamics. Accordingly, we cannot assure you that our Company will become profitable or generate net cash inflow from operating activities in the future.

We recorded net liabilities and net current liabilities during the Track Record Period.

We recorded net liabilities of RMB486.5 million, RMB643.7 million, RMB897.4 million and RMB1,236.0 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Additionally, we also recorded net current liabilities of RMB552.4 million, RMB740.1 million, RMB966.0 million and RMB1,382.8 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Our net liabilities position and net current liabilities position as of December 31, 2022, 2023 and 2024 and September 30, 2025, were primarily attributable to the redemption liabilities on equity shares in connection with Pre-IPO Investments in our Company. All the Pre-IPO Investment preferred shares which were accounted as liabilities will be converted into ordinary shares of our Company immediately upon the Listing, and such liabilities would be derecognized and accounted as an increase in equity then. However, there can be no assurance that we will not experience liquidity problems in the future.

RISK FACTORS

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

Both the automotive industry and the intelligent cockpit vision and interaction solution industry evolve rapidly. Technologies relating to HUD solutions are subject to rapid changes and developments. To maintain our market position, we are and will be required, on a timely and consistent basis, to design, develop and introduce new, improved or more cost-effective solutions. However, we cannot assure you that our research and development efforts can be completed in the anticipated time frame or may lead to new solutions that are commercially successful. If we encounter delays in production development and technology iteration, fail to meet changing market demands, fail to keep up with the latest technological developments or fail to successfully introduce new and competitive solutions to the market, and if our competitors respond more promptly than we do, our solutions will be rendered as uncompetitive or obsolete and our business, financial condition and results of operations may be materially and adversely affected.

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

Our business plans and strategies are based on our assumptions of future events which may entail certain risks and are inherently subject to uncertainties. These assumptions may not be correct, which could affect the commercial viability of our business plans and strategies. As such, we cannot assure you that our business plans and strategies will be implemented successfully as scheduled or at all.

If we fail to implement our business plans and strategies effectively and efficiently, we may be unable to expand our operations, manage our growth, take advantage of market opportunities as expected or remain competitive in the industry. Furthermore, even if we implement our business plans and strategies effectively and efficiently, there may be other unexpected events or factors beyond our control that may prevent us from achieving desirable and profitable results, such as the changes in local laws and regulations and governmental policies, the availability of skilled professionals and changes in consumer demand. Moreover, our business plans and strategies may increase our operating costs, such as higher staff costs, as well as greater depreciation for production equipment and facilities, and increase our cash outflows for operating and investing activities. Accordingly, if our business plans and strategies cannot be successfully implemented, or if they do not yield ideal results, we may have significant difficulties in recovering our costs and therefore experience a material adverse impact on our business, financial condition and results of operations.

RISK FACTORS

We are exposed to customer concentration risks.

Revenue from our five largest customers in each period during the Track Record Period was RMB199.1 million, RMB515.1 million, RMB467.9 million and RMB398.7 million, respectively, accounted for 93.0%, 93.8%, 80.9% and 83.1% of our total revenue for the respective periods. Revenue from our largest customer in each period of the Track Record Period was RMB101.9 million, RMB143.5 million, RMB134.0 million and RMB87.6 million, respectively, accounted for 47.6%, 26.1%, 23.2% and 18.3% of our total revenue for the respective periods. See “Business — Sales and Marketing — Major Customers.” Our major customers’ stable relationships with us and consistent demands are crucial to our business. However, their business conditions, liquidity and solvency may have a significant impact on our business dealings. Any disruption in our business relationship with major customers could have a material adverse effect on our business, financial condition and results of operations. In the event that the existing major customers reduce or cease to purchase our solutions and we are unable to find new customers with similar levels of demand at comparable terms within a reasonable period of time or at all, our business, financial condition and results of operations may be materially and adversely affected.

Our success depends to a great extent on our R&D capabilities. Failure of our technology and R&D efforts may hurt our competitiveness and profitability.

Our R&D capabilities and facilities are critical to our success. The industry in which we operate is subject to rapid technological changes and is evolving quickly in terms of technological innovation. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses amounted to RMB83.4 million, RMB54.5 million, RMB62.1 million, RMB43.6 million and RMB48.9 million, respectively, representing 39.0%, 9.9%, 10.7%, 10.1% and 10.2% of our total revenues during the same respective periods. We may continue investing significant resources in R&D in order to stay at the forefront of technical development of advanced human-vehicle vision interaction solutions and to achieve long-term growth and success. However, investing in R&D, developing new products and solutions and enhancing existing products and solutions can be expensive and time-consuming. We cannot guarantee that such activities will result in significant new marketable products and solutions or enhancements to our existing products and solutions, design improvements, cost savings, revenue increases or other expected benefits. If we spend significant time and effort on R&D, and nevertheless are unable to generate an adequate return on our investment, our business, financial condition and results of operations may be materially and adversely affected.

RISK FACTORS

Any failure to continuously upgrade, develop and innovate our solutions to meet the evolving needs of our customers in a timely and cost-effective manner may materially and adversely compromise our competitive edge and reduce our market share.

Our future success depends on the successful expansion of our solution offering and customer base. Our customers are constantly seeking new solutions with more features and functionality at lower cost, and our success relies heavily on our ability to continue to develop and provide our customers with new and innovative solutions and improvements of existing ones.

Our ability to roll out competitive new products is closely tied to our ability to develop solutions that keep pace with evolving technology. Our future success depends on our ability to anticipate and quickly adapt our solutions offering to these technological changes and new standards. However, we cannot guarantee that we will always be able to do so successfully or in a cost-effective manner. If our competitors succeed in mass-producing solutions that incorporate the latest technological advancements before we do, and we are unable to meet customer requirements for performance or interface compatibility due to technological lag, we risk losing orders and potentially long-term customer relationships, which may materially and adversely affect our business prospects, results of operations and financial condition.

The success of upgrading, developing and innovating our solutions depends on a variety of specific implementation factors, including:

- timely development of new technologies and adaption to changes in existing technologies;
- timely and cost-effective processing and mass production to accommodate new solution designs, while ensuring functionality, performance and reliability;
- effective marketing, sales and services to gain market share; and
- strong and sustainable market demand.

Solution design, development, innovation and iteration is often a complex, time-consuming and costly process involving significant investment in R&D with no assurance of return on investment. Changes and upgrades to our existing solutions may not be well received by our customers, and newly introduced solutions may not achieve success as expected. There can be no assurance that we will be able to develop and introduce new and enhanced solutions in a timely or efficient manner or that we will continue to achieve technological breakthroughs and successfully commercialize such breakthroughs through our R&D activities. Failure to address these challenges could materially delay our development of new and enhanced solutions, which could result in product obsolescence, decreased revenue, and/or a loss of market share to competitors.

RISK FACTORS

Going forward, we may also introduce new solutions in areas beyond our current solution offerings, with which we have little or no prior experience. Such efforts may require us to make substantial investment in additional human capital and financial resources. We cannot assure you that any of such new solutions will achieve market acceptance or generate sufficient revenues to offset the costs and expenses incurred in relation to our development and promotion efforts. If we fail to improve our existing solutions and introduce new ones in a timely or cost-effective manner, our ability to attract and retain customers may be impaired, and our financial performance and prospects may be adversely affected.

We are in a new industry where emerging technologies used in human-vehicle interactions may not be mature. Any major solution defects, malfunctions or negative news may damage our reputation and adversely affect our business, financial condition and results of operations.

The emerging technologies used in HUD solutions may be immature. We cannot assure that there will be no errors or defects and poor performance may arise due to design flaws, defects in raw materials or components, or manufacturing difficulties, all of which may impact the quality and performance of our solutions. New generation of solutions or latest technologies that are newly developed or first launched may contain potential technical errors. Any actual or perceived errors, defects or poor performance in our solutions could result in the replacement, repairment or rejection of our solutions, shipment delays, loss of revenue, diversion of our engineering personnel from its solution development efforts, increases in customer service costs and support costs and damage to our reputation, all of which could have a material adverse effect on our business.

In addition, we might be subject to product liability claims due to defects or other problems associated with our HUD solutions. As advised by our PRC Legal Advisor, if product defects in our HUD solutions cause harm to consumers who purchase vehicles equipped with our HUD solutions, (i) under the Civil Code of the People's Republic of China (the “**Civil Code**”), we may be liable for substantial compensation to consumers and the OEMs, including damages for personal injury, property damage, emotional distress and punitive damages; (ii) under the Civil Code, the OEM may file a lawsuit against us for breach of contract, seeking compensation for product recall costs, production line stoppage losses, repair/replacement expenses, fines and other related losses, either in full or in part; (iii) under the Product Quality Law of the People's Republic of China, if we fail to report known product defects, regulatory bodies such as the Defective Product Management Center under the State Administration for Market Regulation may initiate investigations, and we may face severe administrative penalties, including substantial fines, orders to suspend production or business operations and other sanctions; (iv) under the terms of our procurement contracts with the OEMs, if we intentionally conceal defects related to safety, emissions or other regulatory requirements, resulting in penalties imposed on the OEMs by regulatory authorities, we would be responsible for all associated costs, including but not limited to administrative penalties; and (v) as stipulated in our procurement agreements with the OEMs, we are responsible for covering the

RISK FACTORS

direct costs incurred due to recall and preventive measures attributable to defects in our HUD solutions, which may include expenses related to consumer communication, parts claims, inspection, re-evaluation, logistics and after-sales service labor. We may also be required to pay liquidated damages.

Furthermore, product liability claims, defects or other problems experienced by other companies in the intelligent cockpit vision and interaction solution industry, any negative news or incidents about HUD solutions or automotive industry could lead to unfavorable market reputation for the industry as a whole and may have an adverse effect on the market demands and our ability to attract new customers, thus harming our business growth and financial performance.

There can be no assurance that our efforts seeking design-wins for our solutions will succeed.

We invest significant effort from the time of our initial contact with an automotive OEM to the time when the automotive OEM chooses our solutions to incorporate into one or more specific vehicle models to be produced by the automotive OEM. We could expend significant resources pursuing, but fail to achieve, a design-win for our solutions under development and commercialization stages. After a design-win, it is typically difficult for a product, solution or technology that did not receive the design-win to displace the winner until the automotive OEM issues a new request for quotation, because an automotive OEM will generally not change complex technology already integrated in its systems until a vehicle model is revamped. In addition, the supplier with the winning design may have an advantage with the automotive OEM going forward because of the established relationship between the winning supplier and the automotive OEM, which would make it more difficult for competitors to win the designs for other production models. If we fail to win a significant number of automotive OEM design competitions in the future, our business, results of operations and financial condition would be adversely affected.

Pricing pressures from our OEM customers who possess significant bargaining power may materially and adversely affect our business prospects and results of operations.

Many of our current and target customers, particularly automotive OEMs, possess significant bargaining power over their suppliers, including us, because they are large corporations with stringent standards for procured solutions and potentially competitive internal solutions. The supply chain for automotive OEMs is highly competitive, serving a limited number of automotive OEMs. The growing competition among established players and new market entrants in such supply chain further exacerbates the pricing pressures we face. As such, we may face continued pricing pressure from automotive OEMs and other major customers to reduce prices, and as a result our business, results of operations and financial condition may be materially and adversely affected. Pricing pressures beyond our expectations may further intensify as automotive OEMs pursue restructuring, consolidation and cost-cutting

RISK FACTORS

initiatives. Under such circumstances, if we are unable to offset price reductions or introduce new solutions with higher sale prices or gross profit margins, our profitability would be materially and adversely affected.

Failure to retain our existing customers or attract new ones could materially and adversely impact our business, financial condition and results of operations.

In order to increase our revenue and maintain our growth, we are committed to retaining existing customers and attracting new customers. Our customers primarily consist of OEMs that purchase our solutions for their vehicle models. We have actively maintained long-term business relationships with many OEM customers. However, we cannot guarantee that our existing customers will continue to procure our solutions for their new vehicle models or will maintain their partnerships with us for our ongoing projects or future projects. Our ability to retain existing customers or attract new customers depends on the following factors, some of which are out of our control:

- the competitiveness of our pricing and payment terms for our customers, which may, in turn, be constrained by our capital and financial resources;
- the market acceptance of our new products, solutions, services and functionalities;
- our ability to continue investing in R&D to accommodate our customers' needs;
- mergers and acquisitions among market players; and
- the effects of domestic and global economic conditions on the development of the automotive industry generally.

It may be challenging to offer products and solutions tailored to the specific needs of our OEM customers, as well as to maintain high-quality customer support, as our customer base grows and becomes more diverse. This may result in customer dissatisfaction, a decline in overall demand for our solutions and a loss of expected revenue. Moreover, failing to meet customer expectations could harm our reputation, thereby hindering our ability to retain existing customers and attract new ones. If we are unable to retain our existing customers or attract new customers due to any of the foregoing factors, our business, financial condition and results of operations will be materially and adversely affected. Further, if our existing customers reduce or cease to purchase our solutions and we are unable to find new customers with similar level of demands at comparable terms within a reasonable period of time, or at all, our business, financial condition and results of operations may be materially and adversely affected.

RISK FACTORS

There is no guarantee that the sales results of our solutions would meet our forecast even after we achieve design-wins.

In connection with our design-wins, we typically receive preliminary estimates from automotive OEMs of their anticipated production volumes for the models relating to those design-wins, while such estimates may be revised significantly by the automotive OEMs, potentially multiple times, and may not be representative of future production volumes associated with those design-wins, which could be significantly higher or lower than estimated. Furthermore, OEMs may choose to develop their own products and solutions, which may also reduce their demand for our solutions. If actual production orders from the OEM customers are not consistent with their projections, we could realize less revenue than our expectation. If actual production volumes are lower than estimated, we may not cancel excess supplies in a timely manner, or at all, and the inventory may accumulate, leading to increased storage costs and potential obsolescence, which may materially and adversely affect our business, financial condition and results of operations. As a result, achieving design-wins is not a guarantee of revenue, and our sales may not correlate with the achievement of additional design-wins.

In addition, worsening market or other conditions between the time of a request for quotation and an order for our solutions may require us to sell our solutions for a lower profit than we initially expected. We may also face pricing pressures from our customers as a result of their restructuring, consolidation, and cost-cutting initiatives or as a result of increased competition. As a particular product or solution matures and unit volumes increase, we also generally expect its selling price to decline. We may also be unable to generate sufficient production cost savings or introduce products and solutions with additional features and functionality at higher price points to offset price reductions.

If the sales results of our solutions for which we achieve design-wins do not meet our forecast, our business, results of operations and financial condition would be materially and adversely affected.

Changes in sales, production and market demand of intelligent vehicles can materially and adversely affect our business, financial condition and results of operations.

As our solutions are primarily deployed on intelligent vehicles, the success of our business is directly related to automotive sales and production by OEMs. Automotive sales and production are highly cyclical and also depend on other factors such as general economic conditions and consumer confidence and preferences. In addition, automotive sales and production can be affected by labor relations or safety management issues, regulatory requirements, trade agreements, availability of consumer financing and other factors. Lower automotive sales may result in our OEM customers lowering vehicle production schedules, which has a direct, material and adverse impact on our earnings and cash flows.

RISK FACTORS

Our sales are also affected by inventory levels and production levels of OEMs. However, we cannot predict when OEMs will decide to either build or reduce inventory levels. The declines in our customers' production levels and thus, our production volumes, can have a material and adverse impact on our business, financial condition and results of operations.

The demand for our solutions is also dependent on consumers' demand for and adoption of intelligent vehicles. The market for intelligent vehicles is rapidly evolving, characterized by technologies, competition, government regulation, industry standards and consumer demands and behaviors. If the market for intelligent vehicles does not develop as fast, or at all, as we expect, our business, financial condition and results of operations will be materially and adversely affected.

We may be subject to product liability claims if our solutions contain defects, errors or bugs. We could incur significant expenses to remediate such defects, as a result, our reputation could be damaged and we could lose market shares, and our business, results of operations and financial condition may be adversely affected.

Most of our solutions are sold to automotive OEMs for deployment in their specific vehicle models. The products and solutions we develop are technical and complex, requiring rigorous standards. They may contain errors, defects, security vulnerability or software issues that are difficult to detect and correct, particularly when first introduced or when new versions or enhancements are released. Our solutions may contain serious errors, defects, security vulnerability or software issues which we are unable to successfully correct in a timely manner or at all. Some errors or defects in our solutions may only be discovered after they have been tested, commercialized and deployed by automotive OEMs. Any real or perceived error, defect, security vulnerability, service interruption or software issues in our solutions may weaken customer confidence and trust in our solutions and even result in losses to our OEM customers. Our efforts to address the issues identified in our solutions may not be timely to meet our OEM customers' expectations and may disrupt our production. In such an event, we may be required, or may choose, for customer relations or other reasons, to allocate additional resources to correct the problem. Furthermore, these issues could potentially lead to lawsuits, including class actions, filed against us by automotive OEMs or other parties, exposing us to potential liabilities and damages. Such errors, defects or software issues could result in losses to our customers. Our customers may seek significant compensation from us for any losses they suffer or cease conducting business with us. We may also face warranty and product-related liability claims if we fail to implement and maintain our quality control steps, or our solutions fail to perform as expected or any defect is alleged to result in injury or property damage. Potential flaws and defects in our design and production processes, or in those of our suppliers, as well as unsatisfactory performance of our solutions, could give rise to product recall incidents. We cannot guarantee that we will not experience any material losses or expenses related to product liability or product recall incidents or that we will not incur significant costs to defend any such claims. Our insurance policies may not cover warranty or product recalls. Any recall claim or product liability claim for which we do not have insurance coverage or that exceeds the limits of any insurance coverage available to us may have a material adverse effect on our business,

RISK FACTORS

financial condition and results of operations. Further, automotive end users may share information about their negative experience on social media, which could damage our reputation and result in a loss of future sales.

A claim brought against us by any of our customers would likely be time-consuming and costly to defend and may materially and adversely affect our reputation and brand, making it harder for us to sell our solutions. We may also experience revenue loss, significant expenditures of capital, a delay or loss in market acceptance and damage to our reputation and brand, any of which could adversely affect our reputation, business, results of operations and financial condition.

We may evaluate and potentially explore new business opportunities, which may turn out to be unsuccessful and adversely affect our results of operations and financial performance.

We seek and will continue to explore opportunities to grow our business. For example, we established Shanghai Sirius in 2021 and started to output our testing capabilities as a standalone business, dedicated to the design, development and manufacturing of testing systems/machines for automotive devices and parts. See “Business — Our Solutions — Testing Solutions.” However, our exploration of new business opportunities may not always be successful due to various reasons such as lack of market acceptance, inefficiency in operations and unsuccessful branding strategies. We may experience difficulties in integrating our operations with the newly explored business, or achieving expected levels of revenue, profitability, productivity or other benefits. As a result, we cannot assure you that our initiatives in exploring new business opportunities will benefit our business operations, generate sufficient revenue to offset the associated costs or otherwise result in the intended benefits.

Price fluctuation of the raw materials and components could adversely affect our business, financial condition and results of operations.

We may not be able to obtain stable, high-quality raw materials and components at reasonable prices at all times. During the Track Record Period, we sourced raw materials from both domestic and international suppliers and we did not import any raw materials from U.S. suppliers. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our costs of raw materials amounted to RMB144.2 million, RMB356.5 million, RMB365.3 million, RMB269.5 million and RMB312.0 million, respectively, accounted for 87.0%, 87.2%, 87.0%, 86.2% and 85.5% of our total cost of sales during the same respective periods. See “Financial Information.” Significant changes in the markets in which we purchase raw materials and components for the production of our solutions may adversely affect our profitability. Competitive and market pressures limit our ability to recover increases in costs through increases in prices we charge to our customers. The inability to pass on price increases to our customers when raw material or components prices increase rapidly or are significantly higher than historic levels would adversely affect our business, results of operations and financial condition.

RISK FACTORS

We purchase certain key raw materials and components from third parties, and we may not be able to secure our supply of such key raw materials and components in a stable and timely manner.

Our success depends in part on our ability to manage the supply chain to manufacture and deliver the products and solutions in a timely manner and with quality. We source the raw materials and components for our solutions from third-party suppliers. As a result, our production volume and production costs depend on our ability to source key raw materials and components at competitive prices. However, the raw materials and components we use are subject to price volatility caused by external factors, such as commodity price fluctuations, changes in supply and demand, logistics and processing costs, our bargaining power with suppliers, inflation, governmental regulations and policies, geopolitical tensions or health epidemics. Any future shortage in supplies may lead to increases in the prices of alternatives and may cause suppliers to allocate available raw materials and components more selectively among their customers across these industries. We might fail to secure an adequate supply of such raw materials and components under favorable business conditions, if at all, which could prevent us from meeting our customer demand. Moreover, such shortage could lead to increases in costs of raw materials and components and negatively impact our future profitability.

In addition, our suppliers could fail to meet our needs for various reasons beyond our control, including fires, natural disasters, extreme weather, manufacturing problems, epidemic, strikes, transportation interruptions or governmental regulation. A failure of supply could also occur due to suppliers' financial difficulties, including bankruptcy. Changing suppliers may require a long lead time. We may not be able to locate alternative suppliers in sufficient quantities, of suitable quality, or at an acceptable price within a reasonable period of time, or at all. As a result, our business, financial condition and results of operations could be materially and adversely affected.

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

Our business operations depend on our manufacturing capabilities. As of the Latest Practicable Date, we had one production base in Yizheng, Jiangsu Province, namely the Yizheng Base. Our manufacturing and assembly operations involve the procurement of raw materials and components, production processing, assembly, product testing, packaging and warehousing of the final products. We may experience difficulties in coordinating the various aspects of our production processes, thereby causing downtime and delays. Disruptions or inefficiencies in our production processes, whether due to equipment malfunctions, labor disputes, supply chain issues or other unforeseen circumstances, could severely impact our ability to meet customer demand and maintain our market position. Equipment malfunctions or breakdowns may cause production delays and affect our ability to meet production targets.

RISK FACTORS

Such failures might necessitate costly repairs or replacements, leading to additional expenses and prolonged downtime. Unexpected maintenance issues could also disrupt production schedules and result in operational inefficiencies, diminishing our manufacturing capacity and profitability.

In addition, a delay or stoppage of production caused by adverse weather, natural disaster or other unanticipated catastrophic event, including, without limitation, power interruptions, water shortage, storms, fires, earthquakes, terrorist attacks and wars, could significantly impair our ability to produce our solutions and operate our business. Our machineries and equipment housed in these facilities would be difficult to replace and could require substantial replacement lead time. Catastrophic events may also destroy any inventory stored in our production base. Any stoppage in production, even if temporary, or delay in delivery to our customers could adversely affect our business, financial condition and results of operations.

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

Our growth prospects and future profitability depend on, among other things, our ability to upgrade the production capability and increase production capacity, either generally or with respect to demand from customers for certain solutions. To successfully upgrade our production capability and expand production capacity, we need to make cost-effective and efficient upgrade and expansion plans, expand and construct new facilities, maintain and purchase production equipment, and hire and train professionals necessary to operate such facilities or equipment, all of which may be affected by several factors including but not limited to the following:

- availability of working capital for constructing facilities or purchasing equipment;
- delays, cost overruns or quality issues in our construction projects;
- shortages or delays in the delivery of equipment, especially the potential obstacles in procuring specialized production equipment that is critical for manufacturing;
- difficulties or delays which may arise in installing the equipment; and
- implementation of new production processes.

In particular, under PRC laws, construction projects are subject to governmental supervision and approval procedures, including but not limited to project approvals and filings, construction land and project planning approvals, construction work commencement permits, completion acceptance of construction fire safety acceptance and environmental impact assessment, and other inspection and acceptance by relevant authorities. To the extent approvals or permits are needed for our construction work and we fail to secure such approvals or permits, our expansion plan may be disrupted or discontinued. In addition, any potential

RISK FACTORS

violation of laws and regulations related to construction may subject us to fines, suspension of construction and other administrative penalties. Any of the foregoing could materially and adversely affect our business operations.

If we fail to effectively address the foregoing, our ability to expand production capacity as planned will be impaired, potentially leading to missed market opportunities or increased costs.

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

If we are unable to manufacture or deliver high-quality products on schedule and on a large scale, our business may be materially and adversely affected.

Mass production of our solutions is crucial to our business. We may face difficulties managing our production facilities and meeting our delivery deadlines when there is a surge in customer demand. If any of our production facilities experiences interruptions, delays or disruptions in supplying products, our ability to deliver products to customers would be impeded. Failure to fulfill customers' requirements and quality control problems that occur in the manufacturing process could prevent us from meeting the stipulated delivery deadline. For example, a decline in yield rates would adversely affect our production efficiency and product quality. We may also experience delays in shipments caused by our third-party logistic service providers. These delays or product quality issues could have an immediate and material adverse effect on our ability to fulfill orders and damage our reputation and brand, affecting our business, results of operations and financial condition.

Further, if our production facilities or suppliers experience any difficulties or shortages of raw materials, or if our suppliers are otherwise unable or unwilling to continue to provide raw materials in required volumes or at all, our supply may be disrupted, and we may be required to seek alternate sources of supply. The process would be time-consuming and could be costly and impracticable. Interruptions to supply will have an adverse effect on our ability to meet scheduled product deliveries and subsequently lead to the loss of sales.

RISK FACTORS

If we fail to maintain adequate inventory, or if we mismanage our inventory, we could lose sales or incur high inventory-related expenses, which could negatively affect our financial condition and results of operations.

Our inventory primarily includes raw materials, work-in-progress and finished products. Our inventories amounted to RMB66.3 million, RMB78.2 million, RMB89.3 million and RMB117.0 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. In 2022, 2023, 2024 and the nine months ended September 30, 2025, our inventory turnover days were 112.7 days, 66.7 days, 75.0 days and 79.0 days, respectively. See “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories.” Maintaining an optimal level of inventory is important for the success of our business. We determine our level of inventory based on experience, number of orders from customers and assessment of customer demand. Our ability to accurately forecast demand for our solutions could be affected by many factors, including but not limited to uncertain market conditions, volatile customer demands, fierce market competition, pandemics and general economic conditions. We have implemented policies, under which regular cycle counts and annual inventory stock-taking are conducted to maintain accuracy and transparency in inventory management. See “Business — Warehousing, Logistics and Inventory Management.” Nevertheless, we cannot guarantee that such policies will continue to be effective in managing our inventory risk.

Meanwhile, we may be exposed to inventory obsolescence and inventory shortage risks as a result of a variety of factors beyond our control, including but not limited to changes of customer needs and the inherent uncertainty of the success of product launches. Inventory levels in excess of demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would have an adverse effect on our profitability. In addition, if we underestimate the demand for our solutions, we may not be able to produce a sufficient number of products and solutions to meet such unanticipated demand, which could result in delays in the delivery of our solutions and harm our reputation. Any of the above may materially and adversely affect our business, financial condition and results of operations. As we plan to continue to expand our offerings, we may continue to face challenges in effectively managing our inventory.

We depend on certain third-party service providers and business partners for various services and products in connection with our business.

During the Track Record Period, we engaged third-party service providers for services in connection with our business, such as third-party logistics service providers. We endeavor to obtain services from third-party service providers who we believe are able to meet our specifications and requirements. However, our third-party service providers and business partners may not fulfill their respective commitments and responsibilities in a timely manner and in accordance with the terms agreed upon or applicable laws. In addition, we do not have control over their business operations or governance and compliance systems, practices and procedures, which may increase our financial, legal, operational and reputational risk. If we are unable to effectively manage our relationships with third-party service providers, suppliers and

RISK FACTORS

business partners, or for any reason our third-party service providers, suppliers or business partners fail to satisfactorily fulfill their commitments and responsibilities, our business, results of operations and financial condition could suffer. Upon expiry of existing contracts with third parties, we may not be able to renew such contracts at terms commercially favorable to us, if at all, or find an appropriate substitute in a timely manner, in which case our business may be adversely affected.

If we fail to maintain or enhance our brand recognition, or if we incur excessive expenses in this effort without achieving the anticipated benefits, our reputation, business, financial condition and operating results may suffer.

We believe that maintaining and enhancing our brand recognition is crucial to the success of our business and sustaining our market position. A well-recognized brand is important to the enhancement of our attractiveness to our customers. Since we operate in a highly competitive market, brand maintenance and enhancement directly affect our ability to maintain our market position.

The successful promotion of our brand will depend on the effectiveness of our marketing efforts. We may incur extra expenses in promoting our brand. The results of such initiatives may not cover the costs of the increased investment. We cannot guarantee that our marketing efforts will be successful, or that they will yield significant benefits that justify the costs. Any such failure may result in our declining market recognition and position, and materially and adversely affect our business, financial condition and results of operations.

Additionally, we are subject to risks related to negative publicity and failure to effectively deal with such publicity. Any negative media reports, adverse comments on social media, or other forms of negative publicity could significantly harm our brand image and market reputation. Such negative information could arise from product quality issues, customer service complaints, management changes, or other events. Even if such information is inaccurate or exaggerated, it may still lead to decreased customer trust, reduced sales, and loss of market share. We may need to allocate substantial resources to manage those negative information, which could increase our operational costs and adversely affect our financial condition and results of operations.

Our success depends on the continuing efforts of our key management and capable personnel performing vital functions. Any failure to attract, motivate and retain our management members or other key personnel may materially and adversely affect our business, financial condition and results of operations.

Our success and future growth depend largely upon the continued services of our key management members or capable personnel. We also rely on our leadership team in the areas of research and development, manufacturing, marketing, sales, services and general and administrative functions. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. We do not have employment agreements with our key management members or

RISK FACTORS

capable personnel that require them to continue to work for us for any specified period, and they could terminate their employment with us at any time. The loss of one or more of our key management members or capable personnel and any failure to develop an appropriate succession plan for these persons could have a serious adverse effect on our business and results of operations.

In addition, the future success of our Company also depends significantly on the continued efforts to attract, motivate and retain our key individuals, including management, technical staff, executives, engineers, and sales representatives. We also emphasize the importance of maintaining a skilled research and development team, as their underperformance could severely impact our ability to conduct research and successfully commercialize our solutions. We rely on our R&D talents to advance our technologies, develop and commercialize our new products and solutions, and improve our existing products and solutions. However, we cannot guarantee that our various incentive initiatives will be sufficient to attract, recruit and retain the necessary R&D talents. The competition for talent in the industry, both in China and globally, is highly intense. We may need to offer higher compensation and additional benefits to attract and retain these individuals. However, even with these incentives, there is no assurance that these talented individuals will choose to join or remain with us. If we fail to attract or retain R&D talents with the required expertise, it could lead to delays or disruptions in our R&D projects, which could result in damage to our competitiveness in the market. See “— Our success depends to a great extent on our R&D capabilities. Failure of our technology and R&D efforts may hurt our competitiveness and profitability.”

The competition for highly skilled employees in our industry is becoming more intense. The loss of any key management members or capable personnel poses significant challenges in finding suitable replacements promptly, if at all. Such losses could lead to disruptions in our operations and inefficiencies in executing our development strategies. Additionally, the process of recruiting and training new personnel could be costly.

Our expansion into international markets outside of China exposes us to operational, financial and regulatory risks.

We expect to expand into international markets and grow our international sales. For example, we plan to lease and renovate our two overseas productions. See “Future Plans and Use of Proceeds.” While we have committed resources and are working closely with automotive OEMs and other collaborators outside China to expand our international operations and sales channels, these efforts may not be successful. International operations may be subject to a number of other risks, including:

- political and economic instability and international terrorism;

RISK FACTORS

- inability to maintain or enhance operational efficiency and cost savings, including operational challenges due to distance, language and cultural differences, increasing difficulty for us in directing and monitoring day-to-day overseas operations and increasing difficulty to hire and retain qualified personnel on commercially reasonable terms, or at all;
- compliance with multiple and potentially conflicting laws and regulations governing various aspects of our operations, including competition, pricing, operation, transportation, logistics, tariffs, trade protection, anti-trust, anti-monopoly and other activities important to our business;
- exchange rate fluctuations;
- global or regional health crises, such as health epidemics and outbreaks;
- increased difficulty in managing inventory;
- delayed revenue recognition;
- less effective protection of intellectual property; and
- uncertainty in the macroeconomic environment and conditions of the markets.

The materialization of any of these risks could negatively affect our international business and consequently our business, results of operations and financial condition.

We may not be able to protect our intellectual property rights, and our ability to compete could be harmed if our intellectual property rights are infringed by third parties.

We cannot assure you that we can prevent third parties from infringing upon our intellectual property rights. There is a risk that unauthorized parties may copy, reverse engineer, disclose, obtain or use our technologies and solutions. Competitors might develop similar or competitive technologies, solutions or services, or design around our existing patents. Such activities could materially and adversely affect our competitive position. Moreover, unauthorized use of our intellectual property, unfair competition, defamation or other violations of our rights by our users, employees and/or third parties may harm our brand and reputation, and the expenses incurred in protecting our intellectual property rights may materially and adversely affect our business. Monitoring unauthorized use of our technology is difficult and costly. We cannot be certain that the steps we have taken will prevent misappropriation of our technology. From time to time, we may have to institute litigation, arbitration or other proceedings to enforce our intellectual property rights, which would likely be time-consuming and could result in substantial costs and diversion of our management's time and attention regardless of its outcome, materially and adversely affecting our business, financial condition and results of operations.

RISK FACTORS

Our measures to enforce or defend our intellectual property rights may not always be successful. Preventing any unauthorized use of our intellectual properties is difficult and costly and the steps we take may be inadequate to prevent the misappropriation of our intellectual properties. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources. In addition, our trade secrets may be leaked or otherwise become available to, or be independently discovered by, our competitors. Any failure in protecting or enforcing our intellectual property rights may have a material and adverse effect on our business, financial condition, results of operations and prospects.

We may infringe intellectual property rights of third parties, which can lead us to time-consuming and costly intellectual property infringement claims.

We cannot be certain that our operations or any aspects of our business do not or will not infringe upon or otherwise violate trademarks, patents, copyrights, know-how or other intellectual property rights held by third parties. We may also, from time to time in the future, be subject to legal proceedings and claims relating to the intellectual property rights of others. In addition, there may be third-party trademarks, patents, copyrights, know-how or other intellectual property rights that are infringed upon by our solutions, services or other aspects of our business without our knowledge. Holders of such intellectual property rights may seek to enforce such intellectual property rights against us in China or other jurisdictions. If any third-party infringement claims are brought against us, we may be forced to divert our management's time and other resources from our business and operations to defend these claims, regardless of their merits.

Additionally, the application and interpretation of the PRC laws relating to intellectual property, the procedures and the standards for granting trademarks, patents, copyrights, know-how or other intellectual property rights in China are still evolving, and we cannot assure you that the PRC courts or regulatory authorities would agree with our analysis. If we were found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual properties, and we may incur licensing fees or be forced to develop alternatives of our own. In the event of a successful claim of infringement against us, or our failure or inability to develop non-infringing intellectual property or license the infringed or similar intellectual property on a timely basis, our business, financial condition, results of operations and prospects may be materially and adversely affected. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any threatened or pending disputes relating to the infringement of intellectual property rights that would have a material adverse effect on our business.

RISK FACTORS

We may be unable to protect the confidentiality of our trade secrets and confidential information.

In addition to our issued patents and pending patent applications, we rely on trade secrets and confidential information, including unpatented know-how, technologies and other proprietary information, especially the one developed and discovered in our research and development process, to maintain our competitive position. We seek to protect these trade secrets and confidential information, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to them. However, parties to the aforementioned agreements, whether an employee or a third party, may breach such agreements and make an unauthorized use or disclosure of our proprietary confidential information. The level of protection available to trade secrets and know-hows generally differs from that of registered patents. As such, we cannot assure you that our current protection measures are adequate to prevent third parties from accessing and using our trade secrets and know-hows without authorization. In addition, to the extent that our employees or business partners use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our proprietary information could adversely affect our business prospects.

We may face risks of sharing relevant R&D results with our collaboration partners.

We have engaged and plan to continue engaging in collaborations with other companies in the industry to enhance our technology and drive market acceptance. However, we may face difficulties in successfully negotiating new definitive agreements with these business partners, and such agreements may not always be on favorable terms. Additionally, we might need to identify, negotiate and establish relationships with other third parties. There is no guarantee that we will successfully secure definitive agreements with these parties on attractive terms, or at all, which could result in increased costs for us to develop and provide these capabilities. In addition, there is no guarantee that our collaboration with business partners may lead to significant revenue increase.

Collaborating with business partners involves various risks, some beyond our control. Our agreements may contain termination clauses that allow either party to end the contract with or without cause. Termination of a partnership could delay or even halt our research and development efforts. Furthermore, there may be limitations on the scope of our collaborations specified in these agreements. Future agreements could also include exclusivity clauses that restrict our ability to work with other persons, potentially those with superior technology or preferred partnership opportunities. Delays may arise if partners do not adhere to agreed-upon timelines or encounter capacity issues. Disputes over budgets or funding for joint projects are also possible, which could result in potential delays of the overall projects or potential termination of such projects. Additionally, potential disputes with partners, particularly concerning intellectual property rights, might occur, which could harm our relationship with

RISK FACTORS

such partners on other business perspectives beyond specific collaboration projects. Any of the foregoing could adversely affect our business, results of operations and financial condition. It is crucial to recognize and manage these potential challenges and risks linked to our collaborative efforts.

Our performance may suffer from business disruptions associated with information technology, system implementations, or catastrophic losses affecting our IT systems.

IT is fundamental to our competitiveness and efficient operation. We utilize and maintain IT systems which are in line with our business operations to cater to our diverse operational needs and support various critical functions covering sales, R&D, supply chain, production and after-sales services. The satisfactory performance, reliability and carrying capacity of our IT systems are critical to our success and our ability to provide quality services. However, our systems and network operations are vulnerable to disruptions arising from human error, power failure, computer viruses, spam attacks, unauthorized access and other similar events. Any significant failure in our IT systems could result in transaction errors, processing inefficiencies and loss of sales and customers or lead to loss or leakage of confidential information. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material IT system failure or downtime that had a material adverse effect on our business operations. However, there can be no assurance that we would not in the future be subject to such disruptions or instabilities that may result in material damages or remediation costs. Additionally, we must continue to upgrade and improve our IT systems to support our business growth, and failure to do so could impede our growth. However, we cannot assure you that we will be successful in executing these IT system upgrades and improvement strategies. In particular, our IT systems may experience interruptions during upgrades, and the new technologies or infrastructures may not be fully integrated with the existing systems on a timely basis, or at all. If our IT system does not function properly, it could cause system disruptions and slow response times, affecting data transmission, which, in turn, could materially and adversely affect our business, financial condition and results of operations.

Any failure to comply with the laws and regulations relating to cybersecurity, data security and personal information protection may subject us to legal or administrative proceedings, which may materially and adversely affect our reputation and business operations.

During our daily business operations, we handle personal information, such as employees' names, postal addresses and phone numbers, for the necessary management of employees. In addition, we collect customer data in order to provide after-sales services to our customers when being required by such customers. Accordingly, our business operations are subject to various data security and personal information protection laws and regulations. The PRC government has enacted a series of laws, regulations and governmental policies for the protection of cybersecurity, data security and personal information in the past few years. For instance, on June 10, 2021, the Standing Committee of the National People's Congress promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the “**Data Security Law**”), effective September 1, 2021. The Data Security Law sets out a number of

RISK FACTORS

obligations on data security undertaken by entities and individuals engaged in data-related activities. It also prohibits any individual or entity in China from providing data stored in China to foreign judicial or law enforcement authorities without the approval of the competent authorities in China. Besides, the Measures for the Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》), which was promulgated by the Cybersecurity Administration of China (the “CAC”) on July 7, 2022 and became effective on September 1, 2022, stipulates the obligation that before applying for the security assessment of cross-border data transfer, data handlers shall conduct a self-assessment of the risks in the outbound data transfer. On November 7, 2016, the Standing Committee of the National People’s Congress promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》), effective since June 1, 2017, and pursuant to which, the state is to advance the development of a socialized service system for cybersecurity, and encourage related businesses and institutions to carry out cybersecurity services such as certification, testing and risk assessment. According to the Measures for Cybersecurity Review (《網絡安全審查辦法》), which became effective in February 2022, an online platform operator who possesses personal information of more than one million users must apply to the authorities for Cybersecurity Review if it intends to go list abroad. On September 24, 2024, the State Council released the Regulations on the Management of Network Data Security (《網絡數據安全管理條例》), also known as the Network Data Regulation, which shall come into force on January 1, 2025. The Network Data Regulation is not only the first at the administrative regulation level specifically for network data security, but it also serves as a comprehensive implementing regulation for the compliance requirements set out by the Cybersecurity Law, Data Security Law, and Personal Information Protection Law. See “Regulation Overview — Regulations Relating to Cybersecurity, Data Security and Personal Information Protection.” We may also become subject to laws and regulations affecting data protection, data privacy or information security in other jurisdictions such as the General Data Protection Regulation, or the GDPR, adopted by the European Union that became fully effective on May 25, 2018. The interpretation and application of these laws or regulations are often uncertain and in flux.

During the Track Record Period and up to the Latest Practicable Date, we have complied with applicable data security and personal information protection laws and regulations in the jurisdictions where we operate in all material aspects. Nevertheless, there might be changes from time to time regarding the interpretation and application of the laws and regulations regarding data privacy and protection as they are generally complex and evolving. In addition, we may be subject to additional regulatory requirements regarding data privacy and protection, which may necessitate adjustments to our data management framework and incur additional costs. Any concerns about our practices or policies with respect to the collection, use, storage, retention, transfer, disclosure and other processing of data and cybersecurity could subject us to potential liabilities and reputational damage. In addition, the regulatory regime for data protection and privacy is complex and constantly evolving, which could increase our compliance costs and operational complexity. Complying with new data laws and regulations could cause us to incur substantial costs or require us to change our business practices in a manner materially adverse to our business. Any failure to closely monitor the relevant regulatory development could subject us to potential liabilities, further materially and adversely affecting our business, financial condition and results of operations.

RISK FACTORS

We are subject to risks associated with international trade policies, geopolitics and trade protection measures, tariffs, rising political tensions, and our business, financial condition and results of operations could be adversely affected.

Our operations may be negatively affected by any deterioration in the geo-political and geo-economic relations among countries. For example, we may be materially and adversely affected by any export controls and other geopolitical challenges, including, but not limited to, economic and labor conditions, increased tariffs, duties, taxes and other costs and political instability. In particular, certain foreign jurisdictions may impose economic sanctions and trade restrictions directly or indirectly affecting China-based companies, due to the source of their products, ownership of businesses or other reasons. Such laws and regulations are likely subject to frequent changes, and their interpretations and enforcements involve substantial uncertainties, which may be heightened by national security concerns or driven by political or other factors that are outside of our control. Therefore, such restrictions and similar or more expansive restrictions that may be imposed by the U.S. or other jurisdictions in the future may be burdensome or costly to comply with and may materially and adversely affect us, our business partners and our key suppliers' and customers' abilities to obtain technologies, systems, devices or components that may be critical to our technology infrastructure, service offerings and business operations, and may affect our sales or the sales of our customers to certain foreign markets.

Significant political, trade, or regulatory developments in the jurisdictions in which we operate, such as those stemming from the current U.S. federal administration, are difficult to predict and may have a material adverse effect on us. Similarly, changes in U.S. federal policy could give rise to circumstances outside our control that could have negative impacts on our business operations, including as a result of an economic downturn and geopolitical events, such as changes in U.S. federal policy that affect the geopolitical landscape. Changes to policy implemented by the U.S. Congress, the current administration or any new administration have impacted and may in the future impact, among other things, the United States and global economy, international trade relations, the U.S. regulatory environment, inflation and other areas.

Our business may be impacted by the imposition of tariffs by the United States and any resulting retaliatory tariffs in the countries in which we operate. As a company operating in the Chinese automotive industry chain, we may be particularly vulnerable to geopolitical tensions targeting this specific sector, which has and may continue to increasingly become a focus of trade restrictions and regulatory scrutiny. The U.S. President has increased, and has indicated his willingness to continue to increase, the use of tariffs to accomplish certain policy goals. Between February and April 2025, the current U.S. administration implemented tariffs on several major trading partners, including the PRC, with a baseline of 10% tariffs on all countries and an additional individualized reciprocal higher tariff on the countries with which the United States has the largest trade deficits. On April 9, 2025, the U.S. President announced that the reciprocal tariffs would be paused for 90 days on trading partners who did not retaliate after such policy took effect, but the 10% baseline tariff would apply to nearly all other U.S. trading partners. Tariffs on Chinese imports, however, has increased significantly as the two

RISK FACTORS

countries have implemented retaliatory tariffs and placed additional limitations on export controls. Specifically in relation to the automotive industry, on March 26, 2025, the U.S. imposed 25% tariffs on automobiles (effective April 3, 2025), and certain automobile parts (effective May 3, 2025) under Section 232 of the U.S. Trade Expansion Act of 1962.

As of the Latest Practicable Date, the U.S. had imposed 62.5% tariffs in aggregate on our products if imported into the U.S., including a 2.5% Most Favored Nations tariff, supplemented by additional tariffs including a 25% tariff under Section 301 of the Trade Act of 1974 (as amended), a 10% Fentanyl-related tariff under the International Emergency Economic Powers Act (“IEEPA”) and a 25% tariff under Section 232 of the Trade Expansion Act of 1962. Tariffs imposed under the IEEPA, including the Fentanyl-related tariff, are subject to ongoing judicial challenges but remained in effect as of the date of this prospectus. That said, the reciprocal tariff imposed against PRC imports under the IEEPA, being 10% as of the Latest Practicable Date, will not apply to our products, by virtue of tariffs stacking rules. On October 11, 2025, in reaction to the PRC tightening export controls on rare earths, the U.S. President announced on social media 100% tariffs on all PRC imports effective November 1, 2025. As of the Latest Practicable Date, this had not been implemented. On February 20, 2026, the U.S. Supreme Court ruled that the tariffs imposed under IEEPA exceeded the powers given to the U.S. President under the relevant law. On the same day of the Supreme Court ruling, the U.S. President issued an executive order ending the abovementioned IEEPA tariffs with immediate effect, together with a fact sheet imposing a temporary 150-day, 10% *ad valorem* duty on all imported articles, effective February 24, 2026 on the basis of a different statute. Our International Sanctions Legal Advisor has advised that the existing and proposed tariffs, export control measures and import control measures imposed by the U.S. on imports from the PRC or other jurisdictions are not expected to have any direct or material adverse impact on the business operations and financial performance of our Group, which did not export any products to the United States during the Track Record Period or up to the Latest Practicable Date and has no plans or arrangements to do so for at least two years following Listing. However, we cannot predict how tariff policies in various countries may further evolve or anticipate any potential impacts of subsequent developments in such policies on our business, if we, our suppliers or other partners are negatively affected by tariff policies, our business, financial condition and results of operations may deteriorate. Historically, tariffs have led to increased trade and political tensions, between not only the United States and China, but also between the United States and other countries in the international community. There is significant uncertainty as to whether countries will be able to successfully reach any trade deals with the United States. Rising political tensions as a result of trade policies could reduce trade volume, investment, and other economic activities between major international economies. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, which in turn can significantly impact our business and results of operations. As we are positioned within the Chinese automotive industry supply chain, we may face particular challenges if this sector becomes a specific target of trade restrictions or regulatory actions, even in the absence of direct or indirect U.S. sales.

RISK FACTORS

Certain countries or organizations have implemented economic sanctions against Sanctioned Countries or against targeted industry sectors, companies, individuals, and/or organisations. During the Track Record Period and up to the Latest Practicable Date, we sold our products to non-sanctioned customers predominantly located in China (“**Relevant Activities**”). Our International Sanctions Legal Advisor has advised that our business activities did not constitute Primary Sanctioned Activity or Secondary Sanctionable Activity. As such, the Relevant Activities did not represent a violation of the applicable International Sanctions in the Relevant Jurisdictions that could result in any material sanctions risk to the Relevant Persons.

Moreover, during the Track Record Period and up to the Latest Practicable Date, we sourced some U.S.-origin electronics and incorporated them into our products sold to Chinese customers. We also used certain U.S.-origin software in product development. That said, our International Sanctions Legal Advisor has advised that such activities should not give rise to material risks under applicable U.S. export control laws, because: (1) our products sold in China did not incorporate more than the *de minimis* level (in our case, 25%) of controlled U.S. items. The U.S.-origin electronics that were incorporated into our products are classified as “EAR99.” EAR99 items generally consist of low-level technology, consumer goods, etc. and do not require a license in most situations for exports, re-exports, or transfers (in-country), unless the proposed export, re-export, or transfer of an EAR99 item is to an embargoed country, to an end user of concern (e.g., a customer on the BIS Entity List), or is in support of a prohibited end use. EAR99 components are not counted towards *de minimis* calculations in such case, and none of our customers were in Sanctioned Countries or designated on any list administered by BIS; and (2) the U.S. origin software that was used to design and manufacture our products are also classified as EAR99. As such, our products were not subject to the U.S. export control restrictions by virtue of being foreign direct products of U.S. technologies. During the Track Record Period and up to the Latest Practicable Date, we did not directly procure any raw materials, components or software from suppliers based in the U.S.. Instead, such items were sourced from authorised distributors located in jurisdictions outside the U.S..

In addition to export controls, the U.S. has introduced import controls restricting sales of certain covered vehicle connectivity systems (“**VCS**”) hardware or completed connected vehicles that incorporate software that supports the function of VCS or automated driving software (“**ADS**”) with a Chinese or Russian nexus. On January 16, 2025, BIS implemented the final rule of Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles (the “**CV Rule**”), which went into effect on March 17, 2025. During the Track Record Period, we did not sell our products directly or indirectly (e.g., through incorporation into completed vehicles) to or in the United States and was therefore not subject to the restrictions under the CV Rule. Even if we were to sell to the United States in the future, our International Sanctions Legal Advisor has advised that our products should not be subject to the CV Rule and would unlikely be classified as VCS hardware or software that supports the function of VCS or ADS, because: because (1) our products merely display information that are received and processed by other components in the vehicles. Our products do not “directly enable” the transmission, receipt, conversion, or processing of any radio waves; and (2) our products merely serve as visual aids, and do not directly enable the automatic driving function

RISK FACTORS

of vehicles. As such, we are of the view that the CV Rule is not applicable to our HUD solutions. Therefore, our Directors are of the view that the CV Rule (i) does not have any material and adverse impact on our business operation, financial performance or future prospects; and (ii) does not have any negative implications on our plan to expand into overseas markets and to grow our international sales.

We will comply with applicable trade-related laws, including not knowingly or intentionally conduct any business that will cause us to violate International Sanctions, and will not use the proceeds from the Global Offering or any other funds raised through the Hong Kong Stock Exchange to finance or facilitate, directly or indirectly, activities or business involving, or for the benefit of, parties with ties to the Sanctioned Countries or Sanctioned Targets. As of the Latest Practicable Date, none of our customers had canceled their orders with us as a result of recent geopolitical tensions between China and the U.S.. However, we cannot assure you that regulators will not take the position that our past, current or future activities globally constitute sanctionable activities or business. Our business and reputation could be materially and adversely affected if the government of the United States, the UN or any other governmental entities were to determine that any of our activities constitute violations of the sanctions they impose. In addition, because sanctions programs evolve over time, new requirements or restrictions could come into effect which may increase scrutiny on our business or result in our business activities being deemed to violate sanctions. In addition, if any of our customers, end users or suppliers becomes subject to International Sanctions in the future, we may have to discontinue our business with such customers, end users or suppliers due to potential economic sanctions liability risks. In such events, our financial results may be materially and adversely affected.

We may need to raise additional capital in the future in order to execute our business plan, which may not be available on acceptable terms, or at all.

We may need additional capital in the future to fund our continued operations, and we may be unable to raise additional funds, whether through equity or debt financing, when needed on favorable terms or at all. If we do raise additional capital through public or private equity offerings, the ownership interest of our existing shareholders, including investors in this offering, will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our shareholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies.

Acquisitions, investments or strategic alliances may fail and materially and adversely affect our reputation, business and results of operations.

We may in the future enter into strategic alliances with various third parties. Strategic alliances with third parties could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the counterparty and an increase in

RISK FACTORS

expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have little ability to control or monitor their actions and to the extent strategic third parties suffer negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with such third parties.

In addition, we may acquire additional assets, technologies or businesses that are complementary to our existing business. Future acquisitions and the subsequent integration of new assets and businesses into our own would require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could adversely affect our business. Acquired assets or businesses may not generate the financial or results of operations we expect. In addition, acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the incurrence of debt, the incurrence of significant goodwill impairment charges, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business.

Our failure to address these risks or other problems encountered in connection with our future acquisitions and investments could cause us to fail to realize the anticipated benefits of such acquisitions or investments, incur unanticipated liabilities and expenses and harm our business generally. If we use our equity securities to pay for acquisitions or investments, we may dilute the value of our Shares. If we borrow funds to finance acquisitions or investments, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. Such acquisitions and investments may also lead to significant amortization expenses related to intangible assets, impairment charges or write-offs. Moreover, the costs of identifying and consummating acquisitions may be significant. In addition to possible shareholders' approval, we may also have to obtain approvals and licenses from the government authorities for the acquisitions and comply with applicable laws and regulations, which could result in increased costs and delays.

Our business operates under various permits, licenses, approvals and/or qualifications and the loss of or failure to obtain or renew any or all of these permits, licenses, approvals or qualifications may materially and adversely affect our business, results of operations and financial condition.

In accordance with the laws and regulations in the jurisdictions in which we operate, we are required to maintain various approvals, licenses, permits and certifications in order to operate our business. Complying with such laws and regulations may require substantial expense and may impose a significant burden, while any noncompliance may expose us to liability.

In addition, in the event that we are required to renew our certain existing licenses or permits or acquire new ones, whether as a result of the promulgation of new laws and regulations or otherwise, we cannot assure you that we will be able to meet the requisite conditions and requirements, or obtain all requisite approvals, licenses, permits and certifications in a timely manner. Furthermore, due to the evolving interpretation and

RISK FACTORS

implementation of existing laws and the adoption of additional laws and regulations, the licenses, permits, qualifications, registrations or filings we hold may be deemed insufficient by the competent government authorities. If we are unable to obtain, or experience material delays in obtaining, necessary government approvals, our operations may be substantially disrupted, and we may be subject to fines or penalties from local authorities, which could materially and adversely affect our business, financial condition and results of operations.

The laws, regulations and official guidance relating to our business may further evolve and may be subject to further changes. Non-compliance with any existing or new regulation may result in penalties, limitations and prohibitions on our business activities, and we may need to modify our business operations in response to changes in laws and regulations.

We are subject to extensive regulations and policies both domestically and internationally. In recent years, the regulatory landscape has become increasingly stringent, with heightened scrutiny and enforcement actions. Failure to comply with these evolving regulations can result in significant penalties, including fines, restrictions on our business operations, and even revocation of our licenses. Such regulatory actions could adversely affect our ability to conduct business, harm our reputation, and materially impact our financial condition and operational results. Furthermore, any changes in the interpretation or enforcement of existing laws, or the introduction of new regulations, could necessitate modifications to our business operations, potentially increasing our operational costs and affecting our profitability.

Our business and operations are subject to various industry incentive policies provided by the government, including government grants, government interest subsidy, investment incentives, tax reductions, talent introduction, support for technological research and development, among others. If investment incentive policies are reduced, we may need to bear higher capital costs, which could impact our expansion and development plans. A reduction in support for technological research and development could limit our investment in new technologies and product development, thereby impacting our market position and long-term development.

We are exposed to credit risks in relation to our trade and bills receivables. Failure to collect our trade and bills receivables in a timely manner or at all could have a material and adverse impact on our business, financial condition, liquidity and prospects.

During the Track Record Period, our trade and bills receivables mainly represented the outstanding amounts receivable from our customers. As of December 31, 2022, 2023 and 2024 and September 30, 2025, our trade and bills receivables amounted to RMB124.0 million, RMB285.8 million, RMB295.7 million and RMB277.7 million, respectively. Our trade receivables turnover days in 2022, 2023, 2024 and the nine months ended September 30, 2025, were 102.2 days, 103.5 days, 140.5 days and 117.9 days, respectively. Fluctuations of trade and bills receivables from our major customers may have a significant impact on our cash flow. There can be no assurance that the collection of amounts due from our customers will be timely. For example, certain of our customers with significant market presence possess strong

RISK FACTORS

bargaining power, which may require us to extend trade receivable turnover days for them. This might result in slow turnover of our trade and bills receivables and restrict our working capital resources. In addition, we may not be able to collect all of our trade and bills receivables due to factors beyond our control, such as adverse operating conditions or financial condition of our customers, and customers' inability to pay due to delays in payment from their own end-users. If our customers delay or default on their payments to us, we may need to make impairment provisions and write off the relevant receivables. Further delay or default on the payments to us would have a material negative impact on our liquidity and financial condition.

If certain government grants and subsidies and preferential tax treatments become unavailable, our results of operations and financial condition may be adversely affected.

We benefited from preferential tax treatment and government grants during the Track Record Period. The PRC CIT Law and its implementation rules have adopted a statutory enterprise income tax rate of 25%. However, the income tax of an enterprise that has been determined to be a high and new technology enterprise can be reduced to a preferential rate of 15%. During the Track Record Period, several subsidiaries of our Group were qualified as a High and New Technology Enterprise under the relevant PRC laws and regulations. If we cease to be entitled to preferential tax treatment or if the relevant PRC laws and regulations expire or develop, our income tax expenses may increase, which would adversely affect our financial condition and results of operations.

We also receive government grants and subsidies from time to time. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, the government grants and subsidies we received amounted to RMB35.0 million, RMB5.2 million, RMB7.6 million, RMB0.9 million and RMB2.0 million, respectively. There can be no assurance that we will continue to receive and benefit from government grants and subsidies in the future.

Failure to fulfill our obligations in respect of contract liabilities could adversely affect our liquidity and financial condition.

Our contract liabilities mainly represent advances received from customers for sales of our testing solutions. Our contract liabilities amounted to RMB15.5 million, RMB10.5 million, RMB5.7 million and RMB13.8 million, as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. See "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Contract Liabilities." There is no assurance that we will be able to fulfill our obligations in respect of contract liabilities as the fulfillment of our performance obligations is subject to various factors that are beyond our control. If we are not able to fulfill our obligations with respect to our contract liabilities, the amount of contract liabilities will not be recognized as revenue, and we may have to refund the advance payment made by our customers. As a result, our liquidity and financial condition may be adversely affected.

RISK FACTORS

Fair value changes in redemption liabilities on equity shares and the related valuation uncertainty may affect our financial condition and results of operations.

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we recorded fair value losses on redemption liabilities on equity shares of RMB172.3 million, RMB166.7 million, RMB128.0 million, RMB121.4 million and RMB307.0 million, respectively. Fair value losses on redemption liabilities on equity shares represent fair value losses on our convertible preferred shares issued in our Pre-IPO financing and relates to changes in the valuation of our Company. See “History, Development and Corporate Structure — Pre-IPO Investments.” The instruments issued to investors are not traded in an active market and the respective fair value is determined by using valuation techniques, including the back-solve method, discounted cash flow method, option pricing method and Black-Scholes model. Such valuation is based on key parameters about discount rate, risk-free interest rate, discounts for lack of marketability and volatility, which are subject to uncertainty and might materially differ from the actual results. Any change in the valuation techniques, key parameters or the use of unobservable inputs may lead to different valuation results and, in turn, changes in the fair value of these financial instruments may affect our financial condition and results of operations.

Our business partners may engage in intentional or negligent misconduct, or violate our internal policies and laws, which could impair the quality of our service, cause us to lose customers or subject us to liabilities.

We risk compromising the quality of our solutions if our business partners do not perform in accordance with our standards. We have internal policies and guidelines to monitor and ensure the products delivered to our customers are of satisfactory standard. Nevertheless, we cannot guarantee that our business partners will not engage in any intentional or negligent misconduct.

In addition, we may be exposed to the risks of fraud or other unlawful activities committed by our business partners, such as fraud, corruption, bribery, tax evasion and other illegal practices. We may not be able to identify and deter misconduct by such foregoing persons, and the precautions we take to detect and prevent such misconduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with relevant laws or regulations. In any such event, we could incur liability to our customers or any other third parties.

Any claims could subject us to costly litigation and affect our business, financial condition and results of operations, and may distract the attention of our management regardless of whether the claims have merit. Any claims could result in complaints from our customers or other third parties, regulatory or legal liabilities or damages to our reputation.

RISK FACTORS

Any labor shortages, increased labor cost or other factors affecting our labor force may adversely affect our business, profitability and reputation.

Our success depends on our ability to hire, train, retain and motivate our employees. We have not experienced any material work stoppages or strikes in the past. However, we cannot guarantee that any of such events will not arise in the future. If our employees engage in a strike or other work stoppage, we may experience significant operational disruption and/or accept higher labor costs, resulting in an adverse effect on our businesses, financial condition and results of operations. We regard favorable labor relations as a significant factor that can affect our performance and any deterioration in our labor relations with employees or the labor union could cause labor disputes, which could result in the disruption of production and operations. There is no guarantee that we will always be able to maintain stable and quality labor force at favorable costs. Any deterioration in our labor relations could result in the disruption of production and operations, and may subject us to legal proceedings, as well as monetary and reputational damages.

In addition, our reputation for reliability and timely delivery is crucial to maintaining and expanding our customer base. Any delays in production of our solutions could potentially harm our reputation and result in dissatisfied customers, which could lead to potential loss of business. Any negative impact on our reputation may lead to decreased customer loyalty, reduced sales, and ultimately, adverse effects on our financial performance.

Negative publicity and allegations involving us, our shareholders, directors, officers, employees customers, suppliers and other business partners may affect our reputation and, as a result, our business, financial condition and results of operations may be negatively affected.

Our continued success and growth depend on the market's perception of the technological advancements we offer, as well as the quality and reliability of our solutions. Our brand reputation could be jeopardized by product defects, liability claims, incident reports, or negative publicity, which could stem from various sources including the media or other forms of negative publicity about our industry, brands, solutions, Company, directors, employees, customers, suppliers or other business partners. Negative publicity and allegations involving us, our shareholders, directors, officers, employees, customers, suppliers and other business partners, or the advanced human-vehicle vision interaction solutions as a whole, may materially and adversely harm our brand image and reputation and cause deterioration in the level of market recognition of and trust in the products and solutions provided by us, thereby resulting in reduced sales volumes and revenues, potential loss of business partners as well as the loss of highly qualified personnel with specialized skills. In addition, such negative publicity may come from malicious harassment or unfair competition acts by third parties, which are beyond our control. Such negative publicity may also result in the diversion of our management's attention and governmental investigations or other forms of scrutiny, which may have a material and adverse effect on our business, financial condition, results of operations and prospects.

RISK FACTORS

We may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise.

We maintained various insurance policies relating to our business operations, including property insurance and employer's liability insurance. We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with industry norms. However, we cannot assure you that our insurance coverage in terms of amount, scope and benefit is sufficient. Any uninsured risks and liabilities such as damages to or loss of properties may result in substantial costs and the diversion of resources, which could adversely affect our results of operations and financial condition. Such risks include, among others, loss of key management and personnel, business interruption, litigation or legal proceedings, natural disasters such as epidemics, pandemics or earthquakes, terrorist attacks and social instability or any other events beyond our control. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may be involved in legal or other proceedings arising out of our operations from time to time and may face significant liabilities as a result.

We may be involved in legal proceedings and commercial or contractual disputes in the ordinary course of our business. We cannot assure you that we will not be involved in various legal proceedings and other disputes in the future, which may expose us to additional risks and losses. In addition, we may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies and may result in damage to our reputation, additional operating costs and diversion of resources and management's attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our directors, senior management or key employees may materially and adversely affect our reputation, business, results of operations, financial condition and prospects.

We are subject to environmental protection, occupational health and safety-related laws and regulations. Changes in these laws and regulations may cause us to incur additional compliance costs, and any non-compliance with these laws and regulations could lead to imposition of fines and penalties and harm our business.

Our business is subject to certain PRC laws and regulations relating to environmental, safety and occupational health matters. Under these laws and regulations, we are required to maintain safe production conditions and protect the occupational health of our employees. While we have conducted periodic inspections of our operating facilities and carry out equipment maintenance on a regular basis to ensure that our operations are in compliance with applicable laws and regulations, we cannot assure you that we will not experience any material accidents or worker injuries in the course of our production process in the future.

RISK FACTORS

Our production process produces pollutants such as exhaust gas, sewage and solid waste. The discharge of wastewater and other pollutants from our manufacturing operations into the environment may give rise to liabilities that may require us to incur costs to remedy such discharge. We cannot assure you that all situations that will give rise to material environmental liabilities will be discovered or any environmental laws adopted in the future will not materially increase our operating costs and other expense. Any increase in production costs resulting from the implementation of additional environmental protection measures and/or failure to comply with new environmental laws or regulations may have a material adverse effect on our business, financial condition or results of operations.

In addition, we are subject to various ESG rules and regulations by governing bodies, including the Stock Exchange and the SFC once we become a public company, as well as regulatory authorities in China. We must also adapt to new and evolving regulatory measures under applicable laws and changing social trends concerning ESG risks. Investors are increasingly focused on ESG issues and tend to incorporate ESG performance into their investment decisions, while customers are becoming more environmentally conscious, preferring products with green and environmentally friendly design and production. For details, see “Business — Environmental, Social and Governance.” Our efforts to comply with new and changing laws, regulations and social trends may result in increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities, which may adversely affect our business, financial condition or results of operations.

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

According to the Regulation on the Administration of Housing Provident Funds (《住房公積金管理條例》), which was promulgated by the State Council and became effective on April 3, 1999, and subsequently amended on March 24, 2019, we are required to set up housing provident fund accounts (住房公積金賬戶) and pay the housing provident fund on time and in full for our employees. According to the PRC Social Insurance Law (《中華人民共和國社會保險法》), which was promulgated by the Standing Committee of the National People’s Congress on October 28, 2010, effective on July 1, 2011 and last amended and effective on December 29, 2018, a PRC enterprise is required to obtain social insurance certificates for its employees and to pay the social insurance contributions on time and in full. During the Track Record Period and up to the Latest Practicable Date, we did not pay social security premiums and housing provident funds in full amount in accordance with the relevant laws and regulations, though we did fully cover all of our employees.

Pursuant to the Reform Plan of the State Tax and Local Tax Collection Administration System (《國稅地稅徵管體制改革方案》), which was promulgated by the General Office of the Communist Party of China and the General Office of the State Council of the PRC on July 20, 2018, from January 1, 2019, all the social insurance premiums including the premiums of the basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance will be collected by the tax authorities. According to the

RISK FACTORS

Notice of the General Office of the State Taxation Administration on Conducting the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (《國家稅務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》) promulgated on September 13, 2018 and the Urgent Notice of the General Office of the Ministry of Human Resources and Social Security on Implementing the Spirit of the Executive Meeting of the State Council in Stabilizing the Collection of Social Insurance Premiums (《人力資源社會保障部辦公廳關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》) promulgated on September 21, 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden to conduct self-collection of historical unpaid social insurance contributions from enterprises. Notice of the State Administration of Taxation on Implementing the Several Measures to Further Support and Serve the Development of Private Economy (《國家稅務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》) promulgated on November 16, 2018, repeats that tax authorities at all levels may not organize self-collection of arrears of taxpayers including private enterprises in the previous years.

As advised by our PRC Legal Advisor, an employer that has not made social insurance contributions in full and on time as prescribed by the law, may be ordered by social insurance contributions collection institutions to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late payment fee of up to 0.05% per day.

If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times the amount overdue. In addition, an employer that has not made housing provident fund contributions at a rate and based on an amount prescribed by the law, or at all, may be ordered by the housing provident fund management center to rectify the noncompliance and pay the required contributions within a stipulated deadline. If the employer still fails to rectify the failure to make housing provident fund contributions within the stipulated deadline, it may be subject to the court's compulsory enforcement. Pursuant to the Supreme People's Court issued Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)), we may face the risk of employees seeking termination of the labor contract and claiming economic compensation. However, once the social insurance contributions are duly paid, we have grounds to request the return of the compensation from the employee.

During the Track Record Period, we were not subject to any administrative penalties in terms of the contribution of social insurance premium and housing provident funds pursuant to the credit reports obtained from the provincial credit information platform, the compliance letter from the relevant PRC authorities and written confirmations issued by competent government authorities. As of the Latest Practicable Date, we did not receive any notification from the relevant PRC authorities alleging that we had not fully contributed to the social insurance premiums and housing provident funds and demanding payment of the same before a stipulated deadline. As advised by our PRC Legal Advisor, the risk of us being imposed of material penalties is remote, provided that we pay the unpaid amount for social insurance and

RISK FACTORS

housing provident funds in full amount and in a timely manner after receiving notices to rectify the non-compliance from the relevant PRC authorities. However, we cannot assure you that the competent government authorities will not require us to pay the outstanding amount and impose late payment fees or fines on us. If we are subject to investigations related to noncompliance with labor laws and are imposed additional contributions to social insurance premiums and housing provident funds, and late payments and fines, our labor costs could increase. Such increases could adversely affect our business, results of operations, financial condition and prospects.

Share-based payments may have a material and adverse effect on our financial performance and cause shareholding dilution to our Shareholders.

We adopted share incentive plans, such as Share Incentive Scheme for the benefit of our Directors, Supervisors, senior management and core employees as remuneration for their services provided to us and to incentivize and reward the eligible persons who have contributed to the success of our Company. Our share-based payment expenses amounted to RMB4.7 million, RMB21.3 million, RMB2.7 million, RMB2.0 million and RMB3.0 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively.

We believe that granting of share-based compensation is of significant importance to our ability to attract and retain key personnel and employees. To further incentivize our employees, we may incur additional share-based payment expenses in the future. Expenses incurred with respect to such share-based payments may also increase our operating expenses and therefore have a negative effect on our financial performance. Issuance of additional H Shares with respect to such share-based payments may dilute the shareholding of our Shareholders and could result in a decline in the value of our H Shares.

Legal defects regarding some of our leased properties and our failure to renew our leases may adversely affect our business, financial condition and results of operations.

Under PRC law, certain lease agreements are required to be registered with the local land and real estate administration bureau. As of the Latest Practicable Date, we leased fifteen properties for our business operations and had not completed lease registration for seven leased properties in China. Although failure to register does not in itself invalidate the leases, we may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors.

In addition, as of the Latest Practicable Date, one of our leased properties was used for a purpose inconsistent with its permitted usage, which may challenge or interrupt our use and occupation of the relevant property. If we are challenged by third-parties or government

RISK FACTORS

authorities in connection with our use of the foregoing leased property, we may be forced to relocate. If we are not able to find a suitable location on commercially reasonable terms or in a timely manner or at all, our operations may be interrupted.

Moreover, we cannot assure you that we are able to renew our lease on commercially acceptable terms upon expiry, or at all. If the title of any of our leased properties is controversial or the validity of the relevant lease is challenged by any third party, or if we fail to renew our lease upon expiry, we may be forced to relocate from the affected leased properties. Such relocation may result in additional expenses or business interruption, which could, in turn, have an adverse effect on our business, financial condition and results of operations.

Our results of operations are affected by seasonal fluctuations.

Our HUD solution sales generally experience seasonal fluctuations. Sales tend to be lower during the first quarter, particularly around the Chinese New Year holiday period when vehicle manufacturing activities slow down. Sales typically increase in the second and third quarters as vehicle manufacturing ramps up during the spring and summer months. The fourth quarter often sees strong sales as customers seek to complete their annual procurement plans and utilize remaining budgets before year-end. See “Business — Seasonality.” If we are unable to increase our production capacity to meet demand of our customers, we may lose potential sales and our customers may seek other sources to meet their needs. If we are unable to manage our production capacity during a seasonal or market-related downturn in demand, we may be unable to control costs. Our inability to react to changes in seasonal or cyclical demand on a timely basis may have a material adverse effect on our business, financial condition and results of operations.

Our business growth and results of operations may be affected by natural disasters, health epidemics and pandemics, and social disruption, infrastructure failure and other outbreaks.

Our business could be materially and adversely affected by natural disasters, such as snowstorms, earthquakes, fires or floods, outbreaks of a widespread health epidemic or pandemic, or other events such as wars, acts of terrorism, environmental accidents, public utility outages or communication interruptions. Such events may also significantly affect our industry and may even cause a temporary closure of the facilities we or our business partners use for our operations, which would severely disrupt our operations and have a material adverse effect on our business, financial condition and results of operations. Our operations could be disrupted if any of our employees or employees of our business partners was suspected of having any of the epidemic or pandemic illnesses, since this could require us or them to quarantine some or all of such employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be materially reduced to the extent that a natural disaster, health epidemic or pandemic or other outbreak harms the global or PRC economy in general.

RISK FACTORS

Downturns or volatility in general economic conditions could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Our sales and profitability depend significantly on general economic conditions and the demand for the end products in the markets in which our customers compete. Weaknesses in the economy and financial markets can lead to lower demand in our target product groups. Economic uncertainty affects businesses such as ours in a number of ways, making it difficult to accurately forecast and plan our future business activities. A decline in end-user demand can affect the demand of the customers for our solutions, and the tightening of credit in financial markets may lead consumers and businesses to postpone spending, either of which may cause our customers to cancel, decrease or delay their existing and future orders with us.

We may not accurately assess the impact of changing market and economic conditions on our business and operations. Any adverse changes in economic conditions, including any recession, economic slowdown or disruption of credit markets, may also lead to lower demand for our solutions. In addition, financial difficulties experienced by our suppliers or distributors could result in product delays, increased accounts receivable defaults and inventory challenges. All these factors related to global economic conditions, which are beyond our control, could adversely impact our business, financial condition, results of operations and liquidity.

RISK RELATING TO OUR BUSINESS AND INDUSTRY IN THE PRINCIPAL PLACE OF OUR BUSINESS

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

On February 17, 2023, with the approval of the State Council, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five supporting guidelines (the “**Overseas Offering and Listing Trial Measures**”), which came into effect on March 31, 2023. The Overseas Offering and Listing Trial Measures comprehensively reformed the regulatory regime for overseas securities offerings and listings by China-based companies, conducted either in direct or indirect manners, by adopting a filing-based regulatory mechanism. See “Regulatory Overview — Regulations Relating to Securities and Overseas Listing” for details. The filing procedure with the CSRC under the Overseas Offering and Listing Trial Measures is required for any future offerings, listing or any other capital raising activities. Any failure to complete the filing procedure in a timely manner may adversely affect our ability to finance the development of our business and may have a material adverse effect on our business, results of operations and financial conditions.

Furthermore, on February 24, 2023, the CSRC and other relevant government departments released the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》),

RISK FACTORS

which came into effect on March 31, 2023, requiring that, in the process of overseas issuance and listing of securities by domestic entities, the domestic entities, and securities companies and securities service institutions that provide relevant securities service shall strictly implement the provisions of relevant laws and regulations and the requirements of these provisions, establish and improve rules on confidentiality and archives administration.

In addition, if the CSRC or other regulatory authorities later promulgate new rules or explanations requiring that we obtain their approvals or accomplish the required filing or other regulatory procedures in addition to those prescribed under the Overseas Offering and Listing Trial Measures for this Global Offering or future capital raising activities, we may have to go through additional procedures, and we cannot assure you that we can complete such procedures in a timely manner, or at all. Any uncertainties or negative publicity regarding such approval, filing or other requirements could materially and adversely affect our business, prospects, financial condition, reputation, and trading price of the H Shares.

Changes in China’s economic, political or social conditions or government policies could have a material and adverse effect on our business, results of operations and financial condition.

As of the Latest Practicable Date, substantially all of our revenues are sourced from China. Accordingly, our results of operations, financial condition and prospects are influenced to a significant degree by economic, political and legal developments in China. The PRC economy has experienced significant growth over the past decades since the implementation of China’s reform and opening-up policy. In recent years, the PRC government has implemented economic reform measures that may be adaptively adjusted from industry to industry or across different regions of the country. If the business environment in China changes, our business and its growth prospects may be affected. Any adverse changes in economic conditions in China, in the policies promulgated by the Chinese regulators or in the laws and regulations in China could have a material adverse effect on the overall economic growth of China. Such developments could adversely affect our business and results of operations, lead to a reduction in demand for our solutions and adversely affect our competitive position.

Fluctuations in exchange rates could result in foreign currency exchange losses and could materially and adversely affect our financial performance.

During the Track Record Period, substantially all of our revenue and expenditures were denominated in Renminbi. The net proceeds from the Global Offering will be in Hong Kong dollars. Fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar will affect the relative purchasing power in Renminbi in terms of the proceeds from the Global Offering. Fluctuations in the exchange rate may also cause us to incur foreign exchange losses and affect the relative value of any dividend issued by our PRC subsidiaries. In addition, appreciation or depreciation in the value of the Renminbi relative to the Hong Kong dollar or U.S. dollar would affect our financial results in Hong Kong dollar or U.S. dollar terms without giving effect to any underlying change in our business or results of operations.

RISK FACTORS

Our ability to pay dividends is subject to the evolving currency conversion policies, which may have an adverse effect on our foreign exchange transactions.

We may convert a portion of our revenue into other currencies to meet our foreign currency obligations, such as payments of operating costs and expenses and payments of dividends declared in respect of our H Shares, if any. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends or otherwise satisfy our foreign currency-denominated obligations. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval by complying with certain procedural requirements. However, approval from or registration with competent government authorities is required where RMB is to be converted into foreign currency and remitted out of the PRC to pay capital expenses, such as the repayment of loans denominated in foreign currencies. According to relevant foreign exchange rules, where any material imbalance in international receipts and payments occurs or may occur, the PRC government may implement necessary safeguards and other measures. We cannot assure you that regulations regarding the remittance of RMB into or out of the PRC will not change in the future.

Your action in effecting service of legal process and enforcing judgments against us and our management may be subject to certain procedures.

We are a company incorporated under the laws of the PRC and substantially all of our business, assets and operations are located in China. In addition, the majority of our Directors, Supervisors and executive officers reside in China. Therefore, it may be difficult for you to directly effect service of legal process within Hong Kong or elsewhere outside of China upon us or our Directors or senior management. China has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions.

China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned which came into effect on August 1, 2008 and was abolished on January 29, 2024, pursuant to which a party with an enforceable final court judgment rendered by any designated people's court of China or any designated Hong Kong court requiring payment of money in a civil and commercial case according to a written choice of court agreement may apply for recognition and enforcement of the judgment in the relevant people's court of China or Hong Kong court. China and Hong Kong have concluded the Arrangement on Mutual Recognition and Enforcement of Civil and Commercial Judgments between the Mainland and the Hong Kong Special Administrative Region, which took effect on January 29, 2024. Accordingly, the scope of applicable cases for judicial assistance can be expanded. In principle, judgments made after January 29, 2024 are subject to the provisions of the new "Arrangement." For cases where the "written jurisdiction agreement" referred to in the old

RISK FACTORS

“Arrangement” was signed before January 29, 2024, the old “Arrangement” still applies regardless of when the judgment is made. However, there can be no assurance that all final judgments will be recognized and effectively enforced by the relevant courts.

Holders of our H Shares may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our H Shares.

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

Non-Chinese resident individuals are required to pay individual income tax at a rate of 20% under IIT law for the interests, dividends and bonuses they obtain from China. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. Generally, in accordance with the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 issued by the SAT (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》), domestic non foreign-invested enterprises issuing shares in Hong Kong may, when distributing dividends to overseas resident individuals in the jurisdiction of the tax treaty, withhold individual income tax at the rate of 10%. When a tax rate of 10% is not applicable, the withholding company shall: (a) return the excess tax amount pursuant to due procedures if the applicable tax rate is lower than 10%; (b) withhold such foreign individual income tax at the effective tax rate agreed on if the applicable tax rate is between 10% and 20%; or (c) withhold such foreign individual income tax at a rate of 20% if no taxation treaty is applicable.

For non-Chinese resident enterprises that do not have establishments or premises in China, and for those who have establishments or premises in China but whose income is not related to such establishments or premises under the CIT Law, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of Shares are ordinarily subject to China enterprise income tax at a rate of 20%. In accordance with the Circular on Issues Relating to the Withholding of Enterprise Income Tax by Chinese Resident Enterprises on Dividends Paid to Overseas Non-Chinese Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the SAT, such tax rate has been reduced to 10%.

If there is any development in the applicable tax laws and regulations or in the interpretation or application of such laws and regulations, the value of your investment in our H Shares may be materially affected.

RISK FACTORS

RISKS RELATING TO GLOBAL OFFERING

No public market currently exists for our H Shares, and an active and liquid trading market for our H Shares may not develop or be sustained.

Prior to the completion of the Global Offering, there has been no public market for our H Shares. We have applied to the Stock Exchange for the listing of, and permission to deal in, our H Shares. Each of our existing Shareholders has undertaken to be locked-up 12 months commencing the Listing Date. Please refer to “Underwriting — Undertakings to the Stock Exchange pursuant to the Listing Rules — Undertakings by our Controlling Shareholders” for details of such lock-up undertakings. In addition, pursuant to the PRC Company Law, all of the Shares in issue as of the date of this Prospectus will be subject to a lock-up period of 12 months from the Listing Date. Accordingly, the Shares held by our existing Shareholders, representing 86.85% of the total Shares in issue immediately following the completion of the Global Offering, will be subject to a lock-up period for at least 12 months from the Listing Date. As a result, there can be no assurance that an active and liquid trading market for our H Shares will develop or be sustained after completion of the Global Offering. If an active and liquid public market for our H Shares does not develop following completion of the Global Offering, the market price and liquidity of our H Shares could be materially and adversely affected. The Offer Price is the result of negotiations between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters), which may not be indicative of the price at which our H Shares will be traded following completion of the Global Offering. The market price of our H Shares may drop below the Offer Price at any time after completion of the Global Offering. Factors such as variations in our revenue, earnings and cash flows or any other developments of us may affect the trading volume and price of our H Shares.

The liquidity, trading volume and market price of our H Shares may be volatile, which could result in substantial losses for investors who purchase our H Shares in the Global Offering.

The price at which our H Shares will trade after the Global Offering will be determined by the marketplace, which may be affected by various factors beyond our control, including our financial performance; changes in securities analysts’ estimates, if any, of our financial performance; the history of, and the prospects for, ourselves and the industry in which we operate; an assessment on the prospects for, and timing of, our future revenue and cost structures that independent research analysts may publish, if any; the present state of our development; the valuation of publicly traded companies that are engaged in business activities similar to ours; general market sentiment regarding the industry we operate in; changes in laws and regulations of China; our actual or perceived failure to compete effectively in the market; and political, economic, financial and social conditions.

RISK FACTORS

In addition, the Hong Kong Stock Exchange has from time to time experienced significant volatility in trading prices and volumes that have affected the market prices of securities of companies quoted on the Hong Kong Stock Exchange. As a result, investors in our H Shares may experience volatility in the market price of their H Shares and a decrease in the value of their H Shares regardless of our operating performance or prospects.

If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our Shares, the market price and trading volume for our Shares could decline.

The trading market for our Shares depends in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who cover us downgrade our Shares or publish inaccurate or unfavorable research about our business, the market price for our Shares will likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our Shares to decline.

Should the Offer Price be higher than the net tangible book value per Share, subject to pricing, you may experience an immediate dilution in the book value of the Offer Shares you purchased in the Global Offering and may experience further dilution if we issue additional Shares in the future.

The Offer Price of the Offer Shares may be higher than the net tangible book value per Share immediately prior to the Global Offering. As a result, you and other purchasers of the Offer Shares in the Global Offering may experience an immediate dilution in pro forma net tangible asset value. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the Offer Shares may experience dilution in the net tangible asset value per share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares pursuant to share incentive schemes, which would further dilute Shareholders' interests in our Company.

Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material adverse effect on the price of our H Shares and our ability to raise additional capital in the future.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital at a

RISK FACTORS

specific time and on terms favorable to us. In addition, our Shareholders may experience dilution of their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares.

We cannot assure you when, whether and in what form or size we will pay dividends in the future.

Our ability to pay dividends will depend on whether we are able to generate sufficient earnings. Distributions of dividends shall be decided by our Board of Directors at their discretion and will be subject to the approval of the general meeting. A decision to declare or to pay dividends and the amount thereof depends on various factors, including but not limited to our results of operations, cash flows and financial condition, operating and capital expenditure requirements, distributable profits as determined under PRC GAAP or IFRSs (whichever is lower), our Articles of Association and other constitutional documents, the PRC Company Law and any other applicable laws and regulations in China, market conditions, our strategy and projection for our business, contractual restrictions and obligations, taxation, regulatory restrictions and any other factors from time to time deemed by our Board of Directors as relevant to the declaration or suspension of dividends. As a result, there can be no assurance whether, when and in what form we will pay dividends in the future. Subject to any of the above constraints, we may not be able to pay dividends in accordance with our dividend policy.

Our Controlling Shareholders Group has substantial influence over our Group and its interests may not be aligned with the interests of our other Shareholders.

Our Controlling Shareholders have significant influence in determining the outcome of any corporate transaction or other matter submitted to the Shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of directors, and other significant corporate actions. Immediately following the completion of the Global Offering, the Controlling Shareholder Group will continue to control in aggregate 38.79% of our total share capital. Therefore, they will remain as a group of our Controlling Shareholders. The interests of our Controlling Shareholders might differ from the interests of our other Shareholders. In the event that our Controlling Shareholders cause us to pursue strategic objectives that conflict with the interests of our other Shareholders, our other Shareholders could be disadvantaged and their interests could be damaged. Any conflict of interest between our Controlling Shareholders and our other Shareholders may also materially and adversely affect aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.

RISK FACTORS

Certain facts, forecasts and statistics contained in this prospectus are derived from publicly available official government sources and they may not be reliable.

Certain facts, forecast and other statistics in this prospectus are derived from various government and official resources. However, our Directors cannot guarantee the quality or reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain pro forma information and other matters. You can identify some of these forward-looking statements by words or phrases such as “aim,” “anticipate,” “believe,” “could,” “predict,” “potential,” “continue,” “expect,” “intend,” “may,” “might,” “plan,” “seek,” “will,” “would,” “should” or other similar expressions. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance and investors should not place undue reliance.

You should read the entire document carefully and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us or the Global Offering.

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the Global Offering. Prior to the publication of this prospectus, there has been press and media coverage regarding us and the Global Offering. Such press and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other

RISK FACTORS

information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it and you should not rely on such information.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTIONS FROM THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation of the Global Offering, we have sought the following waivers from strict compliance with certain provisions of the Listing Rules.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have a sufficient management presence in Hong Kong, which normally means that at least two executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant's arrangements for maintaining regular communication with the Stock Exchange.

Given that (i) our headquarter is based and the majority of the business operations of our Group are managed and conducted in the PRC; and (ii) our executive Directors and senior management principally reside in the PRC, our Company considers that it would be more practical for the executive Directors and senior management of our Company to remain ordinarily resident in the PRC where our Group has substantial operations. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Therefore, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules subject to the following conditions:

- (a) we have appointed Mr. Zhang Bo (張波) and Ms. Ma Hairong (馬海蓉) (“**Ms. Ma**”) as our authorized representatives (the “**Authorized Representatives**”) pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone, facsimile and email to deal promptly with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matters within a reasonable period of time upon request of the Stock Exchange. We have also appointed Mr. Lui Wing Yat Christopher (呂穎一) (“**Mr. Lui**”), our joint company secretary and who is ordinarily resident in Hong Kong, as an alternate to the Authorized Representatives;
- (b) to facilitate communication with the Stock Exchange, we have provided the Authorized Representatives and the Stock Exchange with the contact details of our Directors (i.e. mobile phone number, office phone number and email address (as applicable)). In the event that any of our Director expects to travel or otherwise be out of office, he or she will provide the phone number of the place of his/her accommodation to the Authorized Representatives, so that the Authorized Representatives would be able to contact all our Directors (including the independent non-executive Directors) promptly at all times if and when the Stock

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTIONS FROM THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Exchange wishes to contact our Directors. To the best of our knowledge and information, each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period after requested by the Stock Exchange; and

- (c) we have appointed Changjiang Corporate Finance (HK) Limited as our compliance advisor (the “**Compliance Advisor**”) in compliance with Rules 3A.19 and 19A.05 of the Listing Rules. The Compliance Advisor will, among other things and in addition to the Authorized Representatives, provide us with professional advice on continuing obligations under the Listing Rules and act as additional channel of communication of our Company with the Stock Exchange during the period from the Listing Date to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year immediately after the Listing. The Compliance Advisor will be available to answer enquiries from the Stock Exchange and will act as an additional channel of communication with the Stock Exchange when the Authorized Representatives are not available.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and
- (c) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

In addition, Note 2 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following factors in assessing the “relevant experience” of the individual:

- (a) length of employment with the issuer and other issuers and the roles he/she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the Securities and Futures Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

We have appointed Ms. Ma as one of our joint company secretaries. Ms. Ma, who currently serves as the Board secretary of the Company and has substantial experience in board-related and corporate management matters, presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Mr. Lui, an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as one of our joint company secretaries. Mr. Lui will assist Ms. Ma for an initial period of three years from the Listing Date, enabling Ms. Ma to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See “Directors, Supervisors and Senior Management” in this prospectus for further biographical details of Ms. Ma and Mr. Lui. The following arrangements have been, or will be, put in place to assist Ms. Ma in acquiring the qualifications and experience as the company secretary of our Company required under Rule 3.28 of the Listing Rules:

- (a) Ms. Ma will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules which will be organized by our Company’s Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time.
- (b) Both Ms. Ma and Mr. Lui have confirmed that each of them will attend a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relation as well as the functions and duties of the company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules.
- (c) Mr. Lui will assist Ms. Ma to enable her to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of our Company.
- (d) Mr. Lui will communicate regularly with Ms. Ma on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Mr. Lui will work closely with Ms. Ma to jointly discharge the duties and responsibilities as a company secretary, including organizing our Company’s Board meetings and Shareholders’ meetings.

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

- (e) Prior to the expiry of Ms. Ma's initial term of appointment as the company secretary of our Company, we will re-evaluate her experience to determine if she has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Ms. Ma's appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules.
- (f) The Company has appointed Changjiang Corporate Finance (HK) Limited as its Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules which will act as the additional communication channel with the Stock Exchange (for a period commencing on the Listing Date and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the Listing Date, or until the engagement is terminated, whichever is earlier) and provide professional guidance and advice to the Company (including Ms. Ma) as to the compliance with the Listing Rules and all other applicable laws and regulations.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules. Such waiver will be revoked immediately if and when (i) Ms. Ma is no longer assisted by a person with qualifications under Rules 3.28 and 8.17 of the Listing Rules, or (ii) if there are material breaches of the Listing Rules by our Company. Before the end of the three-year period, we must demonstrate and seek the Exchange's confirmation that Ms. Ma (i.e. the proposed company secretary not fulfilling the requirement under Rule 3.28), having had the benefit of Mr. Lui's (i.e. the qualified person's) assistance during the three-year period, has attained the relevant experience under Note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of company secretary so that a further waiver would not be necessary.

**WAIVER IN RELATION TO WITH RULE 4.04(1) OF THE LISTING RULES AND
EXEMPTION FROM STRICT COMPLIANCE WITH PARAGRAPH 27 OF PART I AND
PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

Rule 4.04(1) of the Listing Rules requires our Company to include in the Prospectus an Accountants' Report covering the consolidated results of our Group in respect of each of the three financial years immediately preceding the issue of the prospectus or such shorter period as may be acceptable to the Stock Exchange.

Rule 13.49(1) of the Listing Rules requires issuers to publish preliminary financial results not later than three months after the end of each financial year.

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all prospectuses to include an accountant's report which contains matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires us to include in the prospectus a statement as to the gross trading income or sales turnover (as may be appropriate) of our Group during each of the three financial years immediately preceding the issue of the prospectus as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

Paragraphs 31(1) and (3) of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance require us to include in the prospectus a report by auditors of our Company with respect to the financial results of our Group for each of the three financial years immediately preceding the issue of the prospectus.

Pursuant to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

Appendix II to Chapter 1.1A of the Guide For New Listing Applicants issued by the Stock Exchange has provided the conditions for granting a waiver from strict compliance with Rule 4.04(1) of the Listing Rules as follows:

- (a) the applicant must list on the Stock Exchange within three months after the latest year end;
- (b) the applicant must obtain a certificate of exemption from the SFC on compliance with the relevant Companies (Winding Up and Miscellaneous Provisions) Ordinance requirements; and
- (c) the financial information for the latest financial year and a commentary on the results for that financial year must be included in the listing document. The financial information to be included in the listing document must (a) follow the same content requirements as for a preliminary results announcement under MB Rule 13.49 (GEM Rule 18.49); and (b) be agreed with the reporting accountants following their review under Practice Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the HKICPA.

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

The Accountants' Report for each of the three financial years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025 has been prepared and set out in Appendix I to this Prospectus. The prospectus does not include the consolidated results of the Group in respect of the full year immediately preceding the proposed date of issue of the prospectus, being the full year ended December 31, 2025, as required under Rule 4.04(1) of the Listing Rules, paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Pursuant to the relevant requirements set forth above, our Company is required to include three full years of audited accounts for the years ended 31 December 2023, 2024 and 2025 in this prospectus. However, an application was made to the Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules and an application has also been made to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the grounds, among others, that the waiver and exemption from the above requirements will not prejudice the interest of the investing public and strict compliance with the above requirements would be unduly burdensome given the following:

- (a) there would not be sufficient time for the Company and the reporting accountants to finalize the audited consolidated financial statements of the Group for the year ended December 31, 2025 for inclusion in the prospectus. It would be unduly burdensome for the Company and the reporting accountants to undertake the considerable amount of work required to prepare, update and finalize the Accountants' Report to cover such additional period within a short period of time. Our Directors consider that the benefits of such work to the existing and prospective shareholders of our Company may not justify the additional work and expenses involved and the delay of the Listing timetable;
- (b) the Company has included in this prospectus (i) the Accountants' Report covering the three years ended December 31, 2024 and the nine months ended September 30, 2025, (ii) the unaudited preliminary financial information of the Group for the year ended December 31, 2025 and a commentary on the results for the year, which has been agreed with the Group's reporting accountants, following their review under Practice Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants, and such disclosure is no less than the content requirements for a preliminary results announcement under Rule 13.49 of the Listing Rules, and (iii) the information regarding the recent development of our Group subsequent to the Track Record Period and up to the Latest Practicable Date;

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

- (c) our Directors and the Joint Sponsors confirm, after performing sufficient due diligence work up to the date of this prospectus, that there has been no material adverse change to the financial and trading positions or prospects of the Group since October 1, 2025 (immediately following the date of the latest audited statement of financial position in the Accountants' Report set out in Appendix I to this document) up to the date of this prospectus, and there has been no event since October 1, 2025 which would materially affect the information contained in the Accountants' Report as set out in Appendix I to this Prospectus, the financial information section, the unaudited preliminary financial information of the Group for the year ended December 31, 2025, as set out in Appendix IIB to this Prospectus and information regarding the Company's recent development subsequent to the Track Record Period and up to the date of this prospectus;
- (d) the Company and the Joint Sponsors are of the view that the Accountants' Report covering the three years ended December 31, 2024 and the nine months ended September 30, 2025, as set out in Appendix I to the prospectus, the unaudited pro forma financial information as set out in Appendix IIA to the prospectus, the unaudited preliminary financial information for the year ended December 31, 2025 as set out in Appendix IIB to the prospectus, together with other disclosure in this prospectus, has already provided the potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of the Company; and the Directors confirm that all information which is necessary for the investing public to make an informed assessment of the business, assets and liabilities, financial position, management and prospects has been included in this prospectus. Therefore, the waiver and the exemption would not prejudice the interests of the investing public;
- (e) our Company will not be in breach of its Articles of Association or laws and regulations of the PRC or other regulatory requirements as a result of not publishing its preliminary results announcement for the year ended December 31, 2025 in accordance with Rule 13.49(1) of the Listing Rules. Pursuant to the Note to Rule 13.49(1) of the Listing Rules, our Company will publish an announcement after Listing and no later than March 31, 2026 stating that the relevant financial information has been included in this prospectus; and
- (f) the Company will comply with the requirements under Rule 13.46 of the Listing Rules in respect of the publication of its annual report. The Company currently expects to issue its annual report for the financial year ended December 31, 2025 on or before April 30, 2026. In this regard, the Directors consider that the Shareholders, the investing public, as well as potential investors of the Company, will be kept informed of the financial results of the Group for the financial year ended December 31, 2025.

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 4.04(1) of the Listing Rules relating to the inclusion in the Accountants' Report of the consolidated results of our Group in respect of the full financial year ended December 31, 2025, on the conditions that: (i) this prospectus will be issued on or before March 16, 2026 and the Listing Date shall not be later than three months after the latest financial year end of our Company (i.e. on or before March 31, 2026); (ii) we have obtained from the SFC a certificate of exemption from strict compliance with the requirements under section 342(1) in relation to paragraphs 27 and 31 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; (iii) the preliminary unaudited financial information for the year ended December 31, 2025 and a commentary on the results for the year shall be included in the prospectus.

An application has also been made to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and a certificate of exemption has been granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

- (a) the particulars of the exemption are disclosed in this prospectus;
- (b) the prospectus will be issued on or before March 16, 2026; and
- (c) our Company's H Shares shall be listed on the Stock Exchange on or before March 31, 2026 (i.e. within three months after the latest financial year end of our Company).

**WAIVER FROM STRICT COMPLIANCE WITH RULE 10.04 OF THE LISTING
RULES AND THE STOCK EXCHANGE'S CONSENT UNDER PARAGRAPH 1C OF
APPENDIX F1 TO THE LISTING RULES IN RESPECT OF SUBSCRIPTIONS OF
OFFER SHARES BY CLOSE ASSOCIATES OF EXISTING SHAREHOLDERS AS
CORNERSTONE INVESTORS**

Rule 10.04 of the Listing Rules requires that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of the issuer either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled. Rule 10.03(1) of the Listing Rules requires that no securities may be offered to existing shareholders on a preferential basis and no preferential treatment may be given to them in the allocation of the securities. Rule 10.03(2) of the Listing Rules requires that the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules must be achieved.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTIONS FROM THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Paragraph 1C of Appendix F1 to the Listing Rules provides that no allocations will be permitted to the existing shareholders of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled. Chapter 4.15 of the Guide provides that the Stock Exchange will consider giving consent and granting waiver from Rule 10.04 of the Listing Rules to an applicant's existing shareholders or their close associates to participate in an initial public offering if any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

As further described in the section headed "Cornerstone Investors" in this prospectus, Yingke No. 1 (Hongkong) Limited (盈科壹號(香港)有限公司) and Hongkong High Tech Industrial (Beijing) Development Investment Co., Limited (香港高精尖產業(北京)發展投資有限公司) are close associates (the "**Close Associates**") of our existing Shareholders, being Shunyi Fund and Yingke Fund (together "**Shunyi State Investment**"), which are ultimately controlled by government authorities within Beijing Municipality (each not a substantial Shareholder) (the "**Existing Minority Shareholders**").

We have applied to the Stock Exchange for, and the Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 10.04 of the Listing Rules and consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules for subscriptions of Close Associates of Offer Shares as Cornerstone Investors on the conditions that:

- (a) Shunyi State Investment holds less than 5% of the total voting rights in our Company before Listing;
- (b) Shunyi State Investment is not, and will not be, a core connected person of our Company or any close associate of any such core connected person immediately prior to or following the completion of the Global Offering;
- (c) Shunyi State Investment has no power to appoint a Director (other than as a Shareholder pursuant to the Articles of Association) and does not have any other special rights upon Listing;
- (d) the allocation of Offer Shares to the Close Associates will not affect the Company's ability to satisfy the public float percentage requirement under Rule 19A.13A of the Listing Rules;
- (e) our Company has confirmed to the Stock Exchange that (i) the cornerstone investment agreement with each of the Close Associates (the "**Relevant Cornerstone Investment Agreements**") does not contain any material terms which are more favorable to the Existing Minority Shareholders or the Close Associates than those in other cornerstone investment agreements with other cornerstone investors; and (ii) no preferential treatment has been, nor will be, given to the

**WAIVERS FROM STRICT COMPLIANCE WITH THE
LISTING RULES AND EXEMPTIONS FROM THE COMPANIES
(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

Existing Minority Shareholders or the Close Associate by virtue of their relationship with our Company other than the preferential treatment of assured entitlement under the Relevant Cornerstone Investment Agreements following the principles set out in Chapter 4.15 of the Guide;

- (f) the Overall Coordinators have confirmed to the Stock Exchange that to the best of their knowledge and belief, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or the Close Associate by virtue of their relationship with our Company other than the preferential treatment of assured entitlement under the Relevant Cornerstone Investment Agreements following the principles set out in Chapter 4.15 of the Guide;
- (g) the Joint Sponsors have confirmed to the Stock Exchange that based on (i) discussions with our Company and the Overall Coordinators; and (ii) the confirmations provided to the Stock Exchange by our Company and the Overall Coordinators (confirmation mentioned in (e) and (f) above), and to the best of their knowledge and belief, they have no reason to believe that the Existing Minority Shareholders or the Close Associates have received or will receive any preferential treatment by virtue of their relationship with our Company other than the preferential treatment of assured entitlement under the Relevant Cornerstone Investment Agreements following the principles set out in Chapter 4.15 of the Guide; and
- (h) details of the allocation will be disclosed in this prospectus and the allotment results announcement.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

An investment in our H Shares involves significant risks. You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, as well as our financial statements and the related notes, and the “Financial Information” section, before deciding to invest in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In any such an event, the market price of our H Shares could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in “Forward-Looking Statements” in this prospectus.

DIRECTORS’ RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This Prospectus, for which our Directors (including any proposed director who is named as such in this Prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Group. Our Directors, having made all reasonable inquiries, confirm that, to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

CSRC FILING REQUIREMENT

The CSRC issued the notice of filing on December 11, 2025 for the Global Offering and for the listing of the Shares on the Stock Exchange. In granting its notice of filing, the CSRC accepts no responsibility for our financial soundness, or for the accuracy of any of the statements made or opinions expressed in this Prospectus.

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus contains the terms and conditions of the Hong Kong Public Offering. The Global Offering comprises the Hong Kong Public Offering of initially 1,622,650 H Shares and the International Offering of initially 14,603,850 H Shares.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

The listing of the Offer Shares on the Hong Kong Stock Exchange is sponsored by the Joint Sponsors. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is managed by the Overall Coordinators and is underwritten by the International Underwriters. The International Underwriting Agreement is expected to be entered into on or about the Price Determination Date. Further details about the Underwriters and the underwriting arrangements are contained in the section headed “Underwriting” in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE SHARES

No action has been taken to permit a Hong Kong Public Offering of the Offer Shares or the general distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering and sales of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to confirm, or be deemed by his acquisition of Hong Kong Offer Shares to confirm, that he is aware of the restrictions on offers and sales of the Offer Shares described in this prospectus. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

The Offer Shares are offered for subscription solely on the basis of the information contained and representations made in this prospectus, and on the terms and subject to the conditions set out herein and therein. No person is authorized in connection with the Global Offering to give any information, or to make any representation not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorized by the Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, agents, affiliates or advisors or any other persons or parties involved in the Global Offering. For further details of the structure of the Global Offering, including its conditions, and the procedures for applying for Hong Kong Offer Shares, see the sections headed “Structure of the Global Offering”, “How to Apply for Hong Kong Offer Shares” in this prospectus.

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Listing Committee for the granting of listing of, and permission to deal in, (i) our H Shares to be issued pursuant to the Global Offering, and (ii) the H Shares to be converted from our existing Domestic Unlisted Shares. Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence on Tuesday, March 24, 2026. No part of our H Shares is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought in the near future.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

The H Shares will be traded in board lot of 50 H Shares. The stock code of the H Shares is 2632.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotments made in respect of any applications will be invalid if the listing of, and permission to deal in, the Offer Shares on the Hong Kong Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to the Company by the Hong Kong Stock Exchange.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

We have instructed the H Share Registrar, and the H Share Registrar has agreed, not to register the subscription, purchase or transfer of any H Shares in the name of any particular holders unless the holder delivers a signed form to the H Share Registrar in respect of those H Shares bearing statements to the effect that the holder:

- (i) agrees with us and each of our Shareholders, and we agree with each Shareholder, to observe and comply with the PRC Company Law, and our Articles of Association;
- (ii) agrees with us, each of our Shareholders, Directors, Supervisors, managers and officers, and we, acting for ourselves and for each of our Directors, Supervisors, managers and officers agree with each Shareholder, to refer all differences and claims arising from our Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning our affairs to arbitration, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award, which shall be final and conclusive;
- (iii) agrees with us and each of our Shareholders that our H Shares are freely transferable by the holders of our H Shares; and
- (iv) authorizes us to enter into a contract on his or her behalf with each of our Directors, Supervisors, managers and officers whereby such Directors, Supervisors, managers and officers undertake to observe and comply with their obligations to our Shareholders as stipulated in our Articles of Association. Persons applying for or purchasing H Shares under the Global Offering are deemed, by their making of an application or purchase, to have represented that they are not associates of any of our Directors or existing Shareholder or a nominee of any of the foregoing.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All H Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on the Company's H Share register of members to be maintained by our H Share Registrar, Tricor Investor Services Limited, in Hong Kong. We will maintain the Company's principal register of members at our current registered office in the PRC.

Dealings in our H Shares registered in the H Share register of members of the Company in Hong Kong will be subject to Hong Kong stamp duty. For further details, please seek professional tax advice.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, our H Shares on the Hong Kong Stock Exchange and our compliance with the stock admission requirements of HKSCC, our H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in our H Shares on the Hong Kong Stock Exchange or any other date as HKSCC chooses. Settlement of any transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made for our H Shares to be admitted into CCASS.

PROFESSIONAL TAX ADVICE RECOMMENDED

Applicants for the Offer Shares are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposing of and dealing in our H Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of their respective directors, supervisors, officers, employees, agents or advisors or any other persons involved in the Global Offering accepts responsibility for any tax effects or liabilities of holders of Shares resulting from the subscription, purchase, holding or disposal of, or dealing in, our H Shares.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for the Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

STRUCTURE OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, are set out in the section headed “Structure of the Global Offering” in this prospectus.

LANGUAGE

The English names of the PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations and the like are translations of their Chinese names and are included herein for identification purposes only. If there is any inconsistency, the Chinese name prevails.

ROUNDING

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments, or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere between the total shown and the sum of amounts listed therein are due to rounding.

CURRENCY TRANSLATIONS

Unless otherwise specified, this prospectus contains certain translations for the convenience purpose at the following rates:

US\$1.00	:	HK\$7.82379
US\$1.00	:	RMB6.92280
HK\$1.00	:	RMB0.88484

None should be regarded as and be interpreted as an amount in one currency that can be on the relevant dates or any other dates actually converted into that in another currency at the rates above or cannot be converted at all.

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

For further information on our Directors and Supervisors, see “Directors, Supervisors and Senior Management” of this Prospectus.

DIRECTORS

Name	Address	Nationality

Executive Directors

Mr. Zhang Tao (張濤)	Building 142 66 Anyan Road Jiading District Shanghai PRC	Chinese

Mr. Zhang Bo (張波)	Room 501, Unit 1 Building 22, Wanke Jinyu Qujiang 286 Qujiangchi South Road Yanta District Xi'an, Shaanxi Province PRC	Chinese

Mr. Fan Xin (范鑫)	Building 56 600 Yehui Road, Zhaoxiang Town Qingpu District Shanghai PRC	Chinese

Non-executive Directors

Mr. Hu Bin (胡濱)	Room 13001, Unit 1, Building 1 North Tangyan Road Lianhu District Xi'an, Shaanxi Province PRC	Chinese

Mr. You Tianyu (由天宇)	Room 901, Building 418 Wanxiang Xintian Chaoyang District Beijing PRC	Chinese

Ms. Zheng Shiyang (鄭詩羸)	155 Dongxin Road Gongshu District Hangzhou, Zhejiang Province PRC	Chinese

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Independent non-executive Directors

Ms. Young Meng Ying (楊孟瑛)	99 Eighteen Street Hong Lok Yuen Tai Po, New Territories Hong Kong	Chinese (Hong Kong)
Ms. Sun Hui (孫暉)	Building 20 1299 Dingxiang Road Pudong District Shanghai PRC	United States
Prof. Bai Jian (白劍)	Room 501, Unit 1, Building 23 Zijinwenyuan Xihu District Hangzhou, Zhejiang Province PRC	Chinese

SUPERVISORS

Name	Address	Nationality
Mr. Zhang Ningbo (張寧波)	Room 802, Unit 1, Building 2 Vanke City Phase II Yinghua 2nd Road Chang'an District Xi'an, Shaanxi Province PRC	Chinese
Ms. Xiao Jiangyu (肖江玉)	Group 389 Jinhua Hutong West Neighborhood Huxi Street Chaoyang District Changchun, Jilin Province PRC	Chinese
Mr. Shan Chao (單超)	Room 3303, Building 3 133 Guangfu West Road Putuo District, Shanghai PRC	Chinese

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors

Haitong International Capital Limited

Suites 3001-3006 and 3015-3016
One International Finance Centre
No. 1 Harbour View Street
Central, Hong Kong

CITIC Securities (Hong Kong) Limited

18/F, One Pacific Place
88 Queensway
Hong Kong

**Sponsor-Overall Coordinators,
Overall Coordinators, Joint Global
Coordinators, Joint Bookrunners,
Joint Lead Managers and Capital
Market Intermediaries**

**Haitong International Securities Company
Limited**

28/F, 30/F Suites 3001-10 and 3015-16
One International Finance Centre
No. 1 Harbour View Street
Central
Hong Kong

CLSA Limited

18/F, One Pacific Place
88 Queensway
Hong Kong

**Overall Coordinator, Joint Global
Coordinator, Joint Bookrunner, Joint
Lead Manager and Capital Market
Intermediary**

BOCI Asia Limited

26/F, Bank of China Tower
1 Garden Road
Central
Hong Kong

**Joint Bookrunners, Joint Lead Managers
and Capital Market Intermediaries**

**Futu Securities International (Hong
Kong) Limited**

34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

Patrons Securities Limited

Unit 3214, 32/F., Cosco Tower
183 Queen's Road Central
Sheung Wan
Hong Kong

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Auditor and Reporting Accountant

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

27/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

Legal Advisors to the Company

As to Hong Kong and United States laws:

Clifford Chance

27/F, Jardine House

One Connaught Place

Central

Hong Kong

As to PRC law:

Allbright Law Offices

11, 12/F, Shanghai Tower

501 Yincheng Middle Road

Pudong New Area

Shanghai

PRC

As to International Sanctions and

U.S. tariffs:

Ashurst Tokyo (Ashurst Horitsu Jimusho

Gaikokuho Kyodo Jigyo)

30/F, Shiroyama Trust Tower

4-3-1 Toranomon

Minato-ku, Tokyo

Japan

Legal Advisors to the Joint Sponsors and the Underwriters

As to Hong Kong and United States laws:

Baker & McKenzie

14/F, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

As to PRC law:

Shihui Partners

42/F, Tower C, Beijing Yintai Centre

No. 2 Jianguomenwai Avenue

Chaoyang District

Beijing

PRC

DIRECTORS, SUPERVISORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Industry Consultant**China Insights Industry Consultancy
Limited**

10F, Block B, Jing'an International Center
88 Puji Road
Jing'an District
Shanghai
PRC

Receiving Bank(s)**Bank of Communications Co., Ltd.
Hong Kong Branch**

Unit B B/F & G/F, Unit C G/F, 1-3/F, 16/F
Room 01 & 18/F
Wheelock House
20 Pedder Street, Central
Hong Kong

CORPORATE INFORMATION

Registered Office	Building 1, Automobile Electronics Industry Park 3 Tianyue Road, Automobile Industry Park Yizheng, Yangzhou, Jiangsu Province PRC
Headquarters and Principal Place of Business in the PRC	Building 1, Automobile Electronics Industry Park 3 Tianyue Road, Automobile Industry Park Yizheng, Yangzhou, Jiangsu Province PRC
Principal Place of Business in Hong Kong	Room 1918, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	<u>www.zjautomotive.com</u> (The information contained in this website does not form part of this Prospectus)
Joint Company Secretaries	Ms. Ma Hairong (馬海蓉) Building 1, Automobile Electronics Industry Park 3 Tianyue Road, Automobile Industry Park Yizheng, Yangzhou, Jiangsu Province PRC Mr. Lui Wing Yat Christopher (呂穎一) <i>(an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i> Room 1918, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong

CORPORATE INFORMATION

Authorized Representatives

Mr. Zhang Bo (張波)

Room 501, Unit 1

Building 22, Wanke Jinyu Qujiang

286 Qujiangchi South Road

Yanta District

Xi'an, Shaanxi Province

PRC

Ms. Ma Hairong (馬海蓉)

Building 1, Automobile Electronics

Industry Park

3 Tianyue Road, Automobile Industry Park

Yizheng, Yangzhou, Jiangsu Province

PRC

Audit Committee

Ms. Sun Hui (*Chairperson*)

Mr. Hu Bin

Ms. Young Meng Ying

Nomination Committee

Mr. Zhang Tao (*Chairperson*)

Ms. Sun Hui

Prof. Bai Jian

Remuneration Committee

Ms. Young Meng Ying (*Chairperson*)

Mr. Zhang Tao

Ms. Sun Hui

Compliance Advisor

**Changjiang Corporate Finance (HK)
Limited**

Unit 3605-3611, 36/F., Cosco Tower

183 Queen's Road Central

Central, Hong Kong

H Share Registrar

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

CORPORATE INFORMATION

Principal Banks

China Merchants Bank Shanghai

Anting Branch

5598 Cao'an Road

Anting Town

Shanghai

PRC

China Minsheng Bank Yangzhou Branch

Building 1

440 Wenchang West Road

Hanjiang District

Yangzhou, Jiangsu Province

PRC

Bank of Communications

Yangzhou Branch

477 Hanjiang Middle Road

Yangzhou, Jiangsu Province

PRC

INDUSTRY OVERVIEW

The information and statistical data contained in this section and other chapters of this prospectus are extracted from various government official publications, available sources from public market research and other sources from independent suppliers and from the independent industry report prepared by CIC (the “CIC Report”). We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of their respective directors and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

OVERVIEW OF CHINA’S INTELLIGENT VEHICLE INDUSTRY

The continuous technological upgrades and increasing consumer demand for intelligent mobility experience are driving the rapid popularization of intelligent vehicles, leading to accelerated integration of intelligent features across vehicle platforms. ADAS equipped in intelligent vehicles can effectively reduce traffic safety risks caused by operational errors through environmental perception and control coordination. Meanwhile, multimodal HMI methods such as visual interaction, voice interaction, touch controls and gesture control are gradually becoming widespread, which has enhanced the intuitiveness of information access and driving convenience and improved the overall driving experience.

Against this backdrop, the automotive industrial ecosystem is undergoing a transformation towards an intelligent architecture. The intelligent vehicle cockpit relies on the coordinated operation of perception, decision-making and interaction systems: the perception layer includes cameras, LiDAR, etc., which are used for collecting surrounding environment data; the decision layer consists of domain controllers, computing platforms and mapping systems responsible for route planning and driving control; the interaction layer, through visual interfaces like HUDs, delivers key information to the driver safely and clearly in real time. It is a significant part for achieving intelligent driving experience. In particular, the HUD, as a critical HMI interface, is widely used for navigation guidance, driver assistance warning and driving status information display, playing a crucial role in enhancing the safety and interaction efficiency and experience of intelligent vehicles.

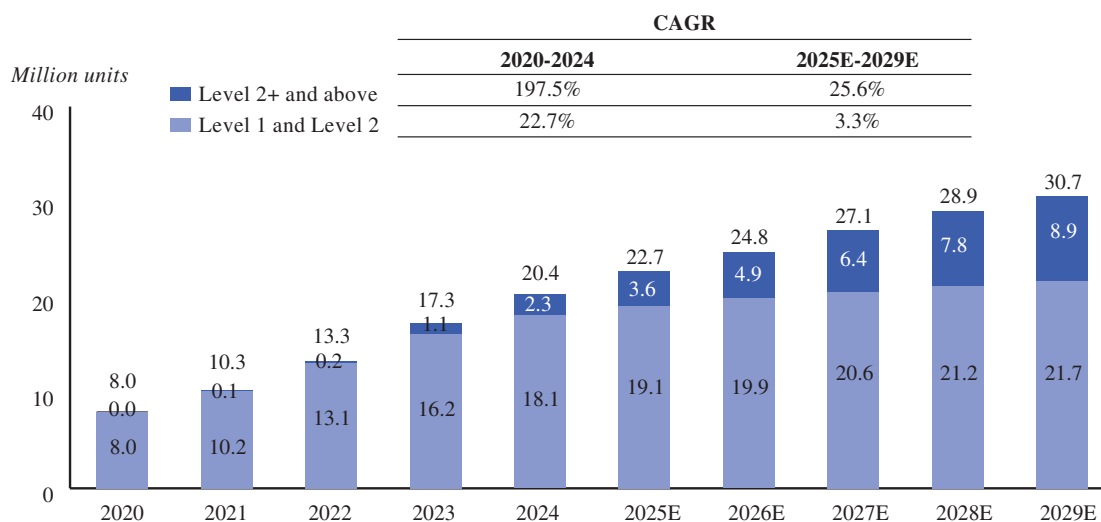
In the future, with the continuous development and penetration of intelligent vehicles, supporting cockpit solutions will continue to develop towards higher precision, smaller size and stronger interactive capabilities, which will further promote their extensive application in intelligent vehicles.

INDUSTRY OVERVIEW

Market Size of China's Intelligent Vehicle Industry

Driven by favorable policies in China for intelligent vehicles, ongoing iterations and updates in intelligent vehicle technologies and increasing consumer acceptance of intelligent driving, China's intelligent vehicle industry is thriving and expected to maintain growth. Sales of intelligent vehicles increased from 8.0 million units in 2020 to 20.4 million units in 2024. It is expected that the sales of intelligent vehicles in China will reach 30.7 million units by 2029. With the gradual advancement of intelligence, Level 2+ vehicle models can realize higher-level driving assistance features such as automatic lane changing, intelligent navigation and seamless switching between urban and highway scenarios, significantly reducing driving burden. Therefore, the CAGR of sales of intelligent vehicles at Level 2+ and above from 2025 to 2029 is expected to reach 25.6%.

Market Size of China's Intelligent Vehicles⁽¹⁾ by Level of Intelligence, Measured by Sales Volume, 2020-2029E



Source: CIC & CPCA

Notes:

- (1) Refers to vehicles equipped with advanced sensors, controllers, actuators and other devices, utilizing new technologies such as AI and possessing autonomous driving functions. Based on the level of autonomous driving solutions installed, intelligent vehicles can be categorized from Level 1 to Level 5. Solutions enabling Level 1 (Partial Driver Assistance) to Level 5 (Fully Automated Driving) automation are commonly known as autonomous driving solutions, which can execute varying degrees of sustained vehicle motion control in dynamic driving tasks.
- (2) Any discrepancies between the total shown in the table above and the sum of the listed amounts are due to rounding. The figures indicated for the total may not be the exact arithmetic sum of the preceding figures, the same below.

Main Drivers of China's Intelligent Vehicle Industry

- **Consumer demand driving the iteration of intelligent and interactive functions in cockpit products:** Consumers' acceptance of intelligent driving features is continuously increasing, promoting the comprehensive intelligence and enhanced interactive functions of intelligent cockpits. The consumer base of intelligent vehicles is becoming younger, with changing preferences. Intelligent experience is gradually replacing traditional power parameters as key consideration factors in purchase decisions. Cockpit intelligence, performance and handling have become the main factors attracting consumers to buy vehicle products.
- **Higher driving safety standards promoting the implementation of autonomous driving technology:** China is continuously improving the legal and regulatory framework and safety standards related to intelligent vehicles. While the compliant application of autonomous driving technology is promoted, the requirements for active safety feature configurations have become more stringent. The revised version of Technical Requirements for Automobile Active Safety Systems and other regulations have driven advanced driver assistance systems to become standard equipment in passenger vehicles, in order to reduce traffic accidents caused by human error. These regulatory requirements are accelerating the pre-installation deployment of autonomous driving systems for intelligent vehicles at Level 2+ and above, and are driving technological upgrades in related perception and decision-making hardware and automotive vision interaction systems. For example, AR-HUD is one of the most effective HMI forms in intelligent cockpits and driver assistance systems, helping drivers quickly capture critical information and significantly enhancing driving safety.
- **Technological progress promoting the popularization of autonomous driving functions:** In recent years, China's intelligent vehicle industry has achieved breakthroughs in key technological fields such as AI algorithms, computing chips and V2X collaboration. Perception and decision-making technologies driven by large models have been continuously optimized, significantly enhancing the adaptability of autonomous driving systems in complex road environments. In addition, the promotion of V2X technology has greatly reduced data transmission delay, improving vehicle perception capabilities and overall intelligence levels. As the industrial ecosystem becomes more complete, technological progress is driving the popularization of autonomous driving from high-end models to middle- and low-end markets.
- **Continuous investment and favorable policies promoting market growth:** The PRC government has long regarded intelligent vehicles as a strategic emerging industry and supported the industry development through policies like special subsidies, tax incentives and infrastructure development. The implementation of policies such as the Innovative Development Strategy in Intelligent Vehicles and the Development Plan for the New Energy Vehicle Industry (2021-2035) has created a stable growth environment for the intelligent vehicle industry. Meanwhile, domestic

INDUSTRY OVERVIEW

capital markets are increasing their investments in intelligent vehicles and industrial ecosystem companies are accelerating research and development deployments, thereby promoting continuous enhancement of China's competitiveness in the intelligent vehicle sector.

Threats and Challenges of China's Intelligent Vehicle Industry

- **Uncertainty in Technology Roadmaps:** Key technology pathways such as autonomous driving, intelligent cockpit systems, and V2X communication remain in a stage of rapid evolution. Divergent integration strategies among OEMs may result in resource misalignment across the value chain, leading to prolonged R&D cycles or risks of technological obsolescence.
- **Cost Pressure and Profitability Challenges:** The rapid penetration of intelligent features into mid- and low-end vehicle segments has intensified price competition across the industry. OEMs have increasingly exerted downward pricing pressure on upstream suppliers, resulting in narrowing profit margins for core intelligent vehicle components and posing persistent profitability and cash flow challenges for suppliers.
- **Regulatory and Data Compliance Risks:** Intelligent vehicles rely heavily on data collection, algorithmic decision-making, and remote connectivity. Their development is constrained by varying regulatory requirements across jurisdictions regarding data security, autonomous driving legality, and OTA updates. Regulatory tightening or shifts could adversely affect vehicle delivery timelines and the rollout of intelligent features.

OVERVIEW OF AUTOMOTIVE HUD SOLUTION INDUSTRY IN CHINA

Definition and Classification of Automotive HUD Solution

Automotive HUD solution, which means automotive head-up display solution, refers to a display solution that uses optical projection technology to project key driving information (such as vehicle speed, navigation and ADAS warning) onto the driver's forward field of vision. By reducing the need for drivers to glance down at the dashboard, it improves driving safety and convenience. Moreover, automotive HUD solutions are powertrain-agnostic and can be applied to both ICE and EV. Nonetheless, the penetration rate of HUD in EV tends to be higher due to their stronger emphasis on digital interfaces and intelligent cockpit configurations. As an important interactive terminal that integrates intelligent cockpit and intelligent driving technologies, automotive HUD solutions are gradually becoming one of the core configurations in intelligent vehicles.

INDUSTRY OVERVIEW

Based on imaging methods, automotive HUD solutions are generally classified into three types: C-HUD, W-HUD and AR-HUD. W-HUD, the mainstream solution, projects images onto the windshield through an optical projection unit, allowing drivers to see critical driving information within their forward field of view. AR-HUD, the latest generation of HUD solution built upon W-HUD, incorporates optical projection imaging technologies such as TFT, DLP and LCoS to support longer projection distances and wider fields of view. Moreover, AR-HUD integrates vehicle environment perception data (such as data from cameras and radar) and uses software algorithms to achieve augmented reality displays of virtual-real fusion, which provides consumers with an enhanced experience. C-HUD has been gradually phased out due to its technical limitations and inadequate intelligent capabilities.

Analysis of Challenges in Automotive HUD Solution Industry

- **Challenges in imaging quality and environmental adaptability:** The optical design of automotive HUD solutions must ensure high brightness, low distortion, high contrast and effective thermal management. However, the existing solutions still face issues such as limited field of view and inadequate distortion control. In practical applications, key challenges include achieving high imaging accuracy, adapting to ambient light and controlling the thermal radiation of the optical system.
- **Space constraints and reliability to be improved:** Automotive HUD solutions must integrate high-brightness display modules and optical systems within limited space, but the compactness and stability of HUD components still need to be optimized. In addition, the HUD optical-mechanical system must achieve a standardized design of low noise and a high sharing rate. However, the industry is currently challenged by issues such as low parts reuse rate, the susceptibility of transmission systems to wear and tear, and insufficient structural strength optimization, which affect product durability and cost control.
- **Multimodal fusion and computing efficiency needing urgent improvement:** As HUD integrates with ADAS, V2X, intelligent cockpit and domain control architectures, automotive HUD solutions must achieve precise AR navigation, dynamic route guidance and environmental data fusion. At present, however, the industry lacks sufficient algorithm optimization capabilities, leaving significant room for improvement in the projection stability of AR-HUD and real-time rendering of ADAS information. Meanwhile, with the advancement of cockpit-driving synergistic integration, software architectures need to adapt to different MCU/SoC platforms and support efficient collaborative computing. However, some solutions still suffer from problems such as low code reuse rates and limited real-time computing capabilities, which hinders cross-model compatibility and upgradeability.

INDUSTRY OVERVIEW

- **Bottlenecks in hardware compatibility and power consumption optimization:** The hardware design of automotive HUD solutions must be compatible with different automotive-grade controllers, optical engine PGUs and sensors. However, the industry currently faces bottlenecks in hardware module compatibility, PCB layout optimization and standardized component selection. Moreover, further optimization is needed for the heat dissipation and power consumption management of high-brightness display systems of automotive HUD solutions, in order to meet the low power consumption requirements of intelligent vehicles.
- **Lack of standardized and automated testing capabilities in the industry:** Automotive HUD solutions need to maintain stable display effects under various environmental conditions (temperature, humidity, vibration, direct sunlight). However, the industry lacks a standardized testing framework, and the coverage of automated stress testing, optical testing and Hardware-in-the-Loop (HIL) testing is insufficient, which undermines product reliability. Furthermore, due to the insufficient comparative validation of functional testing and real vehicle data, the adaptability of automotive HUD solutions across different vehicle models still needs to be optimized.

Industrial Ecosystem Analysis of Automotive HUD Solutions

The upstream of the automotive HUD solution industry primarily consists of suppliers of optical components, raw materials and supporting software. These suppliers are responsible for developing and manufacturing products like image sources, free-form mirrors, waveguide mirrors and windshields, along with supporting software and algorithms. The midstream of the automotive HUD solution industry primarily consists of automotive HUD solution providers. They are responsible for offering automotive HUD solutions, such as W-HUD and AR-HUD. The downstream of the automotive HUD solution industry primarily consists of vehicle manufacturers and after-product suppliers.

The relationship between the midstream suppliers and the downstream vehicle manufacturers in the automotive HUD solution industry has shifted from the traditional one-way supply-demand model to a highly collaborative co-creation relationship. Midstream manufacturers not only take on the responsibility of product delivery, but also actively engage in the early-stage definition, system design and function planning of vision and interaction solutions for vehicle projects. By leveraging the platform architecture, user positioning and system requirements of vehicle manufacturers, they provide flexible solution configuration and development services. Through multi-dimensional joint development, a collaborative innovation mechanism focused on vehicle performance goals is established. This mechanism significantly enhances the product compatibility and mass-production efficiency, thereby becoming a crucial driving force in advancing the implementation of intelligent vehicle cockpits.

INDUSTRY OVERVIEW

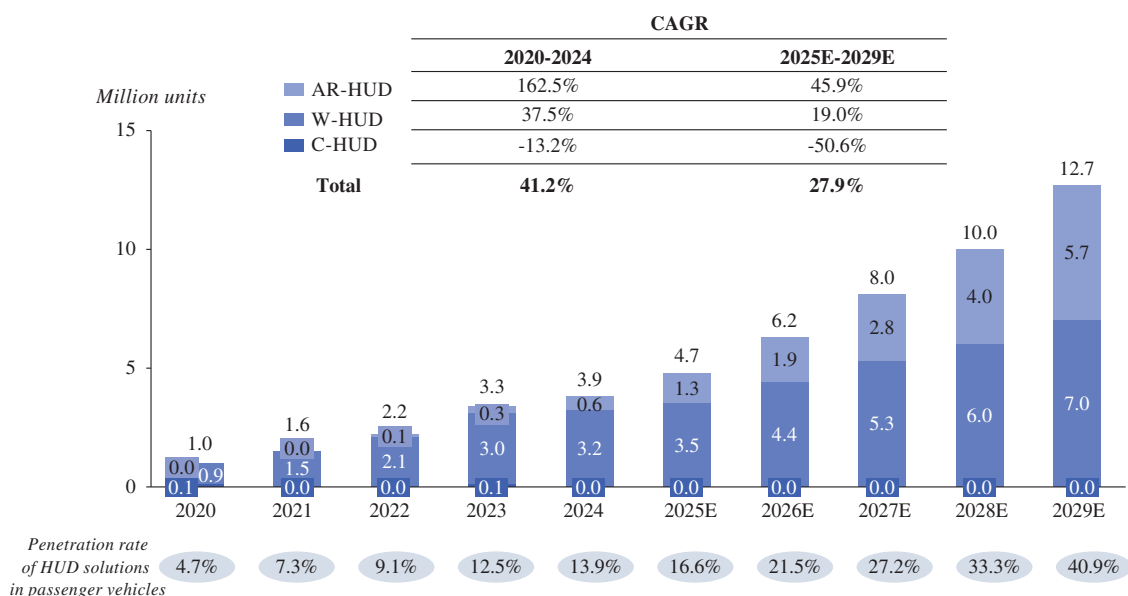
Market Size of China's Automotive HUD Solution Industry

Driven by the rapid development and implementation of intelligent vehicles and the consumer demand for safer and more convenient driving experience, the penetration rate of automotive HUD solutions in China continues to rise, with the market expanding rapidly. In terms of sales volume, the market size of China's automotive HUD solutions increased from 1.0 million units in 2020 to 3.9 million units in 2024, with a CAGR of 41.2% during the period. With the trends of full cockpit intelligence and the increasing penetration rate of automotive HUD solutions, it is estimated that by 2029, the number of automotive HUD solution in China will increase to 12.7 million units, with a CAGR of 27.9% from 2025 to 2029.

Within this market, W-HUD solutions are expected to gradually penetrate mid- and low-end vehicle models and become a standard feature for intelligent vehicles. The sales volume of W-HUD solutions is expected to increase from 3.2 million units in 2024 to 7.0 million units in 2029, with a CAGR of 19.0% from 2025 to 2029.

Meanwhile, AR-HUD solutions are expected to gradually drive the industry's growth with increasing penetration in new energy vehicles and premium vehicle segments. The sales volume of AR-HUD solutions is expected to increase from 0.6 million in 2024 to 5.7 million in 2029, with a CAGR of 45.9% from 2025 to 2029.

Market Size and Penetration Rate⁽¹⁾ of Automotive HUD Solutions in China by Solution Type, Measured by Sales Volume, 2020-2029E



Source: Gasgoo, CIC

Note:

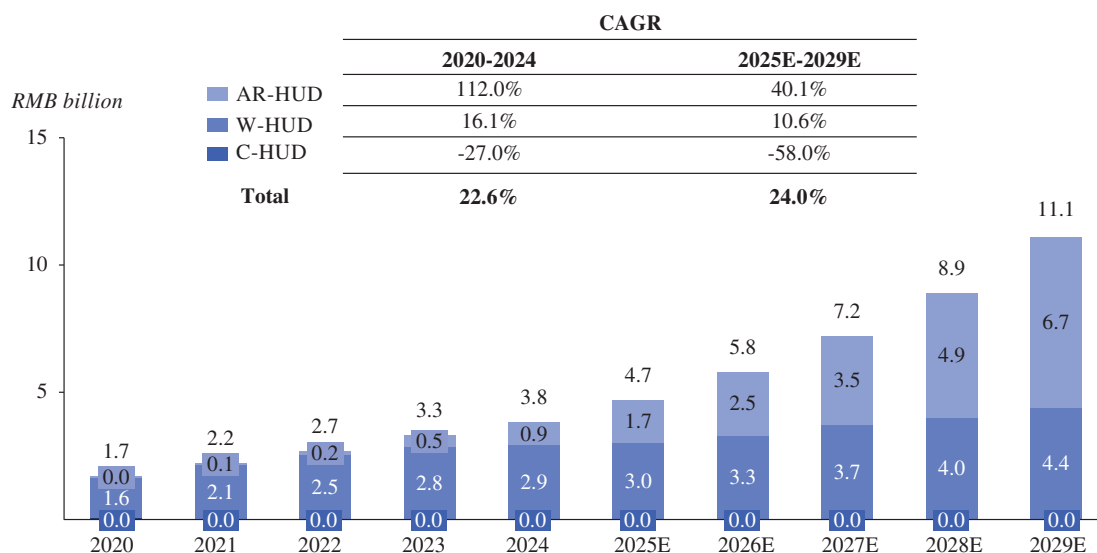
(1) The penetration rate refers to the proportion of HUD installed in passenger vehicles in China.

INDUSTRY OVERVIEW

In terms of revenue, the market size of automotive HUD solution in China increased from RMB1.7 billion in 2020 to RMB3.8 billion in 2024, with a CAGR of 22.6% during the period. It is estimated that the market size will reach RMB11.1 billion by 2029, with a CAGR of 24.0% from 2025 to 2029.

Currently, W-HUD solution is the mainstream HUD solution. However, in the future, with the full intelligentization of cockpit vision and interaction, the market share of AR-HUD solution will continue to rise and exceed that of W-HUD solution. In terms of revenue, the market sizes of W-HUD and AR-HUD solutions in China reached RMB2.9 billion and RMB0.9 billion, respectively, in 2024, accounting for 76.4% and 23.3% of the overall automotive HUD solution market. It is expected that by 2029, the market share of AR-HUD solution in China will increase to 60.0%, exceeding W-HUD solution's market share of 40.0%.

Market Size of Automotive HUD Solutions in China by Solution Type, Measured by Revenue, 2020-2029E



Source: Gasgoo, CIC

Analysis of the Driving Factors in China's Automotive HUD Solution Industry

Accelerated penetration of EVs. In recent years, China's EVs market has experienced rapid expansion, supported by favorable policies and growing consumer acceptance. In 2024, EVs accounted for 44.4% of total passenger vehicle sales in China, while ICEs comprised the remaining 55.6%. It is expected that by 2029, EVs are projected to reach 82.0% of China's passenger vehicle market, with a CAGR of 17.5% during the period. Given the higher propensity for intelligent cockpit features in EVs, their penetration directly stimulates demand for HUD solutions. As OEMs accelerate the adoption of intelligent cockpits, Automotive HUD solutions are increasingly integrated into EV models and experiencing robust growth.

- **Increasing consumer demand for intelligent vehicle configurations and experience:** As a core component of intelligent cockpit vision and interaction, HUD can reduce driver eye movement and provide key information such as vehicle speed, navigation and ADAS warnings, which effectively meets consumer demand for a more intelligent, safe and convenient driving experience. With the growing consumer demand for immersive and digital interactive driving experience, which refers to advanced in-vehicle display systems, represented by HUDs, that project real-time navigation, safety and vehicle information directly onto the driver's field of view, with basic voice or gesture interaction to enhance situational awareness and driving comfort, HUDs are increasingly becoming standard features in the flagship models of mid- and high-end intelligent driving brands.
- **Rapid development of automotive HUD solutions driven by the intelligent vehicle ecosystem:** As intelligent driving technologies continue to advance towards Level 2+ and above levels, the requirements for cockpit intelligence and cockpit-driving synergistic integration for the vehicle's overall HMI synergy are gradually increasing. HUD, as a key information output interface in the intelligent driving system, is becoming increasingly important. The accelerated adoption of connected vehicles, high-definition maps and Level 2+ or higher-level intelligent vehicles has significantly elevated the importance of HUDs as a vital information output interface within intelligent driving systems. In particular, by integrating environmental perception data from LiDAR, millimeter-wave radar, V2X and other sources, AR-HUD can offer augmented reality display functions such as real-scene navigation, lane-level guidance and risk alerts. This significantly enhances driving safety and the efficiency of environmental perception. As vehicles advance towards intelligent driving, drivers are less involved in continuous manual control, but should actively monitor the automated driving status and remain ready for takeover when required. Meanwhile, the visual need for drivers and passengers to access vehicle status, environmental information and cockpit interaction experience have grown significantly stronger and more diverse driven by clearer HMI displays of automation status and takeover alerts, and increased in-cabin information and interaction. In this context, automotive HUD is set to become the primary display screen for intelligent driving.
- **Continuous advancements in key technology routes such as TFT, DLP and LCoS:** TFT, DLP and LCoS are currently the leading projection technology routes in the field of automotive AR-HUD. In recent years, TFT technology has been evolving continuously, with large-sized TFT systems undergoing multiple rounds of upgrades in areas such as brightness enhancement, display uniformity and cost control, making it able to meet the requirements of high-performance HUD applications. DLP, reflecting light through a micromirror array, features high brightness and strong resistance to ambient light. LCoS, on the other hand, regulates light intensity through a reflective liquid-crystal chip, with the advantages of high resolution, low power consumption and a compact structure. In recent years, these three technologies have been steadily optimized for brightness output, projection distance, imaging clarity and optical engine volume control. Such advancements drive the HUD solutions to perform better and adapt more effectively to vehicles. With the maturity of technology solutions and the promotion of large-scale

applications, the penetration rate of AR-HUD solution is rising steadily. For future high-performance AR-HUD solution market, large-size TFT, DLP and LCoS technologies are expected to become the core technological approaches.

- **Strong support from industry policies, laws and regulations:** At the national strategic level, China has been steadily promoting the integration and standardization of HUD. The “Outline of the 14th Five-Year Plan and the Long-Range Objectives Through the Year 2035” clearly states the need to develop and expand strategic emerging industries and accelerate breakthroughs in key areas such as automotive electronics and intelligent connected vehicles. The “Guidelines for Building the Cybersecurity and Data Security Standard System of the Internet of Vehicles” proposes to standardize the data collection and interaction standards of automotive network terminals such as HUD during their use. These policies not only provide institutional guarantees for the integrated application of HUD in intelligent cockpits and autonomous driving systems but also strengthen its compliance and important position in intelligent connected vehicles, promoting the acceleration of the integration of relevant products into the overall vehicle intelligent development system.

Analysis of the Development Trends in China’s Automotive HUD Solution Industry

- **The trend of HUD solutions replacing traditional dashboards:** Against the backdrop of the intelligent development of vehicles and the upgrade of HMI, HUD solutions are rapidly replacing traditional dashboards to become the primary information interface within the driver’s visual field. Unlike traditional dashboards that require drivers to look down, HUD solutions project critical data like speed, navigation routes and ADAS alerts directly into the forward field of view, presenting information intuitively to significantly enhance driving focus and road safety. At the same time, HUD solution has stronger visual expressiveness and information integration capabilities, and can present more abundant real-time content, meeting the requirement of intelligent cockpits for the simultaneous presentation of multi-dimensional information. As HUD display technology matures and its cost structure is optimized, the substitution of traditional dashboards by HUD solutions will accelerate.
- **Standardization in high-end vehicles and increased penetration rates in mid- and low-end vehicles:** As the visual interaction scenarios in vehicle cockpits become increasingly intelligent, HUD, as the first screen for intelligent driving, are becoming standard in high-end vehicles while accelerating their penetration into mid-to-low-end vehicle markets. From 2020 to 2024, the penetration rate of HUD solutions in Chinese passenger vehicles increased from 4.7% to 13.9%. The growth was mainly driven by the accelerated penetration of HUD solutions in vehicles priced below RMB200,000 and the increased proportion of AR-HUD as a standard feature in high-end vehicles. High-end intelligent vehicle brands have already made HUD a standard feature in some of their flagship models to enhance driving safety and the technological feel of the cockpit.

INDUSTRY OVERVIEW

- **Accelerating industry trend toward compact size and larger display:** As HUD becomes increasingly integrated into intelligent cockpits, the industry is accelerating its evolution towards smaller overall sizes and wider display ranges. New-generation HUD solutions achieve longer projection distances, larger fields of view and higher imaging quality through the optimization of optical paths, the flat design of optical engine systems and efficient image-processing algorithms, while maintaining the compactness of the solution and its compatibility with the whole vehicle. The small-size design improves the compatibility with vehicle platforms, and the large-format display significantly enhances the information presentation ability and interaction experience, facilitating the large-scale application of HUD solutions in more vehicle models.
- **Innovative collaboration and localization of core components:** In the realm of innovation, leading automakers are collaborating closely with domestic HUD solution suppliers. Together, they are developing HUD solutions and speeding up the launch of new solutions. This showcases the collaborative implementation capabilities between automakers and suppliers. Meanwhile, as China's automotive HUD industrial ecosystem matures, domestic enterprises have strengthened their capabilities for independent R&D and local supply of core components. HUD optical components, which previously relied heavily on imports, are now locally produced. At the same time, the substitution of core components with domestic alternatives has accelerated, leading to a simultaneous drop in costs and prices. This has spurred the application of the new generation of intelligent cockpit vision and interactive solutions in vehicles. With the well-established supply of ecological resources and large-scale application, the cost-reduction cycle of new technology solutions has been notably shortened. As a result, the popularization of HUD from high-end to mid-end vehicle models has been expedited.
- **Diversification of technology routes:** As the HUD industrial ecosystem continues to mature, mainstream projection technologies such as TFT, DLP and LCoS have been widely applied in mass-produced vehicle models, promoting a development pattern where multiple technology routes co-exist for HUD products. During solution development, manufacturers leverage different technologies as optional tools, flexibly matching them to the positioning requirements of vehicle platforms. Automakers are more concerned with achieving a balance between the required functions and performance within a controllable cost range. The core evaluation indicators include imaging quality, field of view, brightness, power consumption and system integration efficiency. Application-oriented demand drives the need for platform-based, modular HUD solutions with greater market adaptability, accelerating adoption across various levels of vehicle models.

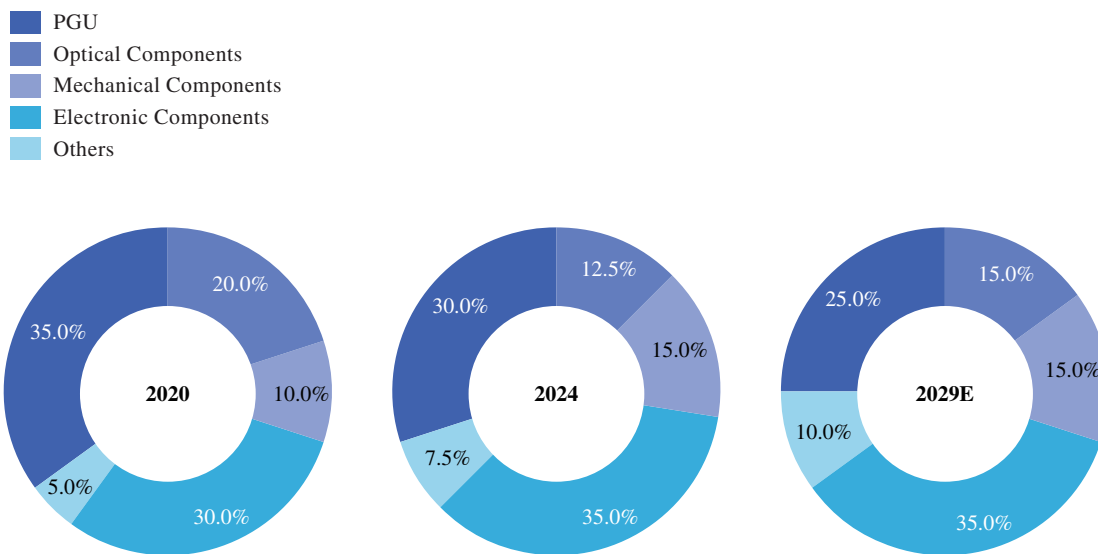
Cost Structure and Price Trend of China's Automotive HUD Solution Industry

The major cost of Automotive HUD Solutions is PGU and electronic components, accounting for 55% to 65% of total cost. In the future, as PGUs are increasingly localized, their proportion of total cost is expected to decline. Meanwhile, with the continuous miniaturization

INDUSTRY OVERVIEW

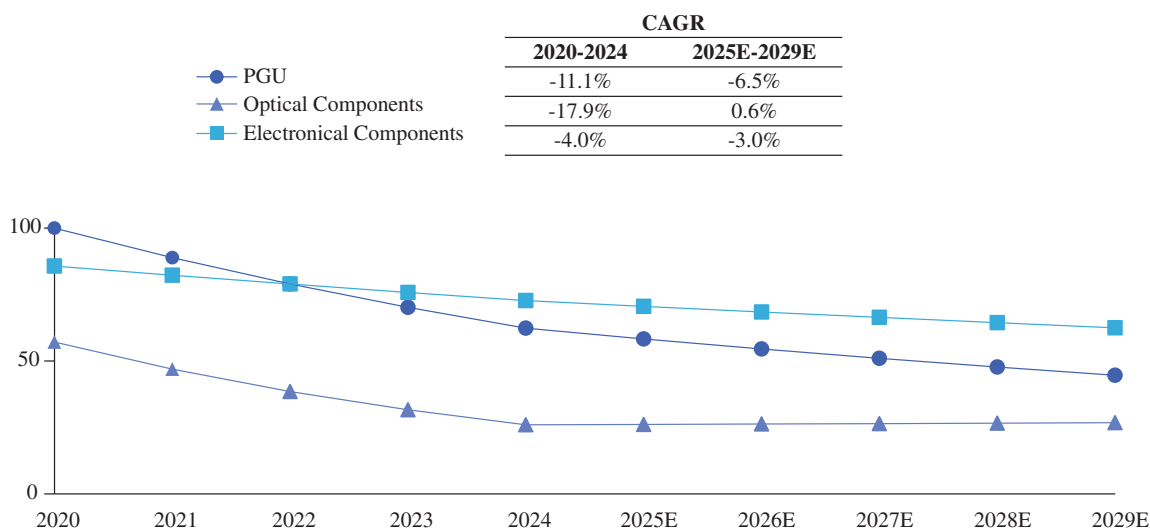
of HUD systems and their enhanced integration with other intelligent cockpit components, the cost contribution from electronic parts (including electronic components, mechanical components and optical components) and other elements (including software) is expected to rise progressively.

Cost Structure of China's Automotive HUD Solutions, 2020, 2024, 2029E



Source: Expert Interviews, CIC

Price Index of the Major Cost of China's Automotive HUD Solutions, 2020-2029E



Source: Expert Interviews, CIC

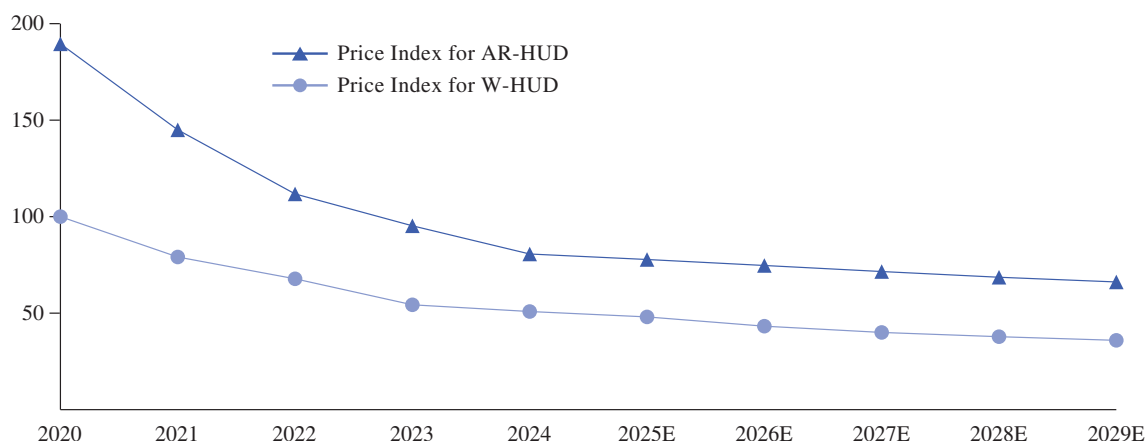
Note:

- (1) The price index of the Cost Structure of China's Automotive HUD Solutions is based on the average price of PGU in 2020, which is set as 100.

INDUSTRY OVERVIEW

The HUD industry's average selling price was constantly declining, primarily driven by breakthroughs in the localization of core components such as the PGU and free form mirrors, significantly reducing the overall BOM cost.

Price Index of China's Automotive HUD Industry, 2020-2029E



Source: Expert Interviews, CIC

Note:

- (1) The price index of China's Automotive HUD Solution Industry is based on the average price of W-HUD in 2020, which is set as 100.

OVERVIEW OF THE COMPETITION IN CHINA'S AUTOMOTIVE HUD SOLUTION INDUSTRY

Competitive Landscape of China's Automotive HUD Solution Industry

The players in China's automotive HUD solution market primarily include international manufacturers from Japan and Europe and domestic companies. In recent years, domestic firms have increasingly displaced traditional leading international manufacturers through technological innovation, rapid response capabilities and customized services, thereby significantly enhancing their market dominance. By 2024, the market share of domestic manufacturers had grown from approximately 16.7% in 2020 to 79.2%, with further growth anticipated by 2029.

In 2024, based on sales volume, the top five automotive HUD solution suppliers in China collectively accounted for 66.5% of the market. We ranked second among all automotive HUD solution suppliers in China in terms of sales volume, capturing approximately 16.2% of the market. The table below shows the ranking of the top five automotive HUD solution suppliers in China:

INDUSTRY OVERVIEW

Ranking of the Top Five Automotive HUD Solution Suppliers in China by Sales Volume, 2024

Ranking	Company Name	Home Country	Automotive HUD Solution Sales Volume	Market Share
			<i>million Units</i>	<i>(%)</i>
1	Company A	China	0.9	23.3%
2	Our Company	China	0.6	16.2%
3	Company B	Japan	0.4	9.8%
4	Company C	China	0.4	9.3%
5	Company D	China	0.3	7.9%
	Total of the top five companies		2.6	66.5%
	Total of other companies		1.3	33.5%
	Market total		3.9	100.0%

Source: Annual Reports, CIC

Notes:

- (1) Company A, established in China in 1993, was listed on the Shenzhen Stock Exchange in 2017 and is now a leading Chinese system supplier of automotive electronic products and components.
- (2) Company B, founded in Japan in 1949, was listed on the Nagoya Stock Exchange in 1951 and subsequently on the Tokyo and Osaka Stock Exchanges in 1953. It is a globally leading supplier of automotive components.
- (3) Company C, established in China in 2016, is a privately held company specializing in the research, development and application of augmented reality display technologies for the automotive industry.
- (4) Company D, founded in China in 1983, was listed on the Taiwan Stock Exchange in 2002. It is a globally recognized manufacturer and supplier of automotive electronics, primarily focusing on head-up displays, driver safety and protection systems, multimedia rear-seat entertainment systems, charging solutions and other automotive accessories.

INDUSTRY OVERVIEW

In 2024, based on revenue, the top five automotive HUD solution suppliers in China collectively accounted for 64.4% of the market. We ranked second among all automotive HUD solution suppliers in China in terms of revenue, capturing approximately 14.3% of the market. The table below shows the ranking of the top five automotive HUD solution suppliers in China:

Ranking of the Top Five Automotive HUD Solution Suppliers in China by Revenue, 2024

Ranking	Company Name	Home Country	Automotive HUD Solution Revenue	Market Share
			<i>(RMB in Billion)</i>	<i>(%)</i>
1	Company A	China	0.7	18.5%
2	Our Company	China	0.5	14.3%
3	Company B	Japan	0.5	12.0%
4	Company D	China	0.4	10.3%
5	Company F	China	0.4	9.3%
	Total of the top five companies		2.4	64.4%
	Total of other companies		1.4	35.6%
	Market total		3.8	100.0%

Source: Annual reports, CIC

Note:

- (1) Company F was founded in China in 1987. It is privately held and is a leading global provider of ICT (Information and Communications Technology) infrastructure and intelligent terminal products.

INDUSTRY OVERVIEW

Ranking of the Top Five Automotive W-HUD Solution Suppliers in China

Our W-HUD solutions hold a leading position in the market. In 2024, our W-HUD solution sales volume ranked second in China with an approximate market share of 17.8%. The table below shows the ranking of the top five automotive W-HUD solution suppliers in China:

Ranking of the Top Five Automotive W-HUD Solution Suppliers in China by Sales Volume, 2024

Ranking	Company Name	Home Country	Automotive W-HUD Sales Volume <i>million Units</i>	Market Share <i>(%)</i>
1	Company A	China	0.7	22.4%
2	Our Company	China	0.6	17.8%
3	Company B	Japan	0.4	11.8%
4	Company C	China	0.3	11.1%
5	Company E	Japan	0.2	6.9%
Total of the top five companies			2.2	70.0%
Total of other companies			1.0	30.0%
Market total			3.2	100.0%

Source: Annual Reports, CIC

Note:

- (1) Company E, founded in Japan in 1946 and listed on the Tokyo Stock Exchange in 1989, is a leading global supplier of automotive instruments, automotive components and resin materials.

In 2024, based on revenue, we ranked second among all automotive W-HUD solution suppliers in China, capturing approximately 16.5% of the market. The table below shows the ranking of the top five automotive W-HUD solution suppliers in China:

Ranking of the Top Five Automotive W-HUD Solution Suppliers in China by Revenue, 2024

Ranking	Company Name	Home Country	Automotive W-HUD Solution Revenue <i>(RMB in billion)</i>	Market Share <i>(%)</i>
1	Company A	China	0.5	17.4%
2	Our Company	China	0.5	16.5%
3	Company B	Japan	0.5	15.7%
4	Company C	China	0.3	9.7%
5	Company E	Japan	0.3	9.2%
Total of the top five companies			2.0	68.5%
Total of other companies			0.9	31.5%
Market total			2.9	100.0%

Source: Annual reports, CIC

INDUSTRY OVERVIEW

Ranking of the Top Five High-performance Automotive AR-HUD Solution Suppliers in China

Based on sales volume in the Chinese market in 2024, we ranked third among all high-performance automotive AR-HUD solution suppliers, with a market share of approximately 13.7%.

Ranking of the Top Five High-Performance Automotive AR-HUD Solution Suppliers in China by Sales Volume, 2024⁽¹⁾

Ranking	Company Name	Home Country	Sales Volume of High-performance Automotive AR-HUDs <i>1,000 Units</i>	Market Share <i>(%)</i>
1	Company F	China	156.4	39.9%
2	Company G	China	66.8	17.1%
3	Our Company	China	53.7	13.7%
4	Company H	South Korea	50.1	12.8%
5	Company I	China	48.6	12.5%
	Total of the top five companies		375.6	96.0%
	Total of other companies		15.4	4.0%
	Market total		391.0	100.0%

Source: Annual Reports, CIC

Notes:

- (1) The standards defining high-performance AR-HUD solution are as follows: The hardware must have a horizontal field of view (HFOV) of at least 10°, a vertical field of view (VFOV) of at least 3.5° and a visual image distance (VID) of at least 7.5 meters. Additionally, it should possess software capabilities for AR-based virtual-real fusion.
- (2) Company G, established in China in 2003, was listed on the Shanghai Stock Exchange in 2022. It focuses on providing electronic products, research and development services and advanced intelligent driving solutions for the automotive and unmanned transportation sectors.
- (3) Company H was founded in South Korea in 1958 and was listed on the Korea Stock Exchange in 1970. It is a leading global manufacturer specializing in consumer electronics, mobile communication products and home appliances.
- (4) Company I, established in China in 2002, was listed on the Shenzhen Stock Exchange in 2008. It is a one-stop optical component manufacturer, offering a complete range from core components to modules and solutions.

INDUSTRY OVERVIEW

In 2024, we ranked fourth among all high-performance automotive AR-HUD solution suppliers in China in terms of revenue, capturing approximately 8.9% of the market. The table below shows the ranking of the top five high-performance automotive AR-HUD solution suppliers in China:

Ranking of the Top Five High-performance Automotive AR-HUD Solution Suppliers in China by Revenue, 2024

Ranking	Company Name	Home Country	High-performance Automotive AR-HUD Revenue (RMB in billion)	Market Share (%)
1	Company F	China	0.35	50.9%
2	Company G	China	0.10	15.0%
3	Company H	South Korea	0.10	14.5%
4	Our Company	China	0.06	8.9%
5	Company I	China	0.04	6.3%
	Total of the top five companies		0.66	95.6%
	Total of other companies		0.03	4.4%
	Market total		0.69	100.0%

Source: Annual reports, CIC

Entry Barriers in China's Automotive HUD Solution Industry

- **Strong expertise in optical product development and extensive industry service experience:** Optical systems are vital components of HUD solutions, covering aspects such as free-form optical design, distortion correction, ambient light adaptation and luminance uniformity. Strong expertise in optical product development combined with extensive industry service experience is essential for advancing product iterations and meeting the diverse requirements of different vehicle models. This is particularly true for high-end HUD solutions, which impose particularly higher optical system standards, making it challenging for companies lacking adequate relevant experience to enter the market. As a result, traditional optical firms or well-established Tier-1 suppliers enjoy a distinct competitive advantage in the HUD sector.
- **Automotive-grade mass production and delivery capabilities:** HUD solutions are highly integrated systems consisting of multiple modules, including optical components, display modules, projection systems and electronic controls, which demands greater automotive-grade manufacturing capabilities. OEMs enforce strict criteria regarding defect rates, parameter consistency and delivery stability. Therefore, HUD solution

INDUSTRY OVERVIEW

suppliers must have a well-established quality management system, strong supply chain coordination and proven experience in consistent high-volume deliveries to satisfy OEMs' long-term project requirements.

- **Pioneering capabilities in visual system R&D and intelligent interaction integration:** As AR-HUDs gradually become the industry norm, HUD solutions must possess the ability to integrate the data with ADAS, enabling augmented reality navigation and real-time driving information display through environmental sensing and AI rendering. As a core interaction interface within the intelligent cockpit, HUD solutions need to integrate closely with vehicle infotainment systems, HMI, DMS and V2X. In the future, companies with cross-system integration and software algorithm expertise are expected to gain a competitive edge, whereas new entrants lacking system integration expertise will face significant technical barriers.
- **Extensive customer resources and brand recognition:** Brand reputation and customers constitute critical entry barriers to the HUD market. As automotive OEMs impose the stringent vendor qualification requirements and lengthy auditing processes, their preferences are typically given to suppliers with proven track records and longstanding partnerships. Consequently, incumbent suppliers benefit from first-mover advantages through extensive customer resources and brand recognition, making it difficult for new entrants to disrupt the existing supply chain system.

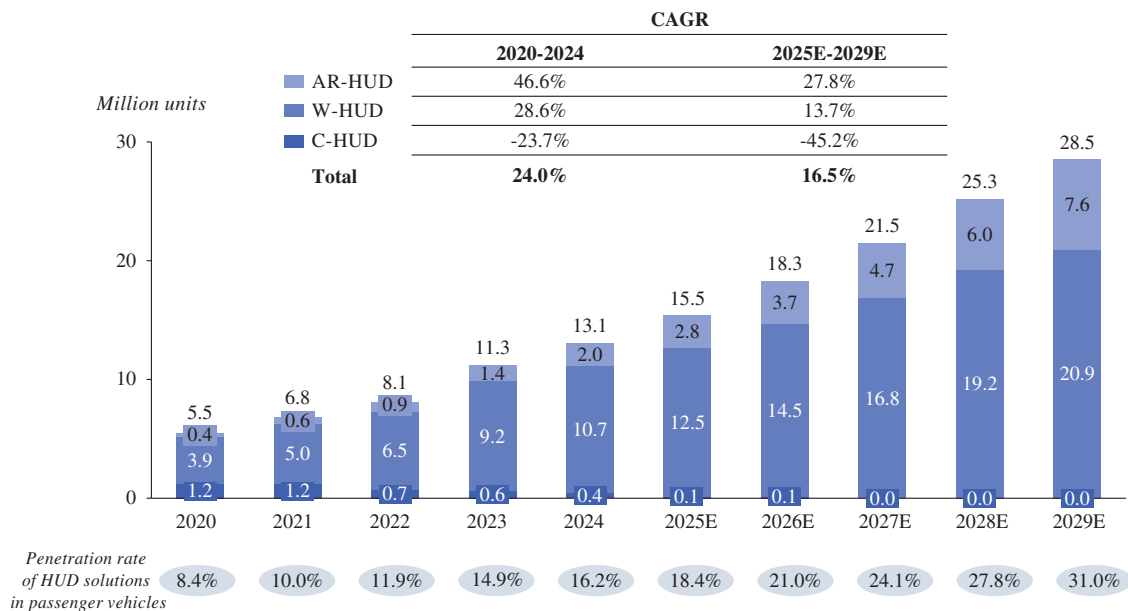
OVERVIEW OF THE GLOBAL AUTOMOTIVE HUD SOLUTION INDUSTRY

Driven by the rapid advancements in intelligent cockpits and autonomous driving technologies, the global HUD solution industry is entering an accelerated development phase. In recent years, Chinese HUD solution providers have gained notable technological advantages in areas such as optical design, imaging quality and system integration, with their product performance and engineering capabilities steadily aligning with international standards. Looking ahead, it is anticipated that more Chinese HUD firms will expand their global footprint through collaborations with domestic automotive OEMs for overseas growth or by establishing partnerships with international automotive OEMs.

The global automotive HUD solution industry is primarily characterized by the dominance of W-HUDs, with AR-HUDs representing the promising growth segment for the future. Overseas automotive OEMs are increasingly focused on enhancing the performance of W-HUD solutions and making them standard features in premium vehicle models, which will support the continued steady penetration of W-HUD solutions in overseas markets. In terms of sales volume, the W-HUD market is forecasted to grow from 10.7 million units in 2024 to 20.9 million units by 2029, with a CAGR of 13.7% from 2025 to 2029. On the other hand, the AR-HUD sector is relatively nascent overseas compared to the domestic market, with Tier-1 suppliers lagging behind R&D and commercialization efforts. This creates opportunities for Chinese manufacturers to enter and expand within the global market. Based on sales volume, the AR-HUD market is expected to increase from 2.0 million units in 2024 to 7.6 million units in 2029, with a CAGR of 27.8% between 2025 and 2029.

INDUSTRY OVERVIEW

Global Market Size and Penetration Rate⁽¹⁾ of Automotive HUD Solutions by Solution Type, Measured by Sales Volume, 2020-2029E



Source: CIC & ICV

Note:

(1) Refers to the proportion of HUD solutions installed in passenger vehicles worldwide

OVERVIEW OF THE INTELLIGENT COCKPIT VISION AND INTERACTION SOLUTIONS IN CHINA

Definition and Classification of Intelligent Cockpit Vision and Interaction Solutions

Intelligent cockpit vision and interaction solutions are innovative solutions that support critical functions such as information display, autonomous driving assistance and dynamic interaction. Leveraging technologies like optical displays and software algorithms, these solutions enable information transmission and exchange between the vehicle and the driver, further enhancing safety, comfort and the intelligent driving experience. Major types of vision and intelligent solutions in this domain include HUD, camera monitor systems (CMS), digital windshields and window projection systems.

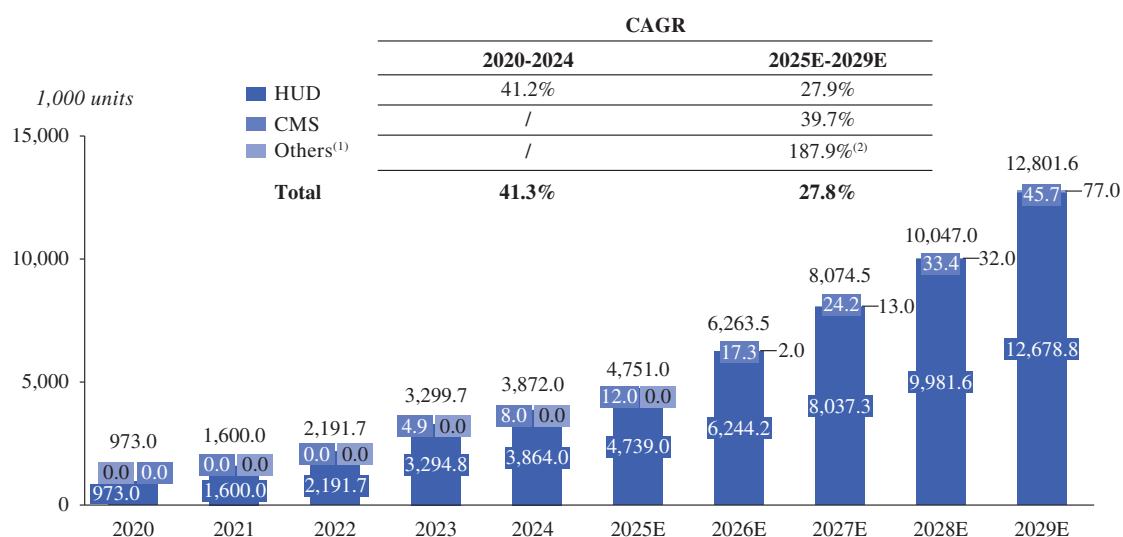
Market Size of the Intelligent Cockpit Vision and Interaction Solutions in China

As Level 2+ and above intelligent vehicles place increasing demands on environmental perception visualization and HMI, intelligent cockpit vision and interaction solutions have become a key component of intelligent cockpits, driving steady increase in market demand and rapid market growth. The market size of intelligent cockpit vision and interaction solutions in China grew from 973.0 thousand units in 2020 to 3,872.0 thousand units in 2024, representing

INDUSTRY OVERVIEW

a CAGR of 41.3%. Driven by both the increasing penetration of intelligent vehicles and the ongoing upgrade of cockpit systems, China has gradually become a global leader in this market, accounting for 29.4% of global sales in 2024. Looking ahead, as vehicle intelligence continues to advance, the Chinese market for intelligent cockpit vision and interaction solutions is expected to maintain high-speed growth, reaching 12,801.6 thousand units by 2029, with a CAGR of 27.8% from 2025 to 2029.

Market Size of the Intelligent Cockpit Vision and Interaction Solutions in China by Solution Type, Measured by Sales Volume, 2020-2029E



Source: CIC & CPCA

Note:

- (1) Including digital windshields and window projection systems.
- (2) Refers to the CAGR from 2026 to 2029.

Drivers Analysis of the Intelligent Cockpit Vision and Interaction Solutions in China

- **Rising demand for cockpit visual interaction:** As intelligent vehicles evolve from traditional transportation tools into integrated, intelligent mobility spaces, consumer expectations regarding the visualization of driving-related information and the comfort of HMI continue to grow. Intelligent cockpit vision and interaction solutions serve as the core interface between intelligent driving systems and users. They not only enhance the efficiency of information acquisition and the sense of safety during driving, but also significantly improve the overall HMI capabilities and user experience of the vehicle, fueling sustained market demand. In 2024, the penetration rate of Level 2+ and above intelligent vehicles in China reached 7.3%, and it is expected to continue rising in the coming years, further driving the adoption of intelligent cockpit vision and interaction solutions as supporting configurations.

INDUSTRY OVERVIEW

- **Technological breakthroughs accelerating product iteration and adoption:** Intelligent cockpit vision and interaction solutions have continued to achieve breakthroughs in key technological areas such as optical design, image processing, AR rendering and HMI, exemplified by improvements in imaging resolution of HUD solutions, expansion of field of view and imaging distance, and stronger integration of AR navigation with ADAS perception. These developments have substantially improved system performance, environmental adaptability and vehicle integration efficiency, driving the evolution of products toward greater intelligence and miniaturization, and further strengthening their role as an interactive bridge within intelligent driving systems. As automotive OEMs accelerate efforts in intelligent and differentiated vehicle design, these solutions have become a key factor in attracting consumers, and the market is expected to expand further.
- **Innovation in solutions and trends toward globalization and standardization:** Intelligent cockpit vision and interaction solutions are evolving from traditional functional display systems into integrated and scenario-based intelligent interaction terminals. These solutions are no longer limited to displaying driving information, but are increasingly being applied in various scenarios such as driver assistance prompts, passenger information services and personalized cockpit experience — becoming a vital component of the vehicle’s overall HMI system. Meanwhile, Chinese suppliers are playing an increasingly prominent role in the global market for intelligent cockpit vision and interaction solutions, contributing to overall cost reduction and efficiency improvement, and accelerating the global adoption of such solutions. Technological breakthroughs have driven down the costs of core products such as HUDs, paving the way for these solutions to become standard configurations in intelligent vehicles.

SOURCES AND RELIABILITY OF INFORMATION

We engaged CIC to conduct analysis and prepare a report on the market for intelligent cockpit vision and interaction solutions and automotive HUD systems. CIC is a market research and consulting firm founded in Hong Kong, offering professional advisory services across a broad range of industries. We have agreed to pay CIC a fee of RMB0.55 million for the preparation of the report. We have extracted certain information from the CIC Report in this section, as well as from the sections headed “Summary,” “Risk Factors,” “Business,” “Financial Information,” and other parts of this prospectus, to provide potential investors with a more comprehensive understanding of the industry in which we operate. Unless otherwise specified, all data and forecasts set out in this section are derived from the CIC Report.

The data and information collected by CIC have been analyzed, assessed and validated using its internal analytical models and technologies. Primary research was conducted through interviews with key industry experts and leading market participants. Secondary research involved the analysis of various publicly available data sources, including information published by the National Bureau of Statistics of China and various industry associations. All data and information collected by CIC have been analyzed, assessed and validated using its internal analytical models and technologies.

INDUSTRY OVERVIEW

The market forecasts contained in the CIC Report are based on the following key assumptions: (1) during the forecast period, the overall social, economic and political environment in China will remain stable; (2) during the forecast period, the relevant key market drivers — such as technological advancement, supportive policies and increasing downstream demand — may continue to support the growth of the market for intelligent cockpit vision and interaction solutions and automotive HUD systems; and (3) during the forecast period, there will be no extreme force majeure events or unforeseeable changes in industry regulations that could result in a sharp or fundamental impact on the market.

REGULATORY OVERVIEW

OVERVIEW

Information disclosed in this section are relevant effective laws, regulations and regulatory documents of the People's Republic of China (the "PRC") which have significant impacts on our business activities and operations in the PRC as of the date of this prospectus, which might be subject to change in the future, but it does not include detailed analysis of the laws, regulations and regulatory documents related to our business activities and operations in the PRC, or serve as all applicable laws, regulations and regulatory documents to our operations in the PRC.

PRINCIPAL REGULATORY AUTHORITIES

We are mainly engaged in the industry of HUD solutions R&D, production and operation and are subject to the supervision of the National Development and Reform Commission (the "NDRC") and the Ministry of Industry and Information Technology of the PRC (the "MIIT").

The main functions undertaken by the NDRC include: formulating and implementing strategies on national economic and social development, medium and long-term development plans and annual plans; coordinating economic and social development; solving major economic issues; adjusting economic operation.

The main functions undertaken by the MIIT include: drawing up new industrial development strategies and policies; coordinating major issues in industrial development processes; promoting strategic adjustment and optimization of industrial structures; developing and implementing industrial plans, programs, and industrial policies; formulating and implementing industrial technical specifications and standards; guiding technological innovation and advancement in industries; implementing major national science and technology projects; promoting industrialization of scientific researches and developments.

REGULATIONS RELATING TO CORPORATION

The establishment, operation and management of corporate entities in the PRC are governed by the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "PRC Company Law"), which was promulgated by the Standing Committee of the National People's Congress of the People's Republic of China (the "SCNPC") in December 1993 and further amended in December 1999, August 2004, October 2005, December 2013, October 2018, and December 2023 respectively. According to the last amended PRC Company Law effective as of July 1, 2024, companies are classified into limited liability companies and joint stock limited company. The PRC Company Law also applies to foreign-invested companies. According to the PRC Company Law, if laws on foreign investment have other provisions, such laws shall prevail.

REGULATORY OVERVIEW

REGULATIONS RELATING TO FOREIGN INVESTMENT

Investment in the PRC by foreign investors are mainly governed by the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the “Foreign Investment Law”) promulgated by the National People's Congress of the People's Republic of China (the “NPC”) on March 15, 2019 and effective as of January 1, 2020, and the Implementation Regulations for the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法實施條例》) (the “Regulations for the Foreign Investment Law”), which was promulgated by the State Council on December 26, 2019 and effective as of January 1, 2020. According to the Foreign Investment Law, the PRC adopts a management system of pre-establishment national treatment and negative list for foreign investment.

On September 6, 2024, the NDRC and the Ministry of Commerce of the People's Republic of China (the “MOFCOM”) jointly promulgated the Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “Negative List”), effective as of November 1, 2024. The Negative List set out several restrictive measures in a unified manner, such as the requirements on shareholding percentages, management for the access of foreign investments, etc. Fields that were not included in the Negative List shall be regulated according to the principle of equal treatment of domestic and foreign investments. The industry of HUD solutions R&D, production and operation is not listed in the Negative List, which means the foreign investment in the business operated by us in PRC shall not be restricted or prohibited.

On October 26, 2022, the NDRC and the MOFCOM jointly promulgated the Catalogue of Industries for Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》) (the “Encouraging Catalogue”), effective as of January 1, 2023. According to the Encouraging Catalogue, the industry of HUD solutions is encouraged.

According to the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》) jointly promulgated by the MOFCOM and the State Administration for Market Regulation (the “SAMR”) on December 30, 2019, effective as of January 1, 2020, foreign investors and foreign-invested enterprises shall report investment information to the competent commerce authorities when conducting investments within China either directly or indirectly.

According to the Measures for the Security Review of Foreign Investments (《外商投資安全審查辦法》) jointly promulgated by the NDRC and the MOFCOM on December 19, 2020, effective as of January 18, 2021, foreign investors or the relevant parties in China shall take the initiative to declare to the office of the working mechanism prior to implementation of the following investments: (i) investments in military industry, military industrial supporting and other fields relating to the security of national defence, and investments in areas surrounding military facilities and military industry facilities; and (ii) investments in important agricultural products, important energy and resources, important equipment manufacturing, important infrastructure, important transport services, important cultural products and services, important

REGULATORY OVERVIEW

information technology and Internet products and services, important financial services, key technologies and other important fields relating to national security, and obtaining the actual controlling stake in the investee enterprise.

REGULATIONS RELATING TO OVERSEAS INVESTMENT

According to the Administrative Measures for Overseas Investment (《境外投資管理辦法》) promulgated by the MOFCOM on September 6, 2014 and effective as of October 6, 2014, the MOFCOM and the provincial commerce authorities shall implement filing and examination and approval respectively based on different circumstances of overseas investments of enterprises; overseas investments of enterprises which involve sensitive countries and regions and sensitive industries shall be subject to examination and approval; other overseas investments of enterprises shall be subject to filing.

According to the Administrative Measures for the Outbound Investment by Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017, effective as of March 1, 2018, to make an outbound investment, any enterprise located within the territory of the PRC, based on different circumstances, shall go through such formalities as the approval and filing for the outbound investment project with NDRC or the provincial development and reform authority at the place where the investor is registered, the reporting of relevant information, and the cooperation in the supervision and inspection over the outbound investment; sensitive projects to be carried out by investors either directly or through overseas enterprises controlled thereby are subject to approval by the NDRC; non-sensitive outbound investments directly carried out by any enterprise located within the territory of the PRC are subject to filing.

The Catalogue of Sensitive Industries for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》) promulgated by the NDRC on January 31, 2018, effective as of March 1, 2018 listed the sensitive industries in detail.

REGULATIONS RELATING TO IMPORT AND EXPORT

According to the Foreign Trade Law of the People's Republic of China (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, last amended and effective on December 30, 2022 and the Notice of the Enterprise Management and Inspection Department on Matters Related to the Filing of Consignees and Consignors of Import and Export Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》) declared by the General Administration of Customs (the "GAC") on January 3, 2023, applicants for the filing of consignees and consignors of import and export goods shall obtain market entity status, and there is no need to obtain the filing of foreign trade operator.

According to the Customs Law of the People's Republic of China (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987, last amended and effective on April 29, 2021, unless otherwise stipulated, the consignee or consignor of import and export goods may take import and export goods through Customs declaration procedures and pay

REGULATORY OVERVIEW

duties themselves, it may also entrust a Customs clearing enterprise to complete declaration procedures and pay duties for import and export goods; where a consignee or consignor of import or export goods or a Customs clearing enterprise go through Customs declaration procedures, they shall file for record with the Customs in accordance with law.

According to the Administrative Provisions of the Customs of the People's Republic of China on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) promulgated by the GAC on November 19, 2021, effective as of January 1, 2022, consignors or consignees of imported or exported goods or customs declaration enterprises that apply for record-filing shall obtain market entity qualifications; in the case of consignors or consignees of imported or exported goods applying for record-filing, they shall also complete the record-filing formalities for foreign trade dealers.

REGULATIONS RELATING TO PRODUCT QUALITY

According to the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) (the "Product Quality Law") promulgated by the SCNPC on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018 respectively and effective as of on December 29, 2018, producers and sellers shall establish a sound internal product quality control system and strictly adhere to a job responsibility system in relation to quality standards and quality liabilities together with implementing corresponding examination and inspection measures. The counterfeiting or imitating of quality marks such as certification marks is prohibited; falsifying the place of origin of products, and falsifying or imitating the name or address of another factory is prohibited; adulteration of, or mixing of improper elements with products produced or sold, using fake products as genuine products, or using products of poor quality as high quality products is prohibited. Any manufacturer or seller who violates the Product Quality Law may be subject to (i) administrative penalties, including order to cease production or sale, order of rectification on the situation within a limited time, confiscation of products subject to illegal production or sale, imposition of fines, confiscation of illegal income and, in serious circumstances, revocation of business license; and (ii) criminal liabilities if the illegal activity constitutes a crime.

According to the Product Quality Law and the Civil Code of the People's Republic of China (《中華人民共和國民法典》) (the "Civil Code") promulgated by the SCNPC on May 28, 2020 and effective as of January 1, 2021, where a product is found to be defective after it is put into circulation, the manufacturer and the seller shall promptly adopt remedial measures such as stopping sale, issuing a warning, and recalling the product etc.; where the damage is aggravated as a result of failure to adopt remedial measures promptly or ineffective remedial measures, the manufacturer and the seller shall also bear tortious liability for the aggravated damage. Where any producer or seller knowingly produces or sells defective products or fails to take effective remedial measures in accordance with the preceding article, thus causing death or serious damage to the health of another person, the infringed shall be entitled to claim appropriate punitive damages.

REGULATIONS RELATING TO CONSTRUCTION

Construction Work Commencement Permit

According to the Construction Law of the People's Republic of China (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997 and last amended and effective as of April 23, 2019, prior to commencement of a construction project, the developer shall apply to the construction administrative authorities of a People's Government of county level and above at the location of the project for a construction permit according to the relevant provisions of the State, except for small projects below the limit determined by the construction administrative authorities of the State Council.

According to the Administrative Measures on Construction Permits for Construction Projects (《建築工程施工許可管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on October 15, 1999, last amended and effective on March 30, 2021, for the construction and decoration of various buildings and ancillary facilities thereof, the installation of supporting lines, pipelines and equipment, and the construction of municipal infrastructure projects in cities and towns within the territory of the PRC, a project owner shall, prior to the commencement of construction, apply, in accordance with the provisions of these Measures, to the administrative department of housing and urban-rural development under the local people's government at or above the county level at the place where the construction project is located for a construction permit; for a construction project whose investment amount is less than RMB300,000 or whose floor area is less than 300 square meters, the project owner is not required to apply for a construction permit; the administrative departments of housing and urban-rural development under the people's governments of provinces, autonomous regions and municipalities directly under the Central Government may, in light of the actual situation of their respective regions, adjust the limits and file the same with the administrative department of housing and urban-rural development under the State Council for the record.

Completion Acceptance of Construction

According to the Regulations on the Quality Management of Construction Projects (《建設工程質量管理條例》) promulgated by the State Council on January 30, 2000, last amended and effective on April 23, 2019 and the Measures for the Administration of Filing of Completion Acceptance of Housing Construction Projects and Municipal Infrastructure (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on October 19, 2009 and effective as of the same day, owners engaged in the new construction, expansion, and renovation of any types of housing construction and municipal infrastructure projects within the territory of the PRC shall file with the construction departments of local people's governments at the county level or above where the project is located for record within 15 days from the date when the project passes the acceptance inspection.

REGULATORY OVERVIEW

REGULATIONS RELATING TO LEASED PROPERTIES

According to the Civil Code, an owner of immovable or movable property is entitled to possession, use, earnings, and disposal of such property in accordance with the law. According to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and effective as of February 1, 2011, the lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development (real estate) department of the People's Government of the centrally-administered municipality, municipality or county where the leased property is located. Individuals or organisations who violate the foregoing provision shall be ordered by the development (real estate) department of the People's Governments of centrally-administered municipalities, municipalities or counties to make correction within a stipulated period; where the organisation failed to make correction within the stipulated period, a fine ranging from RMB1,000 to RMB10,000 shall be imposed. In addition, the Administrative Measures on Leasing of Commodity Housing also stipulates that the property that change its nature of property use which violates the provisions shall not be let out, otherwise measures shall be ordered by the development (real estate) department of the People's Governments of centrally-administered municipalities, municipalities or counties to make correction within a stipulated period; where there is no illegal income, a fine of not more than RMB5,000 may be imposed; where there is an illegal income, a fine ranging from one to three times the amount of illegal income may be imposed, subject to a maximum of RMB30,000.

REGULATIONS RELATING TO FIRE SECURITY

According to the Fire Control Law of the People's Republic of China (《中華人民共和國消防法》) promulgated by the SCNPC on April 29, 1998, last amended and effective on April 29, 2021, for special development projects stipulated by the housing and urban-rural development authority of the State Council, the developer shall submit the fire safety design documents to the housing and urban-rural development authority for examination, while for development projects other than those stipulated above, the developer shall, at the time of applying for the construction permit or approval for work commencement report, provide the fire safety design drawings and technical materials which satisfy the construction needs.

According to the Interim Provisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) promulgated on April 1, 2020, last amended and effective on August 21, 2023, the fire safety design examination and acceptance for special development projects, as well as the fire safety inspection and acceptance, filing, and spot-checks for other construction projects, shall be governed by these Provisions.

REGULATORY OVERVIEW

REGULATIONS RELATING TO WORK SAFETY

According to the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002, last amended and effective on June 10, 2021, entities that engage in production and business activities in the PRC shall establish and improve the all-staff work safety responsibility system, improve the conditions for work safety, strengthen work safety education and training for their practitioners, provide their employees with work protection articles that satisfy national standards or industrial specifications.

REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

According to the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) (the "Environmental Protection Law") promulgated by the SCNPC on December 26, 1989, amended on April 24, 2014 and effective as of January 1, 2015, enterprises, institutions and other manufacturing operators shall prevent and reduce environmental pollution and ecological damage, and shall be liable for damages caused by them according to the law. According to the Environmental Protection Law, environmental impact assessment shall be carried out where construction of projects which have an impact on environment.

Environment Impact Assessment

According to the Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》) (the "Environmental Impact Assessment Law") promulgated by the SCNPC on October 28, 2002, last amended and effective on December 29, 2018, the State shall implement classified administration of environmental impact assessment for construction projects in accordance with the degree of environmental impacts of construction projects.

According to the Interim Measures for the Acceptance Inspection for Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) promulgated by the Ministry of Environmental Protection (Revoked) and effective on November 20, 2017 and the Administrative Regulations on Environmental Protection for Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, last amended on July 16, 2017 and effective as of October 1, 2017, upon completion of construction of a construction project for which an environment impact report or environment impact statement is formulated, the builder shall conduct acceptance inspection of the complementary environmental protection facilities according to the standards and procedures stipulated by the environmental protection administrative authorities of the State Council, and formulate the acceptance inspection report. As for the construction project for which an environment impact report or environment impact statement is formulated shall be put into production or use only when its complementary environmental protection facilities pass acceptance inspection.

REGULATORY OVERVIEW

According to the Environmental Impact Assessment Law, where a construction entity commenced construction prior to submission of the environmental impact report and environmental impact statement of the construction project or prior to resubmission of the environmental impact report and environmental impact statement in accordance with provisions of Article 24 of the Environmental Impact Assessment Law, the ecological environment department at the county level or above shall order it to stop the construction, impose a fine of not less than 1% but not more than 5% of the overall investment amount for such construction project according to the seriousness and consequences of such violations, and order it to restore to the original state; and the person-in-charge and responsible personnel of the construction project shall be liable to administrative sanctions in accordance with laws.

Pollutant Discharge Permit

According to the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) promulgated by the SCNPC on October 30, 1995, last amended on April 29, 2020 and effective as of September 1, 2020, entities generating hazardous wastes shall store, utilize and dispose of hazardous wastes according to the relevant provisions of the State and the requirements of environmental protection standards, and shall not arbitrarily dump or pile up the hazardous wastes. Furthermore, it is forbidden to entrust hazardous waste to entities without a permit for disposal, or else the competent department of ecology and environment shall order it to make corrections, impose a fine on it, and confiscate its illegal gains; if the circumstance is serious, it may be ordered to suspend the business or close down upon approval by the people's government with the approval authority.

According to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and effective as of March 1, 2021 and the Administrative Measures for Pollutant Discharge Licensing (《排污許可管理辦法》) promulgated by the Ministry of Ecological Environment on January 10, 2018, last amended on April 1, 2024 and effective as of July 1, 2024, enterprises, public institutions and other producers and operators shall be subject to the key management, simplified management of pollutant discharge licensing and pollutant discharge registration management according to the quantity of pollutants generated and discharged, the impact on the environment and other factors; the review, decision and information disclosure of pollutant discharge permits shall be handled through the national pollutant discharge permit information management platform; the period of validity of a pollutant discharge permit is five years and where a pollutant discharging entity needs to continue to discharge pollutants at the expiration of a pollutant discharge permit, it shall file an application with the approval department 60 days before the expiration of the pollutant discharge permit; in case of violations of the regulations regarding pollutant discharge permits, the environmental protection authorities have the right to order to make rectifications, restrict production or suspend production for rectification, and suspend business and impose a fine; if a crime is constituted, criminal liability shall be investigated in accordance with the law.

REGULATORY OVERVIEW

According to the Categorized Management Catalog of Pollutant Discharge Permits for Stationary Sources of Pollution (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》) promulgated by the Ministry of Ecology Environment and effective on December 20, 2019, key management, simplified management and registration based management-based management of pollutant discharge permits according to factors such as the quantity of pollutants generated and discharged by enterprises, public institutions and the degree of impact on the environment, and only pollutant discharge entities that implement registration management do not need to apply for a pollutant discharge permit.

According to the Regulation on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) promulgated by the State Council on October 2, 2013, and effective as of January 1, 2014 and the Measures for the Administration of Permits for Discharging Sewage into Urban Drainage Networks (《城鎮污水排入排水管網許可管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on January 22, 2015, last amended and effective on February 1, 2023, enterprises, institutions and individually-owned businesses engaging in industry, construction, food and beverage, medical services which discharge sewage into urban drainage facilities shall apply to the competent departments for urban drainage for a Permit for sewage discharge into the drainage pipe network; discharging sewage into urban drainage facilities without obtaining a Drainage Permit shall be ordered by the relevant urban drainage authority to suspend illegal activities, take remedial measures within a time limit, re-apply the Drainage Permit, and may impose a fine of less than RMB500,000.

REGULATIONS RELATING TO EMPLOYMENT, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Employment

According to the Labor Law of the People's Republic of China (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, last amended and effective on December 29, 2018, the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012, effective as of July 1, 2013, and the Implementation Regulations for the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council and effective on September 18, 2008, a written labour contract shall be concluded for the establishment of a labour relationship; employers shall not coerce a worker directly or indirectly to work overtime and employers shall pay the worker overtime wages according to the relevant provisions of the State; in addition, wages paid by an employer to its workers shall not be less than the local minimum wage standards and labour remuneration shall be promptly paid to workers in full amount.

REGULATORY OVERVIEW

Social Insurance

According to the Social Security Law of the People's Republic of China (《中華人民共和國社會保險法》) (the "Social Insurance Law") promulgated by the SCNPC on October 28, 2010, last amended and effective on December 29, 2018, the State shall establish social security systems such as basic pension insurance, basic medical insurance, work injury insurance, unemployment insurance, family planning insurance, etc. and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social security. According to the Social Security Law and the Provisional Regulations for the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999, last amended and effective on March 24, 2019, enterprises shall carry out social insurance registration with the local social insurance agency and pay or withhold relevant social security for or on behalf of its employees; employers who failed to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a late payment fine; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times the amount of the amount in arrears.

The Supreme People's Court issued Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)), which took effect on September 1, 2025. It stipulates that where the employer and the laborer agree, or the laborer promises the employer, that there is no need to pay social insurance premiums, the people's court shall determine that such agreement or promise is invalid. Where the employer fails to pay social insurance premiums in accordance with the law, and the laborer requests to terminate the labor contract and for the employer to pay economic compensation in accordance with item (3), Article 38 of the Labor Contract Law, the people's court shall support such claim in accordance with the law, and the employer, after making up the social insurance premiums in accordance with the law, requests the laborer to return the social insurance compensation already paid, the people's court shall support such claim in accordance with the law. This provision aims to clarify the mandatory obligation to pay social insurance premiums and protect the legitimate rights and interests of employees as well as social public interests.

Housing Provident Fund

According to the Regulations on the Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, last amended and effective on March 24, 2019, the employer shall make registration of contribution with the housing provident fund management center within 30 days from the date of the employment and go through the formalities of opening housing provident fund accounts on behalf of the employee; employers and employees shall pay and deposit housing provident fund on schedule and in full, and may not be overdue in the contribution or underpay the housing provident fund, with an amount no less than five percent of the average monthly salary of an individual employee in the previous year; employer is overdue in the contribution of, or underpays, the housing provident fund, the

REGULATORY OVERVIEW

housing provident fund management center shall order it to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement. an employer fails to undertake contribution registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY RIGHTS

Trademarks

According to the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, last amended on April 23, 2019 and effective as of November 1, 2019, as well as the Implementation Regulations for the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, last amended on April 29, 2014 and effective as of May 1, 2014, registered trademarks, including commodity trademarks, service marks and collective trademarks, certification marks. The trademark bureau of the administration for industry and commerce department of the State Council shall be in charge of trademark registration and administration nationwide; a registered trademark shall be valid for 10 years and grants a term of ten years to registered trademarks, and another ten years if requested upon expiry of the first or any renewed ten-year term; upon expiry of the validity period of a registered trademark, trademark registrant can complete renewal formalities within the 12-month period before the expiry date and the validity period of each renewal shall be 10 years.

Patents

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020 and effective as of June 1, 2021 and the Implementing Rules of the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》), promulgated by the State Council, last amended on December 11, 2023 and effective as of January 20, 2024, there are three types of patents in the PRC, which are invention, utility model or design patents. The duration of patent rights for an invention shall be 20 years, the duration of patent rights for a utility model shall be 10 years and the duration of patent rights for a design shall be 15 years, commencing from the filing date.

Copyrights

According to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990, last amended on November 11, 2020 and effective as of June 1, 2021, and the Implementation Regulations for the Copyright Law of the People's Republic of China (《中華人民共和國著作權法實施條例》) last amended

REGULATORY OVERVIEW

by the State Council on January 30, 2013 and effective as of March 1, 2013, Chinese citizens, legal persons or organizations without legal personality enjoy copyright over their works, whether published or not, in the domain of literature, art, science, engineering design and computer software, etc.; for works of a legal person or unincorporated organisation, and works created in the course of employment in which the copyright (except for right of authorship) belongs to the legal person or unincorporated organisation, the period of protection of the right of publication shall be 50 years, and shall expire on December 31 of the 50th year after completion of the works.

According to the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on December 20, 2001, last amended on January 30, 2013 and effective as of March 1, 2013 and the Measures for Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on April 6, 1992, last amended on June 18, 2004 and effective as of July 1, 2004, the State Copyright Administration is responsible for national administration of software copyright registration. and the China Copyright Protection Centre is certified as the institution responsible for software registration, the China Copyright Protection Centre shall grant certificates of registration to computer software copyright applicants in accordance with the Regulations on the Protection of Computer Software and the Measures for Registration of Computer Software Copyright.

Domain Names

According to the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and effective as of November 1, 2017, the MIIT shall implement supervision and administration over domain name services nationwide; domain name registration services shall in principle implement “first apply first register”; domain name registration service organisations providing domain name registration services shall require applicants for domain name registration to provide true, accurate and complete domain name registration information of the domain name holder such as the identity information etc.; upon completion of the domain name registration, the applicant will become the holder of such registered domain names.

REGULATIONS RELATING TO TAX

Corporate Income Tax (the “CIT”)

According to the Corporate Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法》) (the “CIT Law”) promulgated by the SCNPC on March 16, 2007, last amended and effective as of December 29, 2018, and the Implementing Regulations for the Corporate Income Tax Law of the People’s Republic of China (《中華人民共和國企業所得稅法實施條例》) (the “Regulations for the CIT Law”) promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and effective as of January 20, 2025, a resident enterprise referred to in this Law shall mean, an enterprise lawfully incorporated in China, or an enterprise lawfully incorporated according to the laws of a foreign country

REGULATORY OVERVIEW

(region) but where actual management functions are conducted in China. A resident enterprise shall be subject to the CIT of 25% of any income derived from or accruing in or outside the PRC; as for key public infrastructure projects supported by the State, corporate income tax may be reduced or exempted; corporate income tax for key advanced and new technology enterprises supported by the State shall be at a reduced tax rate of 15%.

Value-added Tax (the “VAT”)

According to the Provisional Regulations of the People’s Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例》) promulgated by the State Council, last amended and effective on November 19, 2017, and the Implementation Rules for the Provisional Regulations of the People’s Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》) promulgated by the Ministry of Finance (the “MOF”) on December 15, 1993, last amended on October 28, 2011 and effective as of November 1, 2011, organisations and individuals engaging in sale of goods or processing, repair and assembly services, sale of services, intangible assets, immovables and importation of goods in the PRC shall be taxpayers of the VAT, and shall pay the VAT according to these Regulations. The tax rate for taxpayers engaging in sale of services and intangible assets shall be 6%, unless otherwise provided.

According to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) jointly promulgated by the MOF and the State Administration of Taxation (the “SAT”) on April 4, 2018, effective as of May 1, 2018, it adjusts the VAT rates and stipulates that the deduction rates of 17% and 11% applicable to the taxpayers who have the VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively.

According to the Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) jointly promulgated by the MOF and the State Administration of Taxation and the GAC on March 20, 2019, effective as of April 1, 2019, the applicable VAT rate is adjusted to 13% or 9% respectively, for general VAT payers’ sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%.

Tax on Dividends

Individual Investors

According to the Individual Income Tax Law of the People’s Republic of China (《中華人民共和國個人所得稅法》), promulgated by the SCNPC on September 10, 1980, last amended on August 31, 2018 and effective as of January 1, 2019, income from interest, dividends, bonuses and etc., shall be subject to proportional tax rate, the tax rate shall be 20%; unless otherwise provided by the competent financial and taxation authorities under the State Council, all the interest, dividend and bonus are deemed as derived from the PRC whether the payment place is in the PRC or not. According to the Circular of the Ministry of Finance and the State Administration of Taxation on Some Policy Issues regarding Personal Income Tax

REGULATORY OVERVIEW

(《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》) jointly promulgated by the MOF and the SAT and effective on May 13, 1994, the incomes from dividend and bonus received by individual aliens from the foreign-invested enterprises are temporarily exempted from personal income tax.

Enterprise Investors

The principal laws, rules and regulations governing dividend distributions by foreign-invested enterprises in the PRC are the PRC Company Law, the Foreign Investment Law and the Regulations for the Foreign Investment Law. According to these laws and regulations, foreign-invested enterprises may pay dividends only out of their accumulated profit, if any, as determined according to PRC accounting standards and regulations. When the PRC Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% of the registered capital, the Company is released from the obligation of withholding statutory reserve fund. Where the statutory common reserve fund of the company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawal of the statutory common reserve fund according to the above provisions. After making allocation to the statutory provident fund of the Company from its after-tax profits, the Company may, subject to resolutions adopted at the general meeting, also allocate funds from the after-tax profits to the discretionary provident fund. The residual after-tax profits after a company has made up its losses and accrued reserve can be distributed by the company in proportion to the shares held by its shareholders, except as otherwise provided for in the company's articles of association. The company shall not distribute any profits in respect of the shares held by it.

According to the CIT Law and the Regulations for the CIT Law, a uniform enterprise income tax rate of 25% is imposed on all resident enterprises in China, including foreign invested enterprises; a non-PRC resident enterprise is generally subject to enterprise income tax at a rate of 20% on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), where the non-resident enterprise has no office or premises established in China or the income derived or accrued has no de facto relationship with the office or premises established, corporate income tax shall be payable by the non-resident enterprise for income derived from or accruing in China; income tax over non-resident enterprise shall be subject to withholding at the source, where the payer shall act as the withholding agent; the tax amount for each payment made or due shall be withheld by the withholding agent from the amount paid or payable.

According to the Notice from the State Administration of Taxation on Issues Concerning Withholding the Corporate Income Tax on Dividends Paid by Chinese Resident Enterprises to H-share Holders which are Overseas Non-Residents Enterprises (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) promulgated by the SAT and effective on November 6, 2008, where a Chinese resident enterprise pays dividends for the year of 2008 or any year thereafter to its H-share holders which are overseas

REGULATORY OVERVIEW

non-resident enterprises, it shall withhold the CIT thereon at the uniform rate of 10%; such tax rates may be further modified according to the tax treaty or agreement that China has entered into with a relevant country or area, where applicable.

According to the Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) (the “Arrangement”), which was signed on August 21, 2006 and effective as of December 8, 2006, the PRC regulatory authorities may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》第五議定書), which came into effect on December 6, 2019, added a criterion for the qualification of entitlement to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, after taking into account all relevant facts and conditions, are reasonably deemed to be obtaining such benefits, except when the grant of such benefits under such circumstance is consistent with relevant objective and goal under the Arrangement. The application of the dividend clause of tax agreements is subject to the statutory requirements of PRC tax law documents, such as the Notice of the SAT on the Issues Concerning the Enforcement of the Dividend Clauses of Tax Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》).

Non-PRC resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the PRC enterprise income tax imposed on the dividends received from PRC companies. The PRC currently has entered into avoidance of double taxation treaties or arrangements with Hong Kong, Macau, and a number of countries and regions including Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates according to the relevant taxation treaties or arrangements are required to apply to the PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

REGULATIONS RELATING TO FOREIGN EXCHANGE

The lawful currency of the PRC is Renminbi. The State Administration of Foreign Exchange (the “SAFE”) with the authorization of the People’s Bank of China (the “PBOC”), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

REGULATORY OVERVIEW

According to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and effective as of July 1, 1996, removes other restrictions on convertibility of foreign exchange under current items, while imposing existing restrictions on foreign exchange transactions under capital account items.

According to the Announcement on Improving the Reform of the Renminbi Exchange Rate Formation Mechanism (《關於完善人民幣匯率形成機制改革的公告》) promulgated by the PBOC and effective on July 21, 2005, the PRC has started to implement a managed floating exchange rate system in which the exchange rate would be determined based on market supply and demand and adjusted with reference to a basket of currencies since July 21, 2005. Therefore, the Renminbi exchange rate was no longer pegged to the U.S. dollar. PBOC would publish the closing price of the exchange rate of the Renminbi against trading currencies such as the U.S. dollar in the interbank foreign exchange market after the closing of the market on each working day, as the central parity of the currency against Renminbi transactions on the following working day.

According to the relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened at the designated foreign exchange bank, on the strength of valid transaction receipts and proof. Foreign-investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange (such as our Company) may, on the strength of resolutions of the board of directors or the shareholders' meeting on the distribution of profits, effect payment from foreign exchange accounts opened at the designated foreign exchange bank, or effect exchange and payment at the designated foreign exchange bank.

According to the Decision of the State Council on Matters Concerning Cancellation and Adjustment to a Batch of Items subject to Administrative Approval (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council and effective on October 23, 2014, it decided to cancel the approval requirement of the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE and effective on December 26, 2014, a domestic company shall, within 15 business days from the date of the completion of its overseas listing issuance, register the overseas listing with the local branch office of state administration of foreign exchange at the place of its establishment; the proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the document and other disclosure documents.

REGULATORY OVERVIEW

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionizing and Regulating Capital Account Settlement Management Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by the SAFE and effective on June 9, 2016, partially repealed and effective on March 23, 2023, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions.

According to the Circular on Further Promoting the Facilitation of Cross-border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》) promulgated by the SAFE and effective on October 23, 2019, it removed the restrictions on non-investment foreign enterprises using capital funds for domestic equity investments. Additionally, the state abolished the restrictions on the use of funds after settlement in domestic asset realization accounts and relaxed the restrictions on the use and settlement of foreign exchange of the margins by foreign investors. Qualified enterprises in pilot regions are also allowed to use capital account income, such as capital funds, foreign debts, and overseas listing proceeds, for domestic payments without the need to provide proof of authenticity for each transaction to banks in advance. The use of such funds must be genuine, compliant, and in accordance with the current regulations on capital account income management.

REGULATIONS RELATING TO STOCK INCENTIVE PLANS

According to the Notice of the State Administration of Foreign Exchange on the Relevant Issues Concerning the Administration of Foreign Exchange for Domestic Individuals' Participation in Equity Incentive Programs of Overseas Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) promulgated by the SAFE on February 15, 2012 and other related regulations, directors, supervisors, senior management and other employees participating in any share incentive plan of an overseas publicly-listed company who are PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, subject to certain exceptions, are required to register with SAFE through a domestic agency. Moreover, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options, the purchase or sale of shares and interests and the transfer of relevant funds. The income of foreign exchange PRC residents obtained by selling out the shares according to the equity incentive plan and the dividend distributed by the overseas-listed company shall be distributed to the PRC residents after being remitted to the bank account in China opened by the domestic institutions.

REGULATIONS RELATING TO SECURITIES AND OVERSEAS LISTING

According to the Securities Law of the People's Republic of China (《中華人民共和國證券法》) (the "PRC Securities Law") promulgated by the SCNPC on July 1, 1999, amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014, December 28, 2019, respectively and effective as of March 1, 2020, the last amended PRC Securities Law is divided

REGULATORY OVERVIEW

into 14 chapters and 226 articles, including the issue and trading of securities, the listing of securities, and takeovers of listed companies. Article 224 of the PRC Securities Law stipulates that domestic enterprises issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council. Currently, the issue and trading of foreign issued securities (including shares) are principally governed by the regulations and rules promulgated by the State Council and the CSRC. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “Trial Measures”) promulgated on February 17, 2023 by the CSRC and effective as of March 31, 2023. And the Special Regulations of the State Council concerning Floating and Listing of Shares Overseas by Companies Limited by Shares (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Notice of the State Council on Further Strengthening the Administration of Share Issues and Listings Overseas (《國務院關於進一步加強在境外發行股票和上市管理的通知》) were simultaneously invalidated, which were previously the main institutional basis for overseas offering and listing of domestic enterprises.

According to the Trial Measures, a PRC company that seeks to offer and list securities in overseas markets shall fulfill the filing procedure with the CSRC as per requirement of this Measures, submit relevant materials. The CSRC and competent authorities under the State Council shall, to the extent of their respective mandate and according to law, carry out supervisory inspections or investigations of domestic companies whose securities are offered and listed overseas, and of the related business undertakings carried out by securities companies and securities service providers in the Chinese Mainland. The CSRC shall set up a supervisory and regulatory coordination mechanism with competent authorities under the State Council, with a view to strengthening policy cohesiveness, regulatory coordination and cross-agency information sharing.

Where a domestic company fails to fulfill filing procedure or offers and lists securities in an overseas market the CSRC shall order rectification, issue warnings to such domestic company, and impose a fine of between RMB1,000,000 and RMB10,000,000. Directly liable persons-in-charge and other directly liable persons shall be warned and each imposed a fine of between RMB500,000 and RMB5,000,000. No overseas offering and listing shall be made under any of the following circumstances: (i) where such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) where the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council according to law; (iii) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) where the domestic company intending to

REGULATORY OVERVIEW

make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; and (v) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller.

According to the Provisions on Strengthening Confidentiality and Archives Administration in Respect of Overseas Issuance and Listing of Securities by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) jointly promulgated by the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration of China on February 24, 2023 and effective as of March 31, 2023, where the overseas securities regulator and the relevant competent authorities request to conduct inspection or investigation to collect evidence from a domestic enterprise and the domestic securities companies and securities service agencies providing the corresponding services in respect of the relevant overseas issuance and listing activities of the domestic enterprise, the inspection or investigation shall be carried out under the cross-border regulatory cooperation mechanism, and the CSRC or the relevant authorities shall provide the requisite assistance according to the bilateral and multilateral cooperation mechanism. The relevant domestic enterprise, securities companies and securities service agencies shall obtain the consent of the CSRC or the relevant administrative authorities prior to cooperating in the inspection or investigation carried out by the overseas securities regulator or relevant administrative authorities or providing documents and materials for cooperating in the inspection or investigation. To be specific, to provide or publicly disclose to the relevant securities companies, securities service agencies, overseas regulatory authorities and other entities and individuals, or to provide or publicly disclose, through its overseas listing entities, (i) any document or material involving State secrets or work secrets of State agencies, a domestic enterprise shall apply to the competent department with examination and approval authority for approval in accordance with the law, and file the same with the secrecy administration at the same level for the record; (ii) any other documents and materials, the disclosure of which will cause adverse impact on the national security or public interests. When providing documents and materials to the relevant securities companies and securities service agencies, domestic enterprises shall handle the relevant documents and materials, and provide the relevant securities companies and securities service agencies with a written statement.

REGULATIONS RELATING TO THE “FULL CIRCULATION” OF H SHARE

“Full circulation” means listing and circulating on the Hong Kong Stock Exchange of the domestic unlisted shares of an H-share listed company (the “Hong Kong Stock Exchange”), including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders, which was mainly regulated by the Guidelines for the Application for the “Full Circulation” of the Domestic Unlisted Shares of H-Share Companies (《H股公司境內未上市股份申請“全流通”業務指引》) (the “Guidelines for the ‘Full Circulation’”) promulgated by CSRC on November 14, 2019, last amended and effective on August 10, 2023, and the Measures for Implementation of H-share “Full Circulation” Business

REGULATORY OVERVIEW

(《H股“全流通”業務實施細則》) jointly promulgated by China Securities Depository and Clearing Corporation Limited (the “CSDC”), and Shenzhen Stock Exchange on December 31, 2019, and the Guidelines of the Shenzhen Branch of CSDC for the “Full Circulation” of H-share Companies (《中國證券登記結算有限責任公司深圳分公司H股“全流通”業務指南》) promulgated by the CSDC Shenzhen Branch in September 2024, as well as the Guidelines of the China Securities Depository and Clearing Limited Corporation (Hong Kong) for the “Full Circulation” of H-share Companies (《中國證券登記結算(香港)有限公司H股“全流通”業務指南》) promulgated by the CSDC HK in September 2024.

According to the Guidelines for the “Full Circulation”, shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file with the CSRC for “full circulation”. An unlisted domestic joint stock company may file with the CSRC for “full circulation” at the time of its initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Hong Kong Stock Exchange, they may not be transferred back to China. According to the Trail Measures effective as of March 31, 2023, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC, and authorize the domestic company to file with the CSRC on their behalf.

REGULATIONS RELATING TO CYBERSECURITY, DATA SECURITY AND PERSONAL INFORMATION PROTECTION

Cybersecurity

According to the Cybersecurity Law of the People’s Republic of China (《中華人民共和國網絡安全法》) (the “Cybersecurity Law”) promulgated by the SCNPC on November 7, 2016 and effective as of June 1, 2017, when carrying out business operation and service activities, network operators shall abide by laws and administrative regulations, fulfill the obligation of cybersecurity protection. Furthermore, to construct and operate a network, or to provide services through a network, technical measures and other necessary measures shall be taken in accordance with laws, administrative regulations and the compulsory requirements set forth in national standards to ensure the secure and stable operation of the network, to effectively cope with cybersecurity events, to prevent criminal activities committed on the network, and to protect the integrity, confidentiality and availability of network data.

Data Security

According to the Data Security Law of the People’s Republic of China (《中華人民共和國數據安全法》) promulgated by the SCNPC on June 10, 2021 and effective as of September 1, 2021, PRC shall establish a data classification and hierarchical protection system to formulate catalogs of important data, and strengthen the protection of important data. In

REGULATORY OVERVIEW

accordance with the provisions of laws and regulations, whoever carries out data processing activities shall establish a sound data security management system throughout the whole process, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security and strengthen risk monitoring. Disposal measures shall be taken immediately upon occurrence of a data security incident, users shall be timely notified in accordance with the relevant provisions and reports shall be made to the relevant competent authority. Processors of important data shall specify the person responsible for data security and the management body, and implement the responsibility of data security protection; carry out risk assessment on their data processing activities on a regular basis and submit a risk assessment report to the relevant competent authority. Relevant authorities will establish the measures for the cross-border transfer of important data. If any company violates the Data Security Law of People's Republic of China and other applicable measures to provide important data outside China, such company may be punished by administration sanctions, including penalties, fines, and/or may suspension of relevant business or revocation of the business license.

According to the Security Protection Regulations for Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) promulgated by the State Council on July 30, 2021 and effective as of September 1, 2021, it stipulates the definition and the identification procedure of the critical information infrastructure. Critical information infrastructure refer to the important network facilities and information systems in important industries and fields such as public telecommunications, information services, energy, transportation, water conservancy, finance, public services, e-government and national defense science, technology and industry, as well as other important network facilities and information systems which, in case of destruction, loss of function or leak of data, may result in serious damage to national security, the national economy and the people's livelihood and public interests. For the important industries and fields mentioned in Article 2 thereof, the competent authorities and supervisory authorities are the authorities responsible for the security protection of critical information infrastructure. Operators of critical information infrastructure shall take technical protection measures and other necessary measures based on the graded protection for cybersecurity, respond to cybersecurity incidents, prevent cyber attacks and illegal and criminal activities, guarantee the safe and stable operation of critical information infrastructure, and maintain the integrity, confidentiality and availability of data. Meanwhile, critical information infrastructure operators shall pass the security review in accordance with the national cybersecurity provisions, if the purchase of networking products or services may affect national security.

Personal Information Protection

According to the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》) (the "PIPL") promulgated by the SCNPC on August 20, 2021 and effective on November 1, 2021, it integrates the scattered rules with respect to personal information rights and privacy protection. The PIPL is enacted to protect the rights and interests of personal information, regulate the handling of personal information and promote the reasonable use of personal information. Personal information, as defined in the PIPL, refers to all kinds of information related to identified or identifiable natural persons recorded by electronic or other means, excluding the information handled anonymously. The PIPL provides the conditions under which a personal information processor could process

REGULATORY OVERVIEW

personal information, which include but not limited to, where the consent of the individual concerned is obtained and where it is necessary for the conclusion or performance of a contract to which the individual is a contractual party. It also stipulates certain specific rules with respect to the obligations of a personal information processor, such as to inform the purpose and method of processing to the individuals, and the obligation of the third party who has access to the personal information by way of co-processing or delegation.

According to the Regulation on Network Data Security Management (《網絡數據安全管理條例》) promulgated by the State Council on September 24, 2024 and effective as of January 1, 2025, where network data handlers carry out network data processing activities that affect or may affect national security, they shall undergo a national security review in accordance with relevant national regulations.

Cybersecurity Review

According to the Cybersecurity Review Measures (《網絡安全審查辦法》) promulgated on December 28, 2021 by the Cyberspace Administration of China (the “CAC”), NDRC, the MIIT and other ten PRC regulatory authorities, effective as of February 15, 2022, it requires that (i) the purchase of network products and services by critical information infrastructure operator which affects or may affect national security; (ii) the data processing activities carries out online platform operators, which affects or may affect national security; (iii) an online platform operator who possesses the personal information of more than 1 million users goes for public abroad shall declare to the Office of Cybersecurity Review for cybersecurity review.

Automobile Data Security

According to the Several Provisions on Automotive Data Security Management (for Trial Implementation) (《汽車數據安全管理若干規定(試行)》) (the “Provisions on Automobile Data Security”) promulgated by the CAC, the MIIT and other government authorities on August 16, 2021 and effective as of October 1, 2021, automotive data includes personal information data and important data involved in the design, manufacturing, sales, use, operation and maintenance of automobiles. “Important data” refers to the data that may endanger national security, public interests or the legitimate rights and interests of individuals or organizations once they are tampered with, damaged, disclosed, illegally obtained or illegally used. Automotive data processors refer to organizations carrying out automotive data processing activities, including automobile manufacturers, parts and software suppliers, distributors, maintenance agencies and travel service providers, etc. The processing of automotive data includes the collection, storage, use, processing, transmission, provision and publication of automotive data. The automobile data processors shall carry out risk assessments for their important data processing activities and submit a report to relevant government authorities. Important data shall be stored in China according to the law.

Automobile data processors that have to carry out cross-border data transfers due to business needs shall pass the security assessment organized by the CAC in concert with the relevant departments of the State Council, and shall follow the purpose, scope, method, and type and size of the data specified in the security assessment of cross-border data transfers. In

REGULATORY OVERVIEW

addition, the Provisions on Automobile Data Security encourages automobile data processors to adhere to the following principles when carrying out automobile data processing activities: (i) in-car processing, unless it is really necessary to provide outside the car; (ii) non-collection by default. The default is set to the non-collection status every time driving unless the driver sets it independently; and (iii) application of accuracy scope, i.e. the coverage scope and resolution of the camera and radar, etc. shall be determined according to the data accuracy requirements of the provided functional services; and (iv) desensitization, i.e. anonymization and de-identification shall be conducted as much as possible.

When processing the personal information of an individual, automobile data processors shall, through the user's manual, the on-board display, voice or relevant automobile application programs or other prominent ways, inform such individual of the type of personal information being processed, specific circumstances under which various personal information will be collected and the methods and channels for ceasing the collection, purposes, use and methods of processing various personal information, the storage place, the methods and channels for requesting the deletion of personal information that has been provided outside the vehicle, as well as the name and contact information of the liaison for the user's rights and other matters.

SANCTIONS LAWS AND REGULATIONS

Our International Sanctions Legal Advisor have provided the following summary of the sanctions regimes imposed by the jurisdictions below. This summary does not intend to set out the laws and regulations relating to US and the UN sanctions in their entirety.

United States

The United States deploys a wide range of restrictive measures including sanctions and export controls against various targeted countries, groups and individuals. U.S. sanctions include both "primary" and "secondary" sanctions, as well as non-blocking "list-based" sanctions. OFAC administers and enforces the majority of U.S. sanctions programs.

U.S. primary sanctions generally apply to U.S. persons, including any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States.

U.S. primary sanctions may be "country based" or "list based." Comprehensive country-based sanctions programs generally prohibit U.S. persons from dealing with sanctioned countries and their governments. Currently, the U.S. maintains comprehensive sanctions against: Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the self-proclaimed Luhansk People's Republic, the self-proclaimed Donetsk People's Republic and the Zaporizhzhia and Kherson territories of Ukraine occupied by Russia. There are also sectoral sanctions restricting U.S. persons from engaging in certain types of transactions — typically financing and investments — with certain economic sectors of Belarus, China,

REGULATORY OVERVIEW

Russia, and Venezuela. On the other hand, list-based sanctions prohibit U.S. persons from dealing with or facilitating dealings with individuals, entities and organizations that have been designated as SDNs by OFAC. Violations of primary sanctions can result in “strict” civil or even criminal liability.

The U.S. has also enacted secondary sanctions targeting non-U.S. persons engaged in prohibited transactions (e.g., significant transactions with parties blocked under U.S. sanctions). The detailed rules of such secondary sanctions differ by sanctions programs. Non-U.S. persons found to be in breach of secondary sanctions may be denied access to the U.S. economic system, including being designated as SDNs themselves.

Separate from economic sanctions, the U.S. has also implemented expansive export controls. Unlike U.S. economic sanctions that apply based on the persons involved, U.S. export controls apply based on the products involved. Any item that is sent from the U.S. to a foreign destination is an export. “Items” include commodities, software or technology, circuit boards, blueprints, design plans, retail software packages, and technical information.

BIS regulates exports of commercial and dual-use products, and software and technology. These controls are authorized by the Export Administration Act of 1979, as amended and extended, and implemented by the EAR.

The EAR applies to exports of commodities, software and technical data from the U.S. to foreign countries, and to re-exports from one foreign country to another. In addition, the EAR applies to shipments from one foreign country to another of foreign-made products that incorporate more than a *de minimis* amount of U.S.-controlled parts, components, or materials, as well as foreign-made products that are direct products of certain controlled U.S. software or technology.

In addition to export controls, the U.S. has introduced import controls in relation to certain connected vehicles and related hardware or software with a Chinese or Russian nexus. On January 16, 2025, BIS implemented the final rule of Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles (the “**CV Rule**”), which went into effect on March 17, 2025. Under the CV Rule, subject to certain exceptions, U.S. persons are prohibited from knowingly importing or selling into the United States (i) certain covered vehicle connectivity systems (“**VCS**”) hardware or (ii) completed connected vehicles that incorporate software that supports the function of VCS or automated driving software (“**ADS**”). For the purpose of the CV Rule, connected vehicles means vehicles driven or drawn by mechanical power and manufactured primarily for use on public streets, roads and highways that integrate certain networked hardware and software systems. Moreover, certain transactions involving connected vehicle manufacturers owned or controlled by, or subject to the jurisdiction or direction of, China or Russia, irrespective of where the connected vehicle was manufactured, are also blocked under the rule. During the Track Record Period and up to the Latest Practicable Date, we did not sell our products directly or indirectly (e.g., through incorporation into completed vehicles) to or in the United States and was therefore not subject to the restrictions under the CV Rule. Even if we were to sell to the United

REGULATORY OVERVIEW

States in the future, our International Sanctions Legal Advisor has advised that our products should not be subject to the CV Rule, because: (1) our products merely display information that are received and processed by other components in the vehicles. Our products do not “directly enable” the transmission, receipt, conversion, or processing of any radio waves (i.e. the function of VCS); and (2) our products merely serve as visual aids, and do not directly enable the automatic driving function of vehicles (i.e. the function of ADS).

United Nations

UN Security Council sanctions have taken a number of different forms and measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions.

There are 14 ongoing sanctions regimes which focus on supporting political settlement of conflicts, nuclear non-proliferation, and counter-terrorism. Each regime is administered by a sanctions committee chaired by a non-permanent member of the UNSC. There are ten monitoring groups, teams and panels that support the work of the sanctions committees.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to 2015 when our Company was founded with the focus on HUD research and development. Since the inception of our Group, we have made long strides and achieved many accomplishments within the intelligent cockpit vision and interaction solutions, having become the key promoter and front-runner of the evolution and market penetration of visual presentation and human-vehicle interaction for intelligent cockpit from 2D to 3D and AR. According to CIC, we ranked second among China's HUD solution providers in terms of sales volume in 2024, with a market share of 16.2%.

OUR KEY MILESTONES

The following is a summary of our Group's key business development milestones:

Year	Milestone
2015	Our business was founded and we launched our first HUD prototype.
2016	Our line-assembled HUD obtained design-win for the domestic industry's first HUD mass production project from NIO.
2018	We launched our first AR-HUD prototype. We completed the mass production of NIO vehicles equipped with HUD technology, marking the debut of the first domestic new energy vehicle featuring HUD technology. We were accredited as a high-tech enterprise.
2020	We acted as a leading member of the first HUD industry standard-setting committee in China.
2021	We completed the deployment of a comprehensive HUD product laboratory in Yizheng, Jiangsu Province. We established Shanghai Sirius, becoming the industry's first supplier with fully autonomous HUD visual inspection equipment. We were accredited as Jiangsu Industrial Design Center (江蘇省工業設計中心) by Department of Industry and Information Technology of Jiangsu Province (江蘇省工業和信息化廳). We were accredited as Jiangsu Engineering Research Center (江蘇省工程研究中心) by Development and Reform Commission of Jiangsu Province (江蘇省發展和改革委員會).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestone
2023	We commenced the mass production of the domestic market first 70-inch AR-HUD with a virtual-real integration. We were accredited as National Intellectual Property Advantageous Enterprise (國家知識產權優勢企業) by China National Intellectual Property Administration (國家知識產權局). We were accredited as Benchmark Internet Factory of Jiangsu Province (江蘇省互聯網標桿工廠) by Industry and Information Technology Department of Jiangsu Province (江蘇省工業和信息化廳). The accumulated sales volume of all our HUD solutions exceeded one million.
2024	We released the industry first batch of largest-sized 56-inch smart HUD. We completed the mass production of a vehicle model, achieving the first instance of mass production in the mainstream joint venture brand vehicle in the domestic HUD sector. We advanced the mass production of the first domestically produced 70-inch AR-HUD (equipped with DLP5530 chip) integrating virtual and real-world elements. We were accredited as Specialized, Refined, Distinctive and Innovative “Little Giant” Enterprise (專精特新“小巨人”企業) by Ministry of Industry and Information Technology (工業和信息化部).
2025	We advanced the mass production of the first AR-HUD (equipped with bifocal plane display). We established our Hungarian subsidiary, GiraffeVision Kft, marking a significant step in our global expansion strategy. We entered into a strategic partnership with a globally recognised semiconductor technology company. We obtained design-win for an AR HUD project from a leading domestic automotive manufacturer. Our cumulative shipment volume exceeded 2,000,000 units. We were awarded the First Prize in the Jiangsu Provincial Science and Technology Progress Awards (江蘇省科技進步獎一等獎) for our key technologies and industrial application of multi-modal perception and immersive display for intelligent vehicle cockpits. We were awarded the Best Technology Practice Application of Gasgoo Golden Gear Award (蓋世金輯獎最佳技術實踐應用獎).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, we had 11 subsidiaries. The following sets forth information about our subsidiaries which had made a material contribution to our performance and/or which our Directors consider it material for our business development:

<u>Name of subsidiary</u>	<u>Place of incorporation</u>	<u>Date of incorporation</u>	<u>Shareholding</u>	<u>Principal business activities</u>
New Vision Chongqing	PRC	September 30, 2021	100%	Research and development, sales and operation of intelligent driving products and services
New Vision Xi'an	PRC	May 13, 2021	100%	Research and development of automotive components and software
New Vision Ningbo	PRC	August 22, 2024	100% ⁽¹⁾	Research and development, sales and operation of intelligent driving products and services
GiraffeVision Kft.	Hungary	August 28, 2025	100%	Manufacture of electrical and electronic equipment for motor vehicles
Shanghai Sirius	PRC	October 20, 2021	85% ⁽²⁾	HUD detection, vehicle detection, and photoelectric detection
New Vision Jilin	PRC	September 29, 2021	51% ⁽³⁾	Research and development, sales and operation of intelligent driving products and services

Notes:

- (1) Upon incorporation, New Vision Ningbo was wholly owned by our Company. Since November 2024, New Vision Ningbo was held as to 20% and 80% by our Company and Qianzhan Yuanzhi, one of our Pre-IPO Investors, respectively. Subsequently, our Company acquired the entire interest held by Qianzhan Yuanzhi in New Vision Ningbo, and New Vision Ningbo became a wholly-owned subsidiary of our Company. For details of our acquisition of New Vision Ningbo, please see the section headed “— Major Acquisitions, Disposals and Mergers” below.
- (2) As of the Latest Practicable Date, the remaining 15% equity interest in Shanghai Sirius was held by Yangzhou Siruijing, an employee shareholding platform on the subsidiary level of our Company which was managed by Mr. Wang Zhenggang, holding 66.67% of the partnership interest therein, and was owned as to 33.33% by seven limited partners, each being an Independent Third Party.
- (3) Since incorporation and up to the Latest Practicable Date, the remaining 49% equity interest in New Vision Jilin was held by Changchun Zhizhonghe Science and Trade Co., Ltd. (長春至中和科貿有限公司, “**Changchun Zhizhonghe**”). As of the Latest Practicable Date, Changchun Zhizhonghe was owned by six individuals, each holding less than 30% of the share interest therein. The Company is currently in negotiation with Changchun Zhizhonghe regarding the potential acquisition of remaining 49% equity interest in New Vision Jilin. As of the Latest Practicable Date, no definitive agreement has been entered into by the Company and Changchun Zhizhonghe. Should the transaction proceed, the Company will comply with the requirements of the Listing Rules as and when appropriate.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

MAJOR SHAREHOLDING CHANGES IN OUR COMPANY

Establishment of our Company

Our Company was established as a joint stock company with limited liability under the laws of the PRC on May 29, 2015, with an initial registered capital of RMB20,000,000. Upon establishment, our Company was beneficially held as to 23%, 30%, 12%, 15%, 15% and 5% by Mr. Zhang Tao (張濤), Mr. Zhang Bo (張波) (brother of Mr. Zhang Tao), Mr. Lyu Tao (呂濤), Ms. Ye Jing (葉靜)⁽¹⁾, Ms. Guo Hui (郭慧)⁽²⁾ (through their respective proxy nominees, namely, Ms. Cui Jin (崔瑾)⁽³⁾, spouse of Mr. Zhang Bo, and Ms. Lyu Xianglian (呂湘連)⁽⁴⁾, spouse of Mr. Lyu Tao) and Mr. Wang Zhenggang (王正剛), respectively.⁽⁵⁾

The above proxy arrangement was conducted on account of (i) the family internal investment arrangement between Mr. Zhang Bo and each of Ms. Cui Jin and Mr. Zhang Tao based on Mr. Zhang Tao's preference not to be named; and (ii) improving the Company's profile by virtue of Ms. Lyu Xianglian's expertise and reputation in the industry⁽⁶⁾, and has been fully released as of the Latest Practicable Date. As advised by our PRC Legal Advisor, the above proxy arrangement was not in violation of any applicable PRC laws or regulations.

Notes:

- (1) Since October 2018, Ms. Ye Jing has served as the assistant to the chairperson of the Board and is primarily responsible for assisting in the operations and administrative management of the Company.
- (2) In November 2024, Ms. Guo Hui resigned as a Supervisor of the Company due to personal reasons. As of the Latest Practicable Date, there were no disputes between Ms. Guo Hui and our Company and/or the Directors.
- (3) Upon establishment, Ms. Cui Jin held 9,200,000 Shares on behalf of Mr. Zhang Bo and Mr. Zhang Tao, of which 4,600,000 Shares were held by Mr. Zhang Bo on behalf of Mr. Zhang Tao and 4,600,000 Shares were held by Mr. Zhang Bo for his own benefit.

Ms. Cui Jin served as a Director of our Company from May 2015 to November 2017, and as general manager from May 2015 to April 2018. Her resignation from the Board was primarily due to the intended release of proxy arrangements as set out below, which consequently led to her withdrawal from the Company's operations. Ms. Cui does not currently hold any position within the Company, and there are no disputes between her and each of the Group, the Directors, Supervisors, or senior management.

- (4) Upon establishment, Ms. Lyu Xianglian held 1,400,000 Shares on behalf of Mr. Zhang Bo; 2,400,000 Shares on behalf of Mr. Lyu Tao; 1,300,000 Shares on behalf of Ms. Guo Hui; and 1,300,000 Shares on behalf of Ms. Ye Jing.
- (5) In October 2017, for employee incentive purpose, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui, through their proxy nominees (Mr. Zhang Tao through Ms. Cui Jin; Mr. Zhang Bo through Ms. Cui Jin and Ms. Lyu Xianglian; Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui through Ms. Lyu Xianglian) transferred a total of 1,000,000 Shares to Mr. Wang Zhenggang at nil consideration on a pro-rata basis based on the then relative shareholding among them;

In February 2019, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui, through their proxy nominees (Mr. Zhang Tao through Ms. Cui Jin; Mr. Zhang Bo through Ms. Cui Jin and Ms. Lyu Xianglian; Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui through Ms. Lyu Xianglian), together with Mr. Wang Zhenggang transferred a total of 526,316 Shares to Suzhou Sushang, Huzhou Yuntong, Huzhou Yutong, and Tianying Investment, details of which are set out in "— Pre-IPO Investments — Series B Financing" below.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

In February 2019, as part of the process to release the proxy arrangements, Ms. Cui Jin beneficially transferred 3,386,471 Shares and 2,208,829 Shares she held as proxy nominee back to Mr. Zhang Tao and Mr. Zhang Bo at nil consideration, respectively.

In August 2020, for employee incentive purpose, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui, through their proxy nominees (Mr. Zhang Tao through Ms. Cui Jin; Mr. Zhang Bo through Ms. Cui Jin and Ms. Lyu Xianglian; Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui through Ms. Lyu Xianglian), together with Mr. Wang Zhenggang transferred a total of 3,537,469 Shares to Yangzhou Zewu on a pro-rata basis based on the then relative shareholding among them, details of which are set out in “— Shares Schemes” below. Accordingly, the proxy arrangement between Mr. Zhang Tao and each of Mr. Zhang Bo and Ms. Cui Jin, as well as the proxy arrangement between Mr. Zhang Bo and Ms. Lyu Xianglian have been fully released.

In September 2020, as part of the process to release the proxy arrangements, Ms. Lyu Xianglian transferred 508,828 Shares she held as proxy nominee back to Ms. Ye Jing and Ms. Guo Hui at nil consideration, respectively. Accordingly, the proxy arrangements between Ms. Lyu Xianglian and each of Ms. Guo Hui and Ms. Ye Jing have been fully released; and Mr. Lyu Tao transferred 883,531 Shares he beneficially held through his spouse, Ms. Lyu Xianglian as his proxy nominee to Ms. Lyu Xianglian at nil consideration pursuant to the internal family asset allocation agreed between the spouses. Upon the completion of this transfer, Ms. Lyu Xianglian holds 883,531 shares in our Company in her own name and the Shares held by her is no longer subject to any proxy arrangement.

In March 2021, as part of the process to release the proxy arrangements, Ms. Cui Jin transferred 2,208,828 Shares she held as proxy nominee back to Mr. Zhang Bo at nil consideration. Accordingly, the proxy arrangements have been fully released.

- (6) Ms. Lyu Xianglian has served at the school of mechanical and electrical engineering of Northwestern Polytechnical University (西北工業大學) since 2005 with her most recent position being an associate professor. She is currently admitted as a member of the Chinese Society of Micro-Nano Technology (中國微米納米技術學會). Ms. Lyu has also won several science and technology awards, including the Second Prize of the National Technological Invention Award (國家技術發明二等獎) by the State Council in December 2011, as well as the First Prize of the Shaanxi Provincial Science and Technology Award (陝西省科學技術一等獎) by the People’s Government of Shaanxi Province (陝西省人民政府) in January 2010. Ms. Lyu served as the legal representative and chairperson of the Board of the Company from May 2015 until April 2020 due to the release of proxy arrangements as set out above. Ms. Lyu does not currently hold any position within the Company, and there are no disputes between her and each of the Group, the Directors, Supervisors, or senior management.

PRE-IPO INVESTMENTS

Series Pre-A Financing

On December 4, 2017, we completed our Series Pre-A Financing, resulting in the increase of our registered capital by RMB4,000,000 at an aggregate consideration of RMB10,000,000 converted from convertible bond of Shanghai Shangqi and Yangzhou Chanquan upon their full exercise of the conversion rights therein. Details of our Series A Financing is set out below:

Subscribers	Registered capital subscribed for	Consideration
Shanghai Shangqi ⁽¹⁾	RMB2,800,000	RMB7,000,000
Yangzhou Chanquan ⁽²⁾	RMB1,200,000	RMB3,000,000
Total	RMB4,000,000	RMB10,000,000

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

- (1) On May 16, 2019, Shanghai Shangqi completed the transfer of RMB1,064,850 in the registered capital in the Company to Yuying Investment at a consideration of RMB10,500,000. On August 8, 2024, Yuying Investment completed the transfer of RMB113,060 in the registered capital in the Company to Jiaqiao Capital at a consideration of RMB3,000,000.

On January 17, 2023, Shanghai Shangqi completed the transfer of RMB157,696 in the registered capital in the Company to Huang Zhigang (黃志剛) at a consideration of RMB6,000,017.41.

On August 5, 2024, Shanghai Shangqi completed the transfer of RMB1,469,790 in the registered capital in the Company to Qianzhan Yuanzhi at a consideration of RMB39,000,000.

On August 8, 2024, Shanghai Shangqi completed the transfer of RMB107,664 in the registered capital in the Company to Jiaqiao Capital at a consideration of RMB2,856,777.

- (2) On January 25, 2022, Yangzhou Chanquan completed the transfer of its entire equity interest in the Company to Jiaying Juntai at a consideration of RMB50,000,000.
- (3) On May 6, 2025, Yuying Investment completed the transfer of RMB951,790 in the registered capital in the Company to Shunyi Fund at a consideration of RMB31,409,070.

Series A Financing

On March 20, 2018, we completed our Series A Financing, resulting in the increase of our registered capital by RMB2,666,700 at an aggregate consideration of RMB20,000,000. Details of our Series A Financing is set out below:

Subscribers	Registered capital subscribed for	Consideration
Jinggangshan Investment ⁽¹⁾	RMB2,000,000	RMB15,000,000
Rongyu Xingtong ⁽²⁾	RMB666,700	RMB5,000,000
Total	RMB2,666,700	RMB20,000,000

Notes:

- (1) On September 30, 2021, Shenzhen Jinggangshan New Energy Investment Management Co., Ltd. (深圳井岡山新能源投資管理有限公司) (“**Jinggangshan Investment**”) completed the transfer of its entire interest held in the registered capital of Company to Huang Zhigang, Wuxi Binfu, Zibo Senshi Chuangying Equity Investment Partnership Enterprise (Limited Partnership) (淄博森時創盈股權投資合夥企業(有限合夥)) (“**Chuangying Investment**”), Mr. Zhang Bo and Wenzhou Kechuang as to RMB172,841, RMB284,720, RMB569,439, RMB323,000 and RMB650,000, respectively, for an aggregate consideration of RMB33,111,951.

On January 8, 2025, Chuangying Investment completed the transfer of its entire equity interest in the Company to Ningbo Youfu Zaidao Venture Capital Partnership Enterprise (Limited Partnership) (寧波有孚在道創業投資合夥企業(有限合夥)) (“**Ningbo Youfu**”) at a consideration of RMB17,652,609.

- (2) On September 18, 2020, Beijing Rongyu Xingtong Technology Co., Ltd. (北京融宇星通科技有限公司) (“**Rongyu Xingtong**”) completed the transfer of its entire equity interest in the Company to its controlling shareholder, Beijing BDStar Navigation Co., Ltd. (北京北門星通導航技術股份有限公司) (“**Beidou Xingtong**”) at a consideration of RMB5,000,000.

On April 30, 2021, Beidou Xingtong completed the transfer of its entire equity interest in the Company to Wenzhou Kechuang at a consideration of RMB12,270,908.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Series B Financing and 2019 Share Transfer

On January 4, 2019, Mr. Wang Zhenggang completed the transfer of RMB52,632 in the registered capital of the Company to Suzhou Sushang, and Mr. Zhang Bo, Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui, through their proxy nominee, Ms. Lyu Xianglian completed the transfer of the interest held in the registered capital of Company to Suzhou Sushang, Huzhou Yuntong, Huzhou Yutong, and Tianying Investment as to RMB248,120, RMB75,188, RMB75,188 and RMB75,188, respectively, for an aggregate consideration of RMB8,000,000 (“2019 Share Transfer”).

On January 4, 2019, we completed our Series B Financing, resulting in the increase of our registered capital by RMB3,757,576, at an aggregate consideration of RMB62,000,000. Details of our Series B Financing is set out below:

Subscribers	Registered capital subscribed for	Consideration
Suzhou Sushang ⁽¹⁾	RMB2,147,188	RMB35,428,571
Huzhou Yuntong ⁽²⁾	RMB536,796	RMB8,857,143
Huzhou Yutong ⁽²⁾	RMB536,796	RMB8,857,143
Tianying Investment ⁽³⁾	RMB536,796	RMB8,857,143
Total	<u>RMB3,757,576</u>	<u>RMB62,000,000</u>

Notes:

- (1) On June 1, 2023, Suzhou Sushang completed the transfer of RMB261,074 in the registered capital of the Company to Lianshan Investment at a consideration of RMB9,933,334.

On January 26, 2024, Suzhou Sushang completed the transfer of RMB227,848 in the registered capital of the Company to Yuhu Investment at a consideration of RMB8,999,996.

- (2) On August 24, 2021, Huzhou Yuntong and Huzhou Yutong completed the transfer of their entire interest in the registered capital of the Company to Achiever Ventures III (Hong Kong) Limited (“**Achiever Ventures III**”) at an aggregate consideration of USD4,608,412.80.

- (3) On November 8, 2022, Tianying Investment completed the transfer of its entire interest held in the registered capital of Company to Gold Investment and Anhui Jiaokong as to RMB305,992, respectively, for consideration of USD1,343,808.15 and RMB9,750,000, respectively.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Series C Financing

On February 9, 2021, we completed our Series C Financing, resulting in the increase of our registered capital by RMB6,195,489, at an aggregate consideration of RMB128,000,000. Details of our Series C Financing is set out below:

Subscribers	Registered capital subscribed for	Consideration
Jiaxing Kailian	RMB1,936,090	RMB40,000,000
Kenge No. 9	RMB1,452,068	RMB30,000,000
Changzhou Binfu	RMB484,023	RMB10,000,000
Guochuang Data	RMB484,022	RMB10,000,000
Gongqingcheng Yintai	RMB726,034	RMB15,000,000
Wenzhou Kechuang	RMB484,023	RMB10,000,000
Huang Zhigang	RMB484,023	RMB10,000,000
Zhao Huarong (趙化榮)	RMB145,206	RMB3,000,000
Total	RMB6,195,489	RMB128,000,000

Series C+ Financing

On September 9, 2021, we completed our Series C+ Financing, resulting in the increase of our registered capital by RMB3,668,383, at an aggregate consideration of RMB100,000,000. Details of our Series C+ Financing are as follows:

Subscribers	Registered capital subscribed for	Consideration
Achiever Ventures III ⁽¹⁾	RMB2,567,868	RMB70,000,000
Kenge No. 53	RMB1,100,515	RMB30,000,000
Total	RMB3,668,383	RMB100,000,000

Note:

- (1) On November 10, 2022, Achiever Ventures III completed the transfer of its entire interest in the registered capital in the Company to Golden Growth at a consideration of USD15,410,048.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Series Strategy Financing

On October 18, 2022, we completed our Series Strategy Financing, resulting in the increase of our registered capital by RMB1,993,909, at an aggregate consideration of RMB70,000,000. Details of our Series Strategy Financing are as follows:

Subscribers	Registered capital subscribed for	Consideration
FAW Investment	RMB1,424,221	RMB50,000,000
Gold Investment	RMB284,844	RMB10,000,000
Anhui Jiaokong	RMB284,844	RMB10,000,000
Total	<u>RMB1,993,909</u>	<u>RMB70,000,000</u>

Series D Financing and 2023 Share Transfer

Between January and May 2023, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao, Ms. Lyu Xianglian, Ms. Guo Hui, Ms. Ye Jing and Mr. Wang Zhenggang completed the transfer of their interest held in the registered capital of Company to Guangde Changzheng, Chutian Changxing, Jiaqiao Capital, Huatai Yuanhong, Xiangyang Changzheng and Lianshan Investment (“**2023 Share Transfer**”), as detailed below:

Transferees	Registered capital received	Aggregate Consideration
Guangde Changzheng	RMB68,860	RMB2,620,000
Chutian Changxing	RMB2,236	RMB85,001
Jiaqiao Capital	RMB332,913	RMB12,666,667
Huatai Yuanhong ⁽¹⁾	RMB199,748	RMB7,600,000
Xiangyang Changzheng	RMB261,817	RMB9,961,666
Lianshan Investment	RMB133,165	RMB5,066,666
Total	<u>RMB998,739</u>	<u>RMB38,000,000</u>

Note:

- (1) On May 7, 2025, Huatai Yuanhong completed the transfer of its entire interest held in the registered capital of Company to Yingke Fund, Huang Zhigang, Zheng Yanhua (鄭延華) and Zhang Feng (張峰) as to RMB201,198, RMB301,797, RMB100,599, and RMB96,575, respectively, for an aggregate consideration of RMB34,800,000.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Between February and May 2023, we completed our Series D Financing, resulting in the increase of our registered capital by RMB3,575,925, at an aggregate consideration of approximately RMB160,066,666. Details of our Series D Financing are as follows:

Subscribers	Registered capital subscribed for	Consideration
<i>Stage 1 (completed on February 21, 2023)</i>		
Guangde Changzheng	RMB599,947	RMB26,855,000
Chutian Changxing	RMB10,686	RMB478,333
Jiaqiao Capital.	RMB834,035	RMB37,333,333
Yangzhou Qizheng.	RMB513,825	RMB23,000,000
Kenge No. 3	RMB223,402	RMB10,000,000
<i>Stage 2 (completed on May 23, 2023)</i>		
Huatai Yuanhong	RMB500,421	RMB22,400,000
Xiangyang Changzheng	RMB445,092	RMB19,923,334
Chutian Changxing	RMB1,713	RMB76,666
Kenge No. 5	RMB111,701	RMB5,000,000
Lianshan Investment	RMB335,103	RMB15,000,000
Total	RMB3,575,925	RMB160,066,666

Series E Financing

Between August and December 2024, we completed our Series E Financing, resulting in the increase in our registered capital by RMB2,593,948, at an aggregate consideration of RMB125,143,223. Details of the Series E Financing are as follows:

Subscribers	Registered capital subscribed for	Consideration
<i>Stage 1 (completed on August 8, 2024)</i>		
Qianzhan Yuanzhi	RMB228,006	RMB11,000,000
Jiaqiao Capital.	RMB85,880	RMB4,143,223
<i>Stage 2 (completed on December 5, 2024)</i>		
Qianzhan Yuanzhi ⁽¹⁾	RMB2,072,784	RMB100,000,000
Jiaqiao Capital.	RMB207,278	RMB10,000,000
Total	RMB2,593,948	RMB125,143,223

Note:

- (1) Qianzhan Yuanzhi subscribed RMB2,072,784 in the registered capital of the Company in consideration of transferring the 80% equity interest in New Vision Ningbo to our Company, details of which are set out in the section headed “— Major Acquisitions, Disposals and Mergers” below.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

The following table summarizes the key terms of the Pre-IPO Investments to the Company made by the Pre-IPO Investors:

	Series Pre-A	Series A	2019 Share Transfer	Series B	Series C	Series C+	Series Strategy	2023 Share Transfer	Series D	Series E
Date of relevant resolutions of the Company	September 22, 2017	February 2, 2018	January 31, 2019	January 31, 2019	February 1, 2021	June 30, 2021	September 8, 2022	March 29, 2023	December 30, 2022, March 29, 2023	July 12, 2024, November 22, 2024
Amount of consideration paid	RMB10,000,000	RMB20,000,000	RMB8,000,000	RMB62,000,000	RMB128,000,000	RMB100,000,000	RMB70,000,000	RMB38,000,000	RMB160,066,666	RMB125,143,223
Date of last settlement of consideration	December 4, 2017 ⁽⁴⁾	March 20, 2018 ⁽⁴⁾	January 4, 2019	January 4, 2019	February 9, 2021	September 9, 2021	October 18, 2022	Between January and May 2023	May 23, 2023	December 5, 2024
Cost per Share ⁽¹⁾	RMB2.5	RMB7.5	RMB15.2	RMB16.5	RMB20.66	RMB27.26	RMB35.11	RMB38.05	RMB44.76	RMB48.24
Implied post-money valuation of the Company ⁽²⁾	RMB60 million	RMB200 million	RMB462 million	RMB502 million	RMB788 million	RMB1,200 million	RMB1,640 million	RMB1,921 million	RMB2,260 million	RMB2,585 million
Discount to the Offer Price ⁽³⁾	96.86%	90.58%	80.91%	79.28%	74.06%	65.77%	55.91%	52.22%	43.79%	39.42%

Lock-up period Pursuant to the applicable PRC laws, each of the existing Shareholders of the Company (including the Pre-IPO Investors) are not permitted to dispose of any of the Shares held by them within the 12 months immediately following the Listing Date.

Basis of determination of the consideration The consideration for the Pre-IPO Investments was determined based on arm's length negotiations between the Company and the Pre-IPO Investors with reference to the timing of the investments, market value and business prospects of our Company.

Series Pre-A	Series A	2019 Share Transfer	Series B	Series C	Series C+	Series Strategy	2023 Share Transfer	Series D	Series E

Use of proceeds from the Pre-IPO Investments

As of the Latest Practicable Date, approximately 89.0% of the funds raised from the Pre-IPO Investments had been utilized. All of such proceeds were utilized for the research and development, technology upgrading and general working capital needs of our Group.

As of the Latest Practicable Date, approximately 11.0% of the funds raised from the Pre-IPO Investments remained unutilized and will be used for the operation and further development of our Group's business, including research and development of new products, expansion of production line, and potential strategic collaboration with participants across the industry value chain as a supplement to the use of the proceeds from the Global Offering.

Strategic benefits

At the time of the Pre-IPO Investments, our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-IPO Investors' investments in our Company to facilitate our business operation and development, as well as their insights on the industry, marketing, business development and strategic planning from time to time. Our Directors are also of the view that the Pre-IPO Investors' investments in our Company demonstrated their confidence in our Group's operations and served as an endorsement of our Company's performance, strengths and prospects.

Notes:

- (1) Calculated by dividing the total consideration paid by the number of Shares subscribed for or acquired. Under certain transfers of existing Shares between our Shareholders, the cost was determined by mutual agreement taking into account, in addition to the valuation of our Company at the time of the transaction, various other factors such as the original subscription/acquisition price of the transferor, the past or present relationships between the transaction parties and their respective bargaining power, as well as the preferential shareholder rights attached to the relevant Shares, resulting in certain difference in cost prices between the transactions during the same or close period of time.
- (2) The implied post-money valuation is calculated based on (i) the cost per Share paid to the Company for the corresponding round of Pre-IPO Investment and (ii) the then issued share capital of the Company (as enlarged by the investment as applicable). Such price per Share is calculated based on the consideration of the investment and the number of Shares acquired/subscribed.
- (3) Calculated based on (i) the currency translation of HK\$1.00 to RMB0.8848 and on the Offer Price of HK\$45.0 per Share, being the mid-point of the indicative Offer Price range and (ii) the Share Subdivision is completed.
- (4) Taking into account that the Pre-IPO Investments were completed before the Offer Price and the market capitalisation of the Company were determined for the purpose of Listing and the Pre-IPO investments were considered as long term investments, as well as the risks and restrictions borne by the Pre-IPO Investors, including uncertainty of the Company's listing timeline and limited liquidity due to its private status at the time of such Pre-IPO Investment, the expected market capitalisation of the Group upon Listing was not factored into the determination of the considerations for the Pre-IPO Investments. Therefore, there is a difference between the valuation of the Group at the time of the Pre-IPO Investments and that upon completion of the Global Offering, which reflects the differences in position between the Pre-IPO Investors and the investors of the Global Offering.
- (4) Although the consideration of Series Pre-A and Series A Financing were settled in 2017 and 2018, respectively, the investors did not obtain preferential rights at the time of their initial investments. As a result, our Company classified these investments as ordinary shares at that point. Subsequently, the Series Pre-A and Series A investors were granted preferential rights by the end of 2022 and 2024, respectively, and our Company recognized redemption liabilities on equity shares at fair value as of the end of 2022 and 2024 according to the applicable IFRS. See Note 27 of Appendix I to this prospectus for more details.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

PRC Legal Advisor's confirmation

Our PRC Legal Advisor has confirmed that we have legally and properly completed, settled, and obtained the requisite legal approvals and completed requisite governmental registrations with relevant governmental authorities in the PRC with respect to all the aforesaid Pre-IPO Investments, capital increases and equity transfers in all material respects.

Special rights of the Pre-IPO Investors

Pursuant to the relevant agreements entered in connection with the Pre-IPO Investments between the Company and the Pre-IPO Investors (the “**Shareholders’ Agreements**”), the Pre-IPO Investors had been granted certain special rights in relation to the Company.

The divestment rights, anti-dilution rights, rights of first refusal and tag-along rights granted to the Pre-IPO Investors under the Shareholders’ Agreements have been terminated prior to the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable if (i) the listing application of the Company is not accepted or voluntarily withdrawn; (ii) the listing application fails to pass the filing with CSRC, or fails to pass the review, approval, or registration with the Stock Exchange; (iii) the Joint Sponsors withdraw sponsorship, resulting in terminating of listing application; (iv) the listing application is advised to be withdrawn, resulting in terminating of listing application; (v) the Listing does not take place prior to December 31, 2027; or (vi) the Listing does not take place within 24 months of the Listing approval from Stock Exchange. All other special rights under the Pre-IPO Investments shall cease to be effective and be discontinued upon the Listing in accordance with Chapter 4.2 of the Guide, including, among others, financial compensation, director appointment rights, other nomination rights, information rights, pre-emptive rights.

Compliance with the Guide for New Listing Applicants

On the basis that (i) the Listing Date, being the first day of trading of the H Shares on the Stock Exchange, will take place no earlier than 120 clear days after completion of the Pre-IPO Investments; and (ii) all the special rights granted to the Pre-IPO Investors will be terminated upon the Listing, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 under the Guide.

Information about the Pre-IPO Investors

Jiaxing Juntai

Jiaxing Juntai is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partner of Jiaxing Juntai is Shanghai Junluo Enterprise Management Partnership Enterprise (Limited Partnership) (上海君灤企業管理合夥企業(有限合夥)) (“**Shanghai Junluo**”), holding 19.93% of the interests therein. Shanghai Junluo is owned as to 50% and 50% by Wen Wei (聞威) and Zhang Yu (張瑜),

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

respectively. Both of Wen Wei and Zhang Yu are Independent Third Parties. Jiaxing Juntai is held as to 25.55%, 20.44%, 17.04% and 17.04% by Lu Fengxian (盧鳳仙), Guo Yanfen (郭艷芬), Ying Lixiang (應麗香) and Fan Lei (范蕾) as limited partners, respectively, each being an Independent Third Party.

Jiaxing Kailian

Jiaxing Kailian is a limited partnership established under the laws of the PRC principally engaged in equity investment, whose general partner is Capital Link (Beijing) Fund Management Co., Ltd (凱聯(北京)投資基金管理有限公司) (“**Capital Link**”), holding 1.56% of the interests therein. Capital Link is owned as to 90% by Kailian Capital Management Group Co., Ltd (凱聯資本管理集團有限公司), which is in turn owned as to 90% by Beijing Kailian International Investment Co. Ltd (北京凱聯國際投資有限公司) and as to 10% by Beijing Weishitong Information Technology Co., Ltd (北京維視通信息技術有限公司), each being beneficially controlled by Wang Wei (王瑋), an Independent Third Party. Jiaxing Kailian is owned as to 78.13% and 20.31% by its two limited partners, namely, Jiaxing Kailian Longjia Investment Partnership Enterprise (Limited Partnership) (嘉興凱聯隆嘉投資合夥企業(有限合夥)) (“**Kailian Longjia**”) and Jiaxing Kailian Yitai Investment Partnership Enterprise (Limited Partnership) (嘉興凱聯億泰投資合夥企業(有限合夥)), respectively. Kailian Longjia is managed by Capital Link (which is in turn ultimately controlled by Wang Wei), holding 0.38% of the partnership interest therein, and has 48 limited partners with Mu Yankui (穆彥魁), an Independent Third Party, being the largest one, holding 30.34% partnership interest therein. None of the remaining 47 limited partners holds more than 30% partnership interest in Kailian Longjia.

Kenge Capital (being Kenge No. 3, Kenge No. 5, Kenge No. 53 and Kenge No. 9)

Each of Kenge No. 3, Kenge No. 5, Kenge No. 53 and Kenge No. 9 (together, “**Kenge Capital**”) are limited partnerships established under the laws of the PRC, with the same general partner, Xinding Rongsheng Capital Management Co., Ltd. (北京新鼎榮盛資本管理有限公司) (“**Xinding Rongsheng**”). Xinding Rongsheng is a limited liability company established under the laws of the PRC and is wholly owned by Xinding Ronghui Capital Management Co., Ltd. (北京新鼎榮輝資本管理有限公司) (“**Xinding Capital**”), which is beneficially controlled as to 98.58% by Zhang Chi (張馳), an Independent Third Party. The limited partnership interest in each of Kenge No. 3, Kenge No. 5, Kenge No. 53 and Kenge No. 9 is owned by 10, 21, 18 and 21 limited partners, none of which holds more than 30% of the respective limited partnership interest therein.

Binfu Capital (being Changzhou Binfu, Wuxi Binfu and Guochuang Data)

Changzhou Binfu is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partners of Changzhou Binfu are Shanghai Binfu Investment Management Partnership (Limited Partnership) (上海彬復投資管理合夥企業(有限合夥)) (“**Shanghai Binfu**”) and Thinkfund Investment Company (達風私募基金管理有限公司) (“**Thinkfund Investment**”), holding 1.0% and 0.02% of the interests therein,

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

respectively. Shanghai Binfu is owned as to 86% by Shanghai Befor Capital Co., Ltd (上海子彬投資管理有限公司) (“**Shanghai Befor**”) and as to 14% by Shanghai Yuding Investment Management Center (Limited Partnership) (上海雨鼎投資管理中心(有限合夥)). Shanghai Befor is in turn owned as to 52.75% by an Independent Third Party Fan Huizhong (范惠眾) and as to 47.25% by three other shareholders with none of them holding more than 20.00% equity interest. Thinkfund Investment is wholly owned by Ningbo Zhongyi Dakang Investment Management Co., Ltd (寧波中頤達康投資管理有限公司), which is in turn owned as to 54.9% by Wen Quan (溫泉) and other four shareholders with none of them holding more than 20.00% equity interest therein. Changzhou Binfu has five limited partners with Changzhou Weibin Chenfu Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (常州未彬辰複創業投資合夥企業(有限合夥)) (“**Changzhou Weibin**”) being the largest one, holding 39.99% partnership interest in Changzhou Binfu, and none of the remaining four limited partners holding more than 20.00% partnership interest in Changzhou Binfu. Changzhou Weibin is managed by Shanghai Binfu (which is in turn ultimately controlled by Fan Huizhong) as its general partner, holding 2.48% of the partnership interest therein, and has 19 limited partners, none of which holds more than 30% partnership interest in Changzhou Weibin.

Wuxi Binfu is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partner is Wuxi Befor Investment Management Partnership (Limited Partnership) (無錫子彬企業管理合夥企業(有限合夥)) (“**Wuxi Befor**”), holding 1.0% of the interests therein. The general partner of Wuxi Befor is Shanghai Befor, holding 95% interest therein. Wuxi Binfu has four limited partners with Changzhou Bin’an Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (常州彬安創業投資合夥企業(有限合夥)) (“**Changzhou Bin’an**”) being the largest one, holding 69% partnership interest in Wuxi Binfu, and none of the remaining three limited partners holding more than 20% partnership interest in Wuxi Binfu. Changzhou Bin’an is managed by Shanghai Befor (which is in turn controlled by Fan Huizhong), holding 2.03% of the partnership interest therein, and has 31 limited partners, none of which holds more than 15% partnership interest in Changzhou Bin’an.

Guochuang Data (together with Changzhou Binfu and Wuxi Binfu, “**Binfu Capital**”) is a limited partnership established under the laws of the PRC and is principally engaged in investment management. The general partner is Shanghai Befor, holding 2.0% of the interests therein. Guochuang Data has five limited partners with Suzhou Zhuosheng Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (蘇州卓晟創業投資合夥企業(有限合夥)) (“**Suzhou Zhuosheng**”) being the largest one, holding 48% partnership interest in Guochuang Data, and none of the remaining four limited partners holding more than 30.00% partnership interest in Guochuang Data. Suzhou Zhuosheng is managed by Shanghai Befor and Suzhou Ates Private Equity Management Co., Ltd (蘇州阿特斯私募基金管理有限公司) (“**Suzhou Ates**”) (formerly known as Suzhou Ates Investment Management Co., Ltd (蘇州阿特斯投資管理有限公司)) as its general partners, each holding 0.38% partnership interests therein. Suzhou Ates is wholly owned by CSI Solar Power (China) Inc. (阿特斯陽光電力集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688472.SH). Suzhou Zhuosheng has 12 limited partners, including Changzhou Fubin Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (常州複彬創業投資合夥企業(有限合夥)) (“**Changzhou Fubin**”) being the largest one, holding 48% partnership interest in Suzhou Zhuosheng, and none of the remaining eleven limited partners holding more than 30.00% partnership interest in Suzhou Zhuosheng. Changzhou Fubin is managed by Shanghai Befor (which is in turn controlled by Fan Huizhong), holding 2.03% of the partnership interest therein, and has 12 limited partners, none of which holds more than 15% partnership interest in Changzhou Fubin.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

夥)) (“**Changzhou Fubin**”) being the largest one and holding 39.16% partnership interest therein. None of the remaining 11 limited partners hold more than 25% partnership interest in Suzhou Zhuosheng. Changzhou Fubin is managed by Shanghai Befor as its general partner holding 0.10% partnership interest therein, and is owned by five limited partners, including as to 48.22% by Zhou Yan (周炎), as to 48.22% by Zhou Qiwei (周奇偉) and as to a total of 3.54% by three other limited partners, each being Independent Third Parties.

Gongqingcheng Yintai

Gongqingcheng Yintai is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partner is Yintai Huaying Investment Co., Ltd (銀泰華盈投資有限公司) (“**Yintai Huaying**”), holding 19.74% of the interests therein. Yintai Huaying is wholly-owned by Yintai Securities Co., Ltd. (銀泰證券有限責任公司), which is in turn owned as to 91.43% by Beijing Jiaxin Century Investment Co., Ltd. (北京嘉鑫世紀投資有限公司) (“**Beijing Jiaxin**”) and as to 8.57% by three other shareholders. Beijing Jiaxin is ultimately controlled and beneficially owned by an Independent Third Party Lyu Hui (呂慧). Gongqingcheng Yintai has three limited partners, including Kunshan General Bicycle Co., Ltd (昆山吉納爾車料有限公司) (“**Kunshan General**”) holding 39.47% partnership interest therein, which is indirectly wholly owned by Sinoluck Shipping Company Limited, while neither of the remaining two limited partners of Gongqingcheng Yintai hold more than 30% partnership interest therein. Sinoluck Shipping Company partnership is owned as to 50% and 50% by Ge Lei (葛雷) and Chen Xiaogu (陳曉谷), each being Independent Third Parties.

Wenzhou Kechuang

Wenzhou Kechuang is a limited partnership established under the laws of the PRC and is principally engaged in investment management. The general partner is Shanghai Cogent Capital Asset Management Co., Ltd (上海柯正資產管理有限公司) (“**Shanghai Cogent**”), holding 0.03% of the interests therein. Shanghai Cogent is wholly owned by Li Cheng (李瑋), an Independent Third Party. Wenzhou Kechuang has 13 limited partners, including Pingyang Ruizheng Equity Investment Partnership Enterprise (Limited Partnership) (平陽芮正股權投資合夥企業(有限合夥)) (“**Pingyang Ruizheng**”) holding 29.71% partnership interest therein, while none of the remaining 12 limited partners holding more than 20% partnership interest in Wenzhou Kechuang. Pingyang Ruizheng is managed by Shanghai Cogent with 14 limited partners, and none of them holding more than 16.04% partnership interest in Pingyang Ruizheng.

FAW Investment

FAW Investment is a limited liability company established under the laws of the PRC and is principally engaged in equity investment. It is wholly owned by China First Automobile Group Co., Ltd. (中國第一汽車集團有限公司), which is in turn wholly owned by SASAC.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Gold Investment

Gold Investment is a private company established under the laws of the Hong Kong and is principally engaged in equity investment. Gold Investment is a wholly owned subsidiary of Gold Investment Limited, which is in turn indirectly wholly owned by CLSA Asia Growth Fund, L.P. (formerly known as CLSA China Growth Fund L.P.) (“**CLSA Growth**”). The general partner of CLSA Growth is CLSA Asia Growth Fund GP Limited (formerly known as CLSA China Growth Fund GP Limited), which is in turn indirectly wholly-owned by CITIC Securities Company Limited (中信証券股份有限公司), a company dually listed on the Shanghai Stock Exchange (stock code: 600030.SH) and Stock Exchange (stock code: 06030.HK).

Shunyi State Investment (being Shunyi Fund and Yingke Fund)

Shunyi Fund is a limited partnership established under the laws of the PRC and is principally engaged in venture capital investment. The general partner is Baic Group Industrial Investment Co., Ltd (北京汽車集團產業投資有限公司) (“**Baic Group**”), holding 0.1% of the interest therein. Baic Group is wholly owned by Beijing Automotive Group Co., Ltd (北京汽車集團有限公司), which is in turn indirectly wholly owned by Beijing State-owned Assets Supervision and Administration Commission (北京市國有資產監督管理委員會). Shunyi Fund has three limited partners, with Shenzhen Anpeng Equity Investment Fund Management Co., Ltd (深圳市安鵬股權投資基金管理有限公司) being the largest one, holding 74.9% partnership interest therein, which is wholly owned by Baic Group and in turn beneficially and wholly owned by Beijing State-owned Assets Supervision and Administration Commission, and none of the remaining two limited partners holding more than 30% partnership interest in Shunyi Fund.

Yingke Fund is a limited partnership established in the PRC. It is principally engaged in equity investment. Its general partner is Beijing Shunchuang Industrial Venture Capital Management Co., Ltd (北京順創產業創業投資管理有限公司) (“**Beijing Shunchuang**”), holding 2.44% of the partnership interest therein. Beijing Shunchuang is wholly owned by Beijing Shunyi Technology Innovation Group Co., Ltd (北京順義科技創新集團有限公司) (“**Shunyi Innovation**”), which is in turn beneficially wholly owned by State-owned Assets Supervision and Administration Commission of Shunyi District, People’s Government Beijing (北京市順義區人民政府國有資產監督管理委員會). The limited partner of Yingke Fund is Huashun Tiansheng (Beijing) Investment Management Co., Ltd (華順天盛(北京)投資管理有限公司) (“**Huashun Tiansheng**”), holding 97.56% of the partnership interest therein. Huashun Tiansheng is owned as to 90% and 10% by Shunyi Innovation and an Independent Third Party Beijing Automobile City Investment Management Co., Ltd (北京汽車城投資管理有限公司), respectively.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Suzhou Sushang

Suzhou Sushang is a limited partnership established under the laws of the PRC and is principally engaged in venture capital investment. The general partners are Shanghai Qianyue Investment Management Co., Ltd (上海謙越投資管理有限公司) (“**Shanghai Qianyue**”) and Shanghai Jinfeng Enterprise Management Center (Limited Partnership) (上海金謙企業管理中心(有限合夥)) (“**Shanghai Jinfeng**”), holding 1.79% and 0.09% of the interests therein, respectively. Shanghai Qianyue is owned as to 30% by Ningbo Meishan Bonded Port Jincheng Shazhou Equity Investment Co., Ltd (寧波梅山保稅港區錦程沙洲股權投資有限公司), which is ultimately controlled and beneficially owned by an Independent Third Party Shen Bin (沈彬). Shanghai Jinfeng is owned as to 69% by Wang Yan (王艷), 30% by Lyu Houjun (呂厚軍) and 1% by Lu Fenglei (陸風雷), each of whom are Independent Third Parties. Suzhou Sushang has nine limited partners, none of which holds 30% or more of the interest therein.

Anhui Jiaokong

Anhui Jiaokong is a limited partnership established in the PRC. It is principally engaged in equity investment. Anhui Jiaokong is managed by Anhui Jiaokong Jinshi Private Equity Fund Management Co., Ltd (安徽交控金石私募基金管理有限公司) (“**Jiaokong Management**”) as its general partner, holding 1% of the partnership interest therein. The partnership interest of Anhui Jiaokong is owned (i) as to 73.06% by Anhui Jiaokong Capital Investment Management Co., Ltd. (安徽交控資本投資管理有限公司) (“**Jiaokong Capital**”), a company beneficially and wholly owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Anhui Province (安徽省人民政府國有資產監督管理委員會); (ii) as to 19.30% by Goldstone Investment Co., Ltd. (中信金石投資有限公司) (“**Goldstone Investment**”), a wholly-owned subsidiary of CITIC Securities Company Limited (中信証券股份有限公司), a company dually listed on the Shanghai Stock Exchange (stock code: 600030.SH) and the Stock Exchange (stock code: 06030.HK); and (iii) as to 6.64% by Anhui Expressway Company Limited (安徽皖通高速公路股份有限公司) (“**Anhui Expressway**”), a company dually listed on the Shanghai Stock Exchange (stock code: 600012.SH) and the Stock Exchange (stock code: 00995.HK), respectively. Each of Jiaokong Capital, Goldstone Investment and Anhui Expressway is a limited partner of Anhui Jiaokong. Jiaokong Management is owned as to 70%, 27.50% and 2.50% by Goldstone Investment, Jiaokong Capital and Anhui Expressway, respectively.

Yangzhou Qizheng

Yangzhou Qizheng is a limited partnership established under the laws of the PRC. It is principally engaged in equity investment, and is managed by Xi’an Longding Investment Management Co., Ltd (西安龍鼎投資管理有限公司) (“**Longding Investment**”) as its general partner, holding 0.20% of the partnership interest therein. Longding Investment is beneficially owned by Wu Yenan (吳葉楠), an Independent Third Party, directly and through an investment holding company, as to 50.40%, and as to 49.60% by five other shareholders, none of which holds more than 15% of the share interest therein. The sole limited partner of Yangzhou Qizheng is Shaanxi Coal Industry Company Limited (陝西煤業股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601225.SH).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Changjiang Investment (Guangde Changzheng, Xiangyang Changzheng and Chutian Changxing)

Guangde Changzheng is a limited partnership established under the laws of the PRC. It is principally engaged in equity investment and is managed by ChangJiang Growth Capital Investment Co., Ltd. (長江成長資本投資有限公司) (“**ChangJiang Capital**”), as its general partner holding 20.00% of the partnership interest therein. ChangJiang Capital is a wholly-owned subsidiary of Changjiang Securities Co., Ltd. (長江證券股份有限公司) (“**Changjiang Securities**”), a company listed on the Shenzhen Stock Exchange (stock code: 000783.SZ). The remaining partnership interest of Guangde Changzheng is owned by its two limited partners, including (i) as to 50.00% by Guangde State-owned Assets Investment and Operation Co., Ltd. (廣德市國有資產投資經營有限公司) (“**Guangde Guotou**”), which is indirectly and wholly owned by the Guangde Municipal Bureau of Finance (廣德市財政局); and (ii) as to 30.00% by Changjiang Securities Innovation Investment (Hubei) Co., Ltd. (長江證券創新投資(湖北)有限公司) (“**Changjiang Innovation**”), a direct wholly-owned subsidiary of Changjiang Securities, respectively.

Xiangyang Changzheng is a limited partnership established under the laws of the PRC. It is principally engaged in equity investment and is managed by ChangJiang Capital as its general partner, holding 1.00% of the partnership interest therein. The remaining partnership interest of Xiangyang Changzheng is owned by its three limited partners, including (i) as to 49.00% by Changjiang Innovation; (ii) as to 25.00% by Hanjiang Investment Holdings Co., Ltd. (漢江控股發展集團有限公司), which is directly wholly owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Xiangyang City (襄陽市人民政府國有資產監督管理委員會); and (iii) as to 25.00% by Xiangyang Hi-Tec Chantou Holdings Co., Ltd. (襄陽高新產投控股有限公司) (formerly known as Xiangyang Hi-Tec Investment Holdings Co., Ltd. (襄陽高新投資控股有限公司)), which is beneficially wholly owned by the Finance Bureau of Xiangyang Hi-Tec Development Zone (襄陽高新技術產業開發區財政金融局), respectively.

Chutian Changxing (together with Guangde Changzheng and Xiangyang Changzheng, “**Changjiang Investment**”) is a limited partnership established in the PRC and principally engaged in corporate management consulting. It is managed by Cao Hongfeng (曹宏鋒), an employee of ChangJiang Capital and an Independent Third Party, as its general partner holding 7.31% of the partnership interest therein. Chutian Changxing has 19 limited partners, none of which holds more than 20% of the partnership interest therein.

Lianshan Investment

Lianshan Investment is a limited partnership established under the laws of the PRC. It is principally engaged in venture capital investment. Its general partner is Hefei Kexun Venture Capital Management Partnership Enterprise (Limited Partnership) (合肥科訊創業投資管理合

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

夥企業(有限合夥)) (“**Hefei Kexun**”) holding 0.4% of the interest therein. Hefei Kexun is ultimately controlled and beneficially owned by an Independent Third Party Xu Jingming (徐景明). Lianshan Investment has ten limited partners, none of which holds 30% or more of the interest therein.

Jiaqiao Capital

Jiaqiao Capital is a limited partnership established under the laws of the PRC and is principally engaged in venture capital investment. Jiaqiao Capital is managed by Hainan Bridge Construction Investment Co., Ltd (海南省架橋投資有限公司) (“**Hainan Bridge**”) as its general partner, holding 0.07% of the partnership interests therein. Hainan Bridge is a wholly-owned subsidiary of Shenzhen Bridge Capital Management Co., Ltd. (深圳市架橋資本管理股份有限公司) (“**Bridge Capital**”), a company listed on the National Equities Exchange and Quotations (NEEQ) (stock code: 833689). Among the 20 limited partners of Jiaqiao Capital, (i) eight limited partners are beneficially controlled by Bridge Capital, holding an aggregate of 54.95% of the partnership interest in Jiaqiao Capital; and (ii) none of the remaining 12 limited partners holds more than 30% of the partnership interest in Jiaqiao Capital.

Qianzhan Yuanzhi

Qianzhan Yuanzhi is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partner is Zhongqing (Zhejiang Free Trade Zone) Private Fund Management Co., Ltd (眾擎(浙江自貿區)私募基金管理有限公司), which is formerly known as Wuhan Zhongqing Private Equity Fund Management Co., Ltd (武漢眾擎私募基金管理有限公司) (“**Wuhan Zhongqing**”), which in turn is held as to 19.99% by Ms. Zheng Shiyong, our non-executive Director, indirectly, and ultimately controlled and beneficially owned by Mr. Feng Qingfeng (馮擎峰), an Independent Third Party. Qianzhan Yuanzhi has three limited partners with Ningbo Forward Engine Equity Investment Partnership Enterprise (Limited Partnership) (寧波前瞻引擎股權投資合夥企業(有限合夥)) (“**Qianzhan Yinqing**”) being the largest one, holding 59.94% partnership interest in Qianzhan Yuanzhi, and none of the remaining two limited partners holding more than 20% partnership interest in Qianzhan Yuanzhi. Qianzhan Yinqing is managed by Wuhan Zhongqing, which is in turn ultimately controlled and beneficially owned by Mr. Feng Qingfeng.

Ningbo Youfu

Ningbo Youfu is a limited partnership established in the PRC and is principally engaged in venture capital investment. It is managed by Zhou Ye (周業), an Independent Third Party, as its general partner, holding 65% of the partnership interests therein. The remaining partnership interest in Ningbo Youfu is owned as to 25% and 10% by Zhao Huarong (趙化榮) and Wu Jinxian (吳金仙), respectively, both being limited partners thereof and Independent Third Parties. Zhao Huarong is also an existing Shareholder of our Company who, as of the Latest Practicable Date, held 0.27% in our issued share capital.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Yuhu Investment

Yuhu Investment is a limited partnership established under the laws of the PRC and is principally engaged in equity investment. The general partner is Zhuhai Yuhu Private Equity Fund Management Co., Ltd (珠海鈺湖私募基金管理有限公司) (“**Zhuhai Yuhu**”), holding 0.9% of the interests therein. Zhuhai Yuhu is ultimately controlled and beneficially owned by an Independent Third Party, Han Shengtao (韓勝濤). Yuhu Investment has eight limited partners, including Zibo Yuhu No. 1 Equity Investment Partnership (Limited Partnership) (淄博鈺湖壹號股權投資合夥企業(有限合夥)), holding 9.01% of the partnership interest therein, which is also beneficially controlled by Han Shengtao. None of the remaining seven limited partners of Yuhu Investment holds 30% or more of the partnership interest therein.

Golden Growth

Golden Growth is a private investment holding company established under the laws of the Hong Kong and is a wholly owned subsidiary of Shunwei China Internet Opportunity Fund III, L.P. (“**SCIOF III**”). SCIOF III is controlled by Shunwei Capital Partners IV GP, L.P. (“**SCIOF III GP**”) as its general partner, and has more than fifty limited partners, none of which holds more than 20% partnership interest therein. SCIOF III GP is controlled by Shunwei Capital Partners IV GP Limited as its general partner. Silver Unicorn Ventures Limited holds more than 50% of the issued and outstanding shares in Shunwei Capital Partners IV GP Limited and Mr. Koh Tuck Lye, an Independent Third Party, is the sole shareholder of Silver Unicorn Ventures Limited.

Other investors

Each of Zhao Huarong, Huang Zhigang, Zheng Yanhua and Zhang Feng is a private investor and an Independent Third Party.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, save as disclosed below, we have not conducted any acquisitions, disposals or mergers since our inception that we consider to be material to us.

Acquisition of New Vision Ningbo

New Vision Ningbo was established with limited liability in the PRC on August 22, 2024 to engage in sale of automotive components. Upon establishment, New Vision Ningbo was wholly owned by our Company. Since November 2024, New Vision Ningbo was owned as to (i) 20% by our Company and (ii) 80% by Qianzhan Yuanzhi, one of our Pre-IPO Investors, respectively. For further details of Qianzhan Yuanzhi, please refer to the section headed “— Pre-IPO Investments — Information about the Pre-IPO Investors” above.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Under commercial consensus between our Company and Qianzhan Yuanzhi, we decided to acquire the remaining equity interest in New Vision Ningbo in order to (i) enhance operational independence of New Vision Ningbo, and (ii) promote our integration in the industry value chain.

On November 22, 2024, as part of our Series E Financing, our Company entered into a capital increase agreement and an equity transfer agreement, respectively, with Qianzhan Yuanzhi, pursuant to which our Company acquired the remaining 80% equity interest in New Vision Ningbo in consideration of our issue and allotment of 2,072,784 Shares to Qianzhan Yuanzhi, which was determined with reference to the valuation of New Vision Ningbo conducted by an independent valuer. In November 2024, the aforementioned acquisition had been completed. For further details, please refer to the section headed “— Pre-IPO Investments — Series E Financing” above. Upon completion, New Vision Ningbo became wholly owned by our Company.

According to Rule 4.05A of the Listing Rules, the acquisition of New Vision Ningbo would not be classified at the date of application for our listing, as a major transaction under Chapter 14 of the Listing Rules.

THE CONCERT PARTY GROUP

On February 1, 2021, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian, spouse of Mr. Lyu Tao and Ms. Cui Jin, spouse of Mr. Zhang Bo (together, the “**Concert Parties**”), entered into an acting-in-concert agreement, pursuant to which all the Concert Parties agreed to act in concert by aligning their proposals and votes at the board and/or the shareholders’ meetings of our Company in accordance with the consensus achieved between them. In the event that they are unable to reach consensus on any matter presented, the parties shall raise proposals or vote in accordance with the direction of Mr. Zhang Tao. The agreement shall become effective from the date of execution and shall terminate upon the expiration of thirty-six (36) months from the date of the Company’s qualified initial public offering (including the Listing), and may be renewed, upon its termination, as the Concert Parties may mutually agree. In addition, each of Yangzhou Zewu and Yangzhou Zeying, as our employee shareholding platforms which are controlled by Mr. Zhang Tao as their respective general partner, has been acting in concert with the Concert Parties.

SHARES SCHEMES

We established Yangzhou Zewu and Yangzhou Zeying as the Company’s share incentive platforms, to further bolster the corporate governance structure, improve the incentive mechanism, and incentivize our Group’s management and key employees to achieve a sustained and long-term development of our Group. We adopted the Share Incentive Scheme on April 17, 2020. For details of the Share Incentive Scheme, see “Appendix IV — Statutory and General Information — Our Incentive Schemes”.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

On April 17, 2020, our Company issued an additional RMB1,521,214 in the registered capital to Yangzhou Zewu at a consideration of RMB3,985,581. Further, on August 18, 2020, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao, Ms. Ye Jing and Ms. Guo Hui, through their proxy nominees, entered into share transfer agreements with Yangzhou Zewu, pursuant to which such Shareholders transferred an aggregate of 3,537,469 Shares to Yangzhou Zewu at a total consideration of RMB6,040,443.11.

On June 30, 2021 and July 19, 2022, our Company issued an additional RMB2,211,239 and RMB700,000 in the registered capital to Yangzhou Zewu, at a consideration of RMB5,793,446 and RMB3,395,000, respectively.

On November 25, 2022, our Company issued an additional RMB200,000 in the registered capital to Yangzhou Zewu at a consideration of RMB1,156,000.

On June 20, 2023, our Company issued an additional RMB500,000 in the registered capital to Yangzhou Zewu at a consideration of RMB4,255,000.

On December 28, 2023, Yangzhou Zewu completed the transfer of RMB3,784,203 in the registered capital of the Company to Yangzhou Zeying at a consideration of RMB12,289,911.

On September 20, 2023, our Group adopted a share incentive scheme for Shanghai Sirius (the “**Sirius Share Scheme**”), pursuant to which certain senior management of Shanghai Sirius shall establish a limited partnership as an employee share incentive shareholding platform of Shanghai Sirius and subscribe for certain interests of Shanghai Sirius. For details of the Sirius Share Scheme, see “Appendix IV — Statutory and General Information — Our Incentive Schemes”.

SHARE SUBDIVISION

We expect to conduct the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into two Shares with par value of RMB0.50 each. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB53,584,383, will be divided into 107,168,766 Shares with par value of RMB0.50 per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before the Listing, and the number of our issued Shares will be 107,168,766, without taking into consideration the new Shares to be issued for the Global Offering.

PUBLIC FLOAT

Immediately upon completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed), the Company will have 14,358,237 Domestic Unlisted Shares and 109,037,029 H Shares, among which:

- (i) the 14,358,237 Domestic Unlisted Shares (representing approximately 11.64 % of our total issued Shares upon Listing) will not be considered as part of the public float as such Domestic Unlisted Shares will not be converted into H Shares; and
- (ii) among the 109,037,029 H Shares,
 - a. the 33,502,559 H Shares held by Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian, Yangzhou Zewu and Yangzhou Zeying to be converted from Domestic Unlisted Shares and listed on the Stock Exchange (representing approximately 27.15% of our total issued Shares upon Listing) will not be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing as such Shares are held by our Controlling Shareholders and therefore constitute Shares held by core connected persons of our Company;
 - b. the 59,307,970 H Shares to be converted from Domestic Unlisted Shares and listed on the Stock Exchange (representing approximately 48.06% of our total issued Shares upon Listing), and held by the other Pre-IPO Investors, will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing as these entities will not be core connected persons of our Company upon Listing nor are they accustomed to take instructions from the Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and their acquisition of Shares were not financed directly or indirectly by the Company's core connected persons; and
 - c. 16,226,500 H Shares will be issued pursuant to the Global Offering.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Details of the Conversion of Domestic Unlisted Shares into H Shares are set out below:

Name of Shareholder	Number of Domestic Unlisted Shares as of the Latest Practicable Date	Number of Shares upon Listing (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed)	
		Domestic Unlisted Shares	H Shares converted from Domestic Unlisted Shares
Mr. Zhang Bo	4,449,454	2,669,672	6,229,236
Mr. Zhang Tao	3,178,454	1,907,072	4,449,836
Mr. Wang Zhenggang . .	1,827,749	1,096,649	2,558,849
Mr. Lyu Tao	829,261	497,557	1,160,965
Ms. Ye Jing	2,073,149	1,243,889	2,902,409
Ms. Guo Hui	2,073,149	1,243,889	2,902,409
Ms. Lyu Xianglian	829,260	497,556	1,160,964
Yangzhou Zewu	4,885,719	2,931,431	6,840,007
Yangzhou Zeying	3,784,203	2,270,522	5,297,884
Sub-total	23,930,398	14,358,237	33,502,559
Pre-IPO Investors	29,653,985	—	59,307,970
Total	53,584,383	14,358,237	92,810,529

Immediately upon Listing, assuming that (i) 16,226,500 H Shares are allotted and issued in the Global Offering; (ii) 92,810,529 Unlisted Shares will be converted to H Shares, and (iii) a total of 123,395,266 Shares are issued and outstanding in the share capital of our Company upon completion of the Global Offering, 75,534,470 H Shares, representing approximately 61.21% of the total number of issued Shares of our Company will be counted towards the public float.

Based on an Offer Price of HK\$48.00, being the high-point of the indicative Offer Price range, the expected market capitalization of our Shares will not exceed HK\$6,000,000,000 at the time of Listing. The percentage of Shares to be held in public hands is higher than the prescribed percentage of 25% under Rule 19A.13A(1) of the Listing Rules.

Therefore, our Company will be able to meet the minimum public float requirements under Rules 8.08 (as amended and replaced by Rule 19A.13A (1)) of the Listing Rules.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (b) have an expected market value at the time of listing of not less than HK\$600,000,000.

The Cornerstone Investors have agreed to a lock-up period of six months following the Listing Date and pursuant to the applicable PRC laws, each of the existing Shareholders of the Company (including the Pre-IPO Investors) are not permitted to dispose of any of the Shares held by them within the 12 months immediately following the Listing Date. As such, H Shares held by the Cornerstone Investors and existing Shareholders of the Company upon the Listing shall not be counted towards the free float of the H Shares of the Company at the time of Listing. Based on an Offer Price of HK\$42.00 per H Share, the Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure (a) as of the date of this Prospectus and (b) immediately upon the completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed):

Shareholder	As of the date of this Prospectus			Immediately following the completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed)				
	Number of Domestic Unlisted Shares	Shareholding in the Domestic Unlisted Shares	Number of Domestic Unlisted Shares	Shareholding in the Domestic Unlisted Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the total issued share capital
Mr. Zhang Bo	4,449,454	8.30%	2,669,672	18.59%	6,229,236	5.71%	8,898,908	7.21%
Mr. Zhang Tao	3,178,454	5.93%	1,907,072	13.28%	4,449,836	4.08%	6,356,908	5.15%
Ms. Ye Jing	2,073,149	3.87%	1,243,889	8.66%	2,902,409	2.66%	4,146,298	3.36%
Ms. Guo Hui	2,073,149	3.87%	1,243,889	8.66%	2,902,409	2.66%	4,146,298	3.36%
Mr. Wang Zhenggang	1,827,749	3.41%	1,096,649	7.64%	2,558,849	2.35%	3,655,498	2.96%
Mr. Lyu Tao	829,261	1.55%	497,557	3.47%	1,160,965	1.06%	1,658,522	1.34%
Ms. Lyu Xianglian	829,260	1.55%	497,556	3.47%	1,160,964	1.06%	1,658,520	1.34%
Yangzhou Zewu	4,885,719	9.12%	2,931,431	20.42%	6,840,007	6.27%	9,771,438	7.92%
Yangzhou Zeying	3,784,203	7.06%	2,270,522	15.81%	5,297,884	4.86%	7,568,406	6.13%
Sub-total	23,930,398	44.66%	14,358,237	100%	33,502,559	30.73%	47,860,796	38.79%
Golden Growth	3,791,836	7.08%	-	-	7,583,672	6.96%	7,583,672	6.15%
Qianzhan Yuanzhi	3,770,580	7.04%	-	-	7,541,160	6.92%	7,541,160	6.11%
Kenge Capital	2,887,686	5.39%	-	-	5,775,372	5.30%	5,775,372	4.68%
Suzhou Sushang	1,959,018	3.66%	-	-	3,918,036	3.59%	3,918,036	3.18%
Jiaxing Kailian	1,936,090	3.61%	-	-	3,872,180	3.55%	3,872,180	3.14%
Wenzhou Kechuang	1,800,723	3.36%	-	-	3,601,446	3.30%	3,601,446	2.92%
Jiaqiao Capital	1,680,830	3.14%	-	-	3,361,660	3.08%	3,361,660	2.72%
FAW Investment	1,424,221	2.66%	-	-	2,848,442	2.61%	2,848,442	2.31%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholder	As of the date of this Prospectus		Immediately following the completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed)					
	Number of Domestic Unlisted Shares	Shareholding in the Domestic Unlisted Shares	Number of Domestic Unlisted Shares	Shareholding in the Domestic Unlisted Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the total issued share capital
Changjiang Investment	1,390,351	2.60%	-	-	2,780,702	2.55%	2,780,702	2.25%
Binfu Capital	1,252,765	2.34%	-	-	2,505,530	2.30%	2,505,530	2.03%
Jiaxing Juntai	1,200,000	2.24%	-	-	2,400,000	2.20%	2,400,000	1.94%
Shunyi State Investment	1,152,988	2.16%	-	-	2,305,976	2.11%	2,305,976	1.87%
Huang Zhigang	1,116,357	2.08%	-	-	2,232,714	2.05%	2,232,714	1.81%
Lianshan Investment	729,342	1.36%	-	-	1,458,684	1.34%	1,458,684	1.18%
Gongqingcheng Yintai	726,034	1.35%	-	-	1,452,068	1.33%	1,452,068	1.18%
Gold Investment	590,836	1.10%	-	-	1,181,672	1.08%	1,181,672	0.96%
Anhui Jiaokong	590,836	1.10%	-	-	1,181,672	1.08%	1,181,672	0.96%
Ningbo Youfu	569,439	1.06%	-	-	1,138,878	1.04%	1,138,878	0.92%
Yangzhou Qizheng	513,825	0.96%	-	-	1,027,650	0.94%	1,027,650	0.83%
Yuhu Investment	227,848	0.43%	-	-	455,696	0.42%	455,696	0.37%
Zhao Huarong	145,206	0.27%	-	-	290,412	0.27%	290,412	0.24%
Zheng Yanhua	100,599	0.19%	-	-	201,198	0.18%	201,198	0.16%
Zhang Feng	96,575	0.18%	-	-	193,150	0.18%	193,150	0.16%
Sub-total	29,653,985	55.34%	-	-	59,307,970	18.89%	59,307,970	48.06%
Investors taking part in the Global Offering	-	-	-	-	16,226,500	14.88%	16,226,500	13.15%
Total	53,584,383	100%	14,358,237	100%	109,037,029	100%	123,395,266	100%

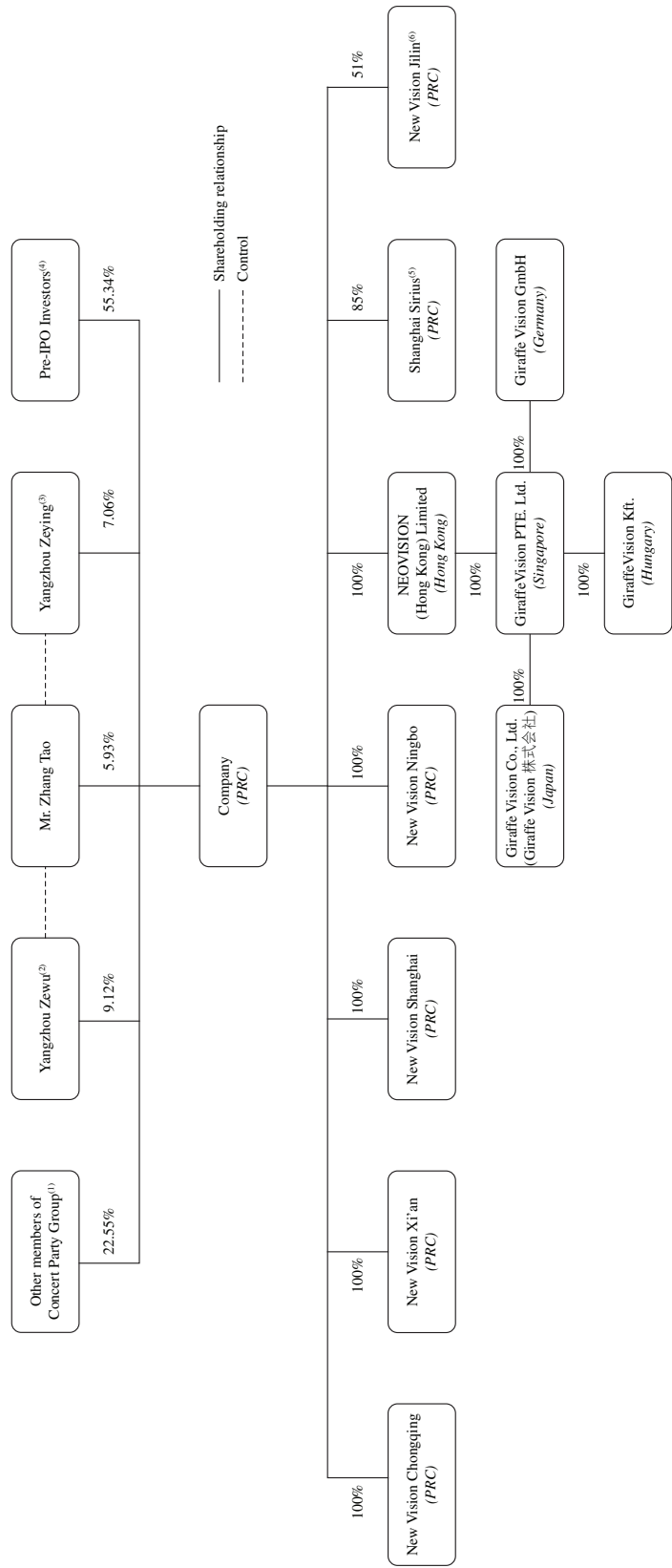
Note:

- (1) Certain amounts and percentage figures included in the above table have been subject to rounding adjustments. Any discrepancies in the above table between the total shown and the sum of amounts listed therein are due to rounding.

CORPORATE STRUCTURE

Corporate Structure immediately prior to the completion of the Global Offering

The following diagram illustrates the simplified corporate and shareholding structure of our Company immediately prior to the completion of the Global Offering:

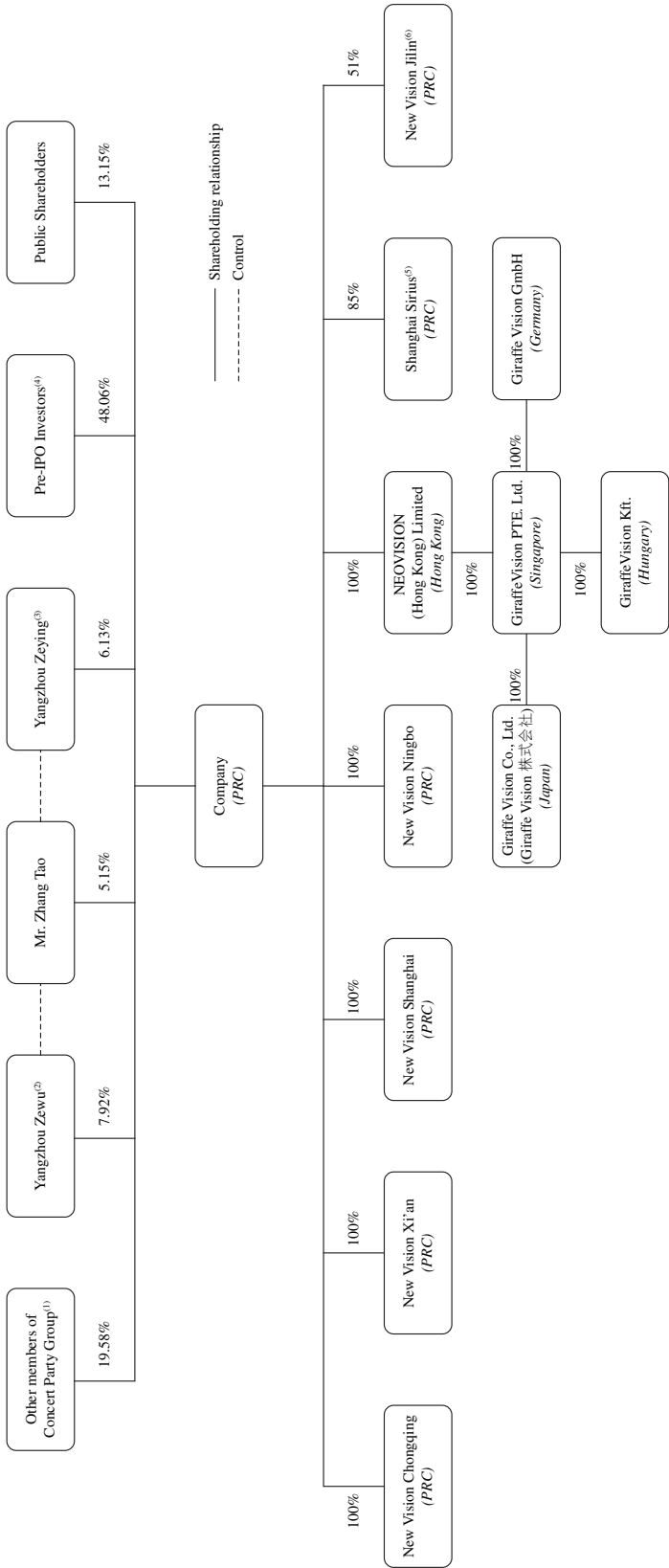


Notes:

- (1) Other members of Concert Party Group include Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian, Yangzhou Zewu and Yangzhou Zeying. See “Relationship with Our Controlling Shareholder Group” in this prospectus for further details.
- (2) Yangzhou Zewu is held (i) as to 0.55% by Mr. Zhang Tao as the general partner and (ii) as to 99.45% by 47 limited partners, each of whom is a current or former employee of our Group, none of which holds 30% or more of the interest therein.
- (3) Yangzhou Zeying is held (i) as to 16.44% by Mr. Zhang Tao as the general partner and (ii) as to 83.56% by 43 limited partners with Mr. Fan Xin (范鑫) being the largest one, holding 39.64% partnership interest. None of other limited partners, each of whom is a current or former employee or an external consultant of our Group, holds 30% or more of the interest therein.
- (4) Please refer to the chart under “— Capitalization of our Company” in this section for a list of the Pre-IPO Investors and their shareholding percentage in the Company.
- (5) The remaining 15% equity interest in Shanghai Sirius is held by Yangzhou Siruijing, an employee shareholding platform on the subsidiary level of our Company. As of the Latest Practicable Date, Yangzhou Siruijing is managed by Mr. Wang Zhenggang, holding 66.67% of the partnership interest therein, and is owned as to 33.33% by seven limited partners, each being an employee of the Group and an employee of Shanghai Sirius and an Independent Third Party.
- (6) The remaining 49% equity interest in New Vision Jilin is held by Changchun Zhizhonghe, As of the Latest Practicable Date, Changchun Zhizhonghe was owned by six individuals, each being an Independent Third Party and holding less than 30% of the share interest therein.
- (7) Certain amounts and percentage figures included in the above chart have been subject to rounding adjustments. Any discrepancies in the above chart between the total shown and the sum of amounts listed therein are due to rounding.

Corporate Structure immediately following the Global Offering

The following diagram illustrates the simplified corporate and shareholding structure of our Company immediately following the completion of the Global Offering:



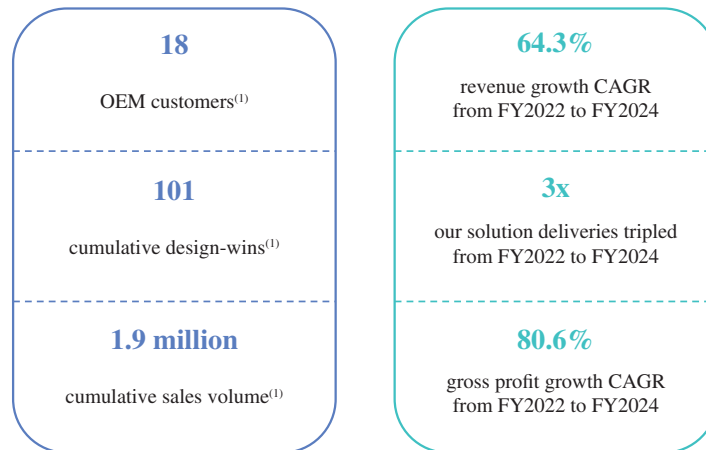
Please refer to Notes (1) to (7) in the preceding structure chart.

WHO WE ARE

We focus on HUD solutions. During the Track Record Period, we provided comprehensive solutions that are primarily centered on CyberLens, our windshield HUD (W-HUD) solution, and CyberVision, our augmented reality HUD (AR-HUD) solution, supplemented by testing solutions and other innovative visual technology initiatives. We collaborate with automotive OEMs in depth on joint development at solution definition stage, empowering new vehicle models with more immersive human-vehicle interactions and intelligent driving experience.



Through our innovative solution offerings, we promote the evolution and market penetration of visual presentation and human-vehicle interaction for intelligent cockpit from 2D to 3D and AR.



Note:

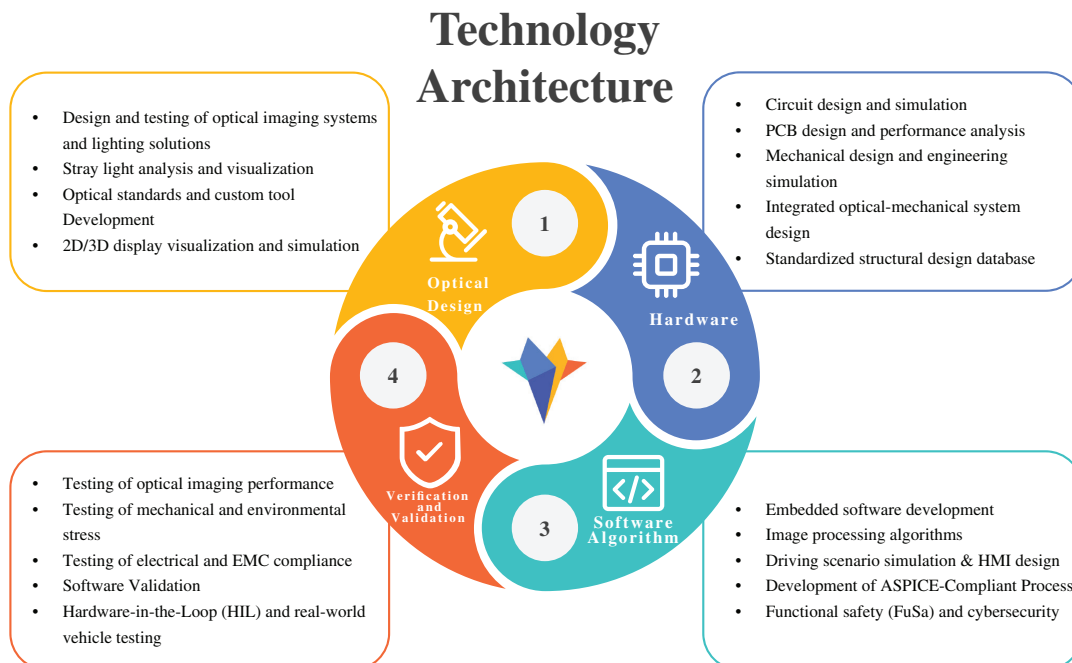
(1) As of September 30, 2025

Leveraging our integrated and full-range proprietary technology architecture and production and quality control capabilities, we have established a development process under a user experience centric design philosophy. We offer our HUD solutions primarily to our OEM customers with consistent performance, high reliability, efficient delivery, flexible customization and cost-effectiveness.

Leveraging our platform-based R&D capabilities, our integrated and full-range proprietary technology architecture enables us to achieve high efficiency in HUD solution development and design without the need for custom development from scratch for each project. Certain foundational modules are shared across our HUD solution matrix. For instance, over 60% of our CyberLens solutions and over 65% of our CyberVision share the same foundational mechanical designs, and approximately 90% of our electronic components share the same foundational electrical engineering design. As such, we are able to rapidly develop and adapt HUD solutions while reducing our development costs. Typically, we need to customize our HUD solutions for different vehicle models given their dashboard capacity, windshield angle, imaging distance and other parameters vary. However, our integrated and full-range proprietary technology architecture and modularized development approach allows us to adapt existing HUD solutions for different models of the same OEM in seven months, and develop new HUD solutions in ten months, far below the industry average of 18 months, according to CIC.

We believe the value propositions that we offer meet OEM needs for value-for-money, agile and differentiated competitive advantages in the intelligent vehicle market, while bringing end users a safer, smarter, more personalized and technologically advanced driving experience.

Our Integrated and Full-Range Proprietary Technology Architecture



We have built a full-stack proprietary technology architecture that integrates hardware and software capabilities across optical design, mechanical engineering, electronics design, software algorithms and human-machine interface (HMI), coupled with rigorous verification and validation processes. Our technology architecture encompasses core competencies in HUD solutions with unique capabilities that create sustainable market differentiations.

- **Optical Design:** Optical design capability is the cornerstone of our technological excellence. We possess comprehensive optical path layout and design capabilities, achieving precise analysis and optimization of optical systems through our proprietary algorithm plug-ins. Additionally, we conduct complex analyses, including dynamic distortion visualization, stray light simulation and sunlight backflow simulation to ensure imaging quality and reliability. Our outstanding optical design capabilities result in solutions with smaller dynamic distortion and binocular parallax and superior performance parameters, achieving optimal dynamic effects. We also actively explore next-generation technologies, including holographic optics, diffractive optics, micro-nano optics and waveguides, positioning us at the forefront of automotive optical innovation to address evolving industry demands while continuously redefining performance standards.
- **Mechanical Engineering:** Our mechanical engineering capabilities have enabled platform-based design for transmission and optical-mechanical systems. Through optimal design and deployment of various system structures within limited vehicle space, we achieve compact integration of components while avoiding interference with other parts. We are dedicated to solving mechanical pain points in the intelligent cockpit vision and interaction solution industry, including heat dissipation, vibration resistance, durability and adaptability. Our platform-based mechanical engineering significantly increases component commonality. The component sharing percentage reaches over 60% for CyberLens while that of CyberVision exceeds 65%, which greatly enhances development efficiency and cost-effectiveness. We utilize advanced design tools and simulation analysis to conduct strength and modal analyses, ensuring the reliability of mechanical engineering.
- **Electronics Design:** We have a comprehensive electronics design platform adaptable to different types of HUD solutions. Our solutions are designed to have excellent compatibility with controllers, optical PGUs and other components. During the design process, we emphasize component selection and ensure component quality, with over 90% of our electronic components achieving platform-based development. We employ advanced design tools, simulation analyses and component performance testing to guarantee quality and reliability of electronics design.

- **Software Algorithm Development:** We have accumulated profound expertise in software algorithm development, covering algorithms throughout the intelligent cockpit vision and interaction solution chain from input to execution to output. We are the first HUD solution provider in China to introduce Automotive SPICE (ASPICE), an international standard framework used in the automotive industry to assess and improve the capabilities of software development and systems engineering processes, for HUD development according to CIC. We have built a proprietary software algorithm development platform with comprehensive development tools, fully meeting international OEMs' strict assessment requirements for automotive software algorithm process capabilities. To satisfy the diverse needs of different users, we have conducted in-depth research on various computing platforms, possessing capabilities across multiple graphic development platforms with high code reusability and stable architecture. We maintain leading advantages in the implementation of functional features, such as height adjustment, brightness adjustment and AR fusion algorithms, providing users with immersive interactive experience and high-performance functional support.
- **HMI Design:** As a leader in China's automotive HMI design, we embrace "scenario-defined interaction" as our core concept. We implement driving-scenario-native design, which is supported by the high integration of optical design and driving scenarios as well as comprehensive innovations in hardware, software and interaction logic. Through deep collaboration with multiple mainstream OEMs, we have built full-chain capabilities from technology R&D to scenario implementation, creating a more intuitive HMI experience. Our HMI design technology layout focuses on optical system innovation, driving in-vehicle HMI to evolve from functional displays to intelligent and personalized interactions.
- **Verification and Validation:** We have established a comprehensive verification and validation platform with comprehensive equipment and automated tools, providing full visual application verification and validation capabilities. Leveraging such capabilities, we have improved verification and validation efficiency and accuracy, ensuring our solutions reliably meet user needs and expectations.

Our HUD Solutions

We provide a full range of platform-based HUD solutions, including CyberLens, CyberVision, testing solutions and other innovative initiatives to meet diverse customer needs.

- **CyberLens:** CyberLens is a windshield HUD (W-HUD) solution that uses windshield projection technology to display basic driving information, such as speed, navigation directions, driving assistance alerts and media information, directly on the windshield in front of a driver. CyberLens can automatically adjust the brightness and height of the display to ensure clear visibility. Since it is based on relatively mature technologies, we are capable of providing CyberLense to our customers at competitive costs.

- **CyberVision:** CyberVision is a more advanced augmented reality HUD (AR-HUD) solution. It goes beyond simple windshield projection by using sophisticated AR algorithms and optical imaging to overlay virtual information onto the real world through the windshield, creating a more immersive and intuitive driving experience than CyberLens. For instance, CyberVision can provide AR navigation that looks like it is part of the road, integrate advanced driver assistance system (ADAS) information, display dynamic tracking of objects and offer intelligent interactions based on different driving scenarios.
- **Testing Solutions:** Based on our profound understanding of automotive vision and interaction solutions, we provide the industry with comprehensive visual application testing equipment and services that primarily focus on HUD coupling testing to verify the interaction compatibility with collaborative functionality between the HUD solutions and external systems. Our testing solutions primarily include flexible testing platforms, vehicle end-of-line testing equipment, HUD collaborative robot testing platforms and AR-HUD online testing systems. The purpose of the HUD coupling testing is to ensure seamless integration within the vehicle ecosystem.
- **Other Innovative Initiatives:** In addition to our HUD solutions and testing solutions, we also engage in other innovative initiatives, such as camera monitoring systems (CMS), transparent window display solutions and real-image suspensory display (RISD) solutions. Advancing the exploration of innovative intelligent cockpit vision and interaction technologies and applications, we aim to leverage our technology capabilities to provide safer, more immersive and more intelligent cockpit vision and interaction experience, leading industry transformation.

Our solutions tackle industry pain points in automotive HUD solutions by elevating HUD image quality and environmental adaptability while optimizing space, power utilization and hardware reliability. We have also enhanced modal fusion algorithms for superior performance and computational efficiency. To bridge the industry-wide shortage of standardized and automated testing capabilities, we empower participants in the industry value chain with robust testing solutions that streamline operations and ensure consistent quality.

We establish deep collaboration with OEMs and foster a collaborative joint development ecosystem where complementary expertise converges to solve complex challenges, evolving from merely supplying specialty technologies to building in-depth partnership with OEMs in defining the driving and interaction experience. We empower OEMs to meet diverse needs for intelligent cockpit vision and interaction functions and scenarios, satisfying end users' pursuit of safer, smarter and personalized driving experience. Our deep collaboration with OEMs significantly increases the loyalty of our customers, capturing market opportunities in HUD solutions.

Leveraging our competitive advantages, our solutions generally feature the following:

- **Performance and Reliability:** Supported by our integrated and full-range proprietary technology architecture, our HUD solutions are integrated products combining optics, mechanics, electronics and software algorithms. Through organic coordination between software algorithms and hardware platforms supplemented by rigorous verifications and validations, we ensure that our HUD solutions achieve superior performance when deployed in vehicles. Guided by strict automotive-grade requirements, we design customizable hardware and software architectures adapted to different vehicle models' personalized needs, achieving clear and stable display effects, precise control processes, small system volume, intelligent environmental adaptation and power consumption optimization.
- **Scenario-oriented Development:** We adhere to the core concept of “scenario-defined interaction,” placing HMI design and driving-scenario-native design in key positions. We start from user insights and connect scenario definitions, technology development, practical verification and continuous iteration at each stage. We collaborate with OEMs to cover diverse scenarios across safety, navigation and environmental adaptation, forming a tightly connected and efficiently operating process with human-vehicle-road interaction at its core. Scenario-oriented development and collaboration not only promotes the scaled application of new technologies including AR-HUD, but also defines a new paradigm of human-vehicle interaction in the intelligent vehicle era.
- **Efficient Delivery:** Through our platform-based technology architecture and solution offerings, we have accumulated rich experience in R&D, enabling us to further innovate building upon our existing R&D achievements. Our development tools enable automated adjustments, which effectively reduces coordination costs in development and production processes, allows rapid development and adaptation and maximizes solution development and mass production delivery efficiency. Currently, we can achieve delivery cycles as short as 10 months, far below the industry average of 18 months according to CIC.
- **Cost-Effectiveness:** We promote popularization of HUD solutions and cost optimization, constantly improving our solution design from a variety of perspectives.

For end users, our solutions serve as bridges for human-vehicle interaction, providing diverse usage scenarios, outstanding display quality, high stability and strong visual impact. Our solutions not only meet end users' basic driving needs such as safe driving and navigation, but also expand to satisfy information interaction, personalized experience and entertainment needs, bringing them safer, more intelligent, personalized and technologically distinctive driving experience.

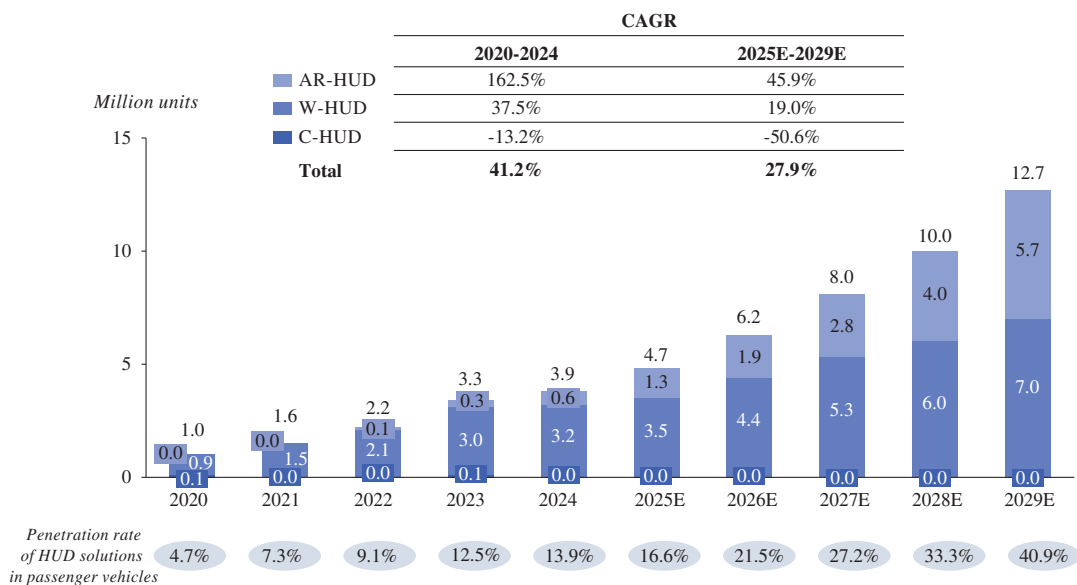
Market Opportunities

As intelligent vehicles evolve from transportation tools to integrated travel spaces, user demand for enhanced cockpit experience in safety, visualization and interaction continues to rise. Automotive HUD solutions serve as core interfaces between driving systems and users, improving information collection efficiency and safety while elevating the human-vehicle interaction experience. The Chinese government also supports this sector with comprehensive policies providing clear direction for industry development.

Automotive HUD solutions have achieved significant breakthroughs in optical design, image processing, AR rendering and human-vehicle interaction, driving advancements towards intelligence and miniaturization while improving solution performance, environmental adaptability and vehicle integration efficiency. As vehicle manufacturers increasingly appreciate intelligent and differentiated layouts, these solutions have become key factors in attracting end users.

According to CIC, China's automotive HUD solution market in terms of sales volume grew from 1.0 million units in 2020 to 3.9 million units in 2024, with a CAGR of 41.2%, and is expected to reach 12.7 million units by 2029, with a CAGR of 27.9% from 2025 to 2029.

Market Size and Penetration Rate of the Automotive HUD Solution Industry in China by Solution Type, Measured by Sales Volume, 2020-2029E



In the global market, W-HUD remains the mainstream HUD solution, with projected sales volume growing from 10.7 million units in 2024 to 20.9 million units in 2029. AR-HUD emerges as the future growth driver, the sales volume of which is expected to increase from 2.0 million units to 7.6 million units in the same period. Chinese HUD manufacturers have accumulated significant technological advantages in optical design, imaging quality and system integration, with performance and capabilities approaching international standards. As China's leading automotive HUD solution provider, we are well positioned to capture overseas opportunities through collaborations with domestic automotive OEMs expanding globally or directly with overseas OEMs.

Our Financial Performance

We have achieved strong revenue growth in recent years, laying a solid foundation for our continued success. Our revenue grew from RMB214.1 million in 2022 to RMB549.4 million in 2023, and further grew to RMB577.6 million in 2024, with a CAGR of 64.3% from 2022 to 2024. Our revenue further increased by 11.7% from RMB429.7 million in the nine months ended September 30, 2024 to RMB479.9 million in the nine months ended September 30, 2025. We recorded loss for the year of RMB256.1 million in 2022, RMB174.6 million in 2023 and RMB137.9 million in 2024. We recorded loss for the period of RMB127.8 million and RMB343.7 million in the nine months ended September 30, 2024 and 2025, respectively. We had adjusted loss for the year (non-IFRS measure) of RMB79.1 million in 2022, adjusted profit for the year (non-IFRS measure) of RMB13.3 million in 2023 and adjusted loss for the year (non-IFRS measure) of RMB7.1 million in 2024. We had adjusted loss for the period (non-IFRS measure) of RMB4.4 million and RMB17.5 million in the nine months ended September 30, 2024 and 2025, respectively. See “Financial Information — Non-IFRS Measure.” Despite that we recorded net cash outflow from operating activities of RMB139.9 million in 2022, RMB124.5 million in 2023 and RMB49.0 million in the nine months ended September 30, 2025, we achieved net cash inflow from operating activities of RMB14.5 million in the nine months ended September 30, 2024 and RMB29.2 million in 2024.

OUR STRENGTHS

Innovator of HUD Solutions with Significant First-Mover Advantages

We are committed to the research and development of HUD solutions, with a primary focus on HUD solutions. Leveraging our comprehensive proprietary technology architecture, we collaborate with OEMs to develop solutions that cover diverse scenarios, spanning safety, navigation and environmental adaptation. With “human-vehicle-road” interaction at our core, we have built collaborative joint development relationships with OEMs.

The evolution in collaboration relationships from merely supplying specialty technologies to building in-depth partnership with OEMs in defining the driving and interaction experience not only promotes the large-scale application of innovative technologies, including AR-HUD, but also defines a new paradigm of human-vehicle interaction in the intelligent vehicle era, leading China's intelligent cockpit vision and interaction industry in innovative development.

According to CIC, we were among the first to introduce domestically produced HUD solutions in the Chinese market, securing design-wins from automotive OEMs and taking the lead in mass production. Through our innovative solution offerings, we serve as a key driver in the evolution and popularization of HUD solutions from 2D to 3D and AR.

We have also made major contributions to the formulation of multiple industry standards, including the national standards “Performance Requirements and Test Methods for Automotive Head-Up Display Systems” and the “Technical Requirements and Testing Methods for Field of Vision Assistant of Light-duty Vehicles.” Our contributions to the formulation of such industry standards promote standardized development of the HUD solution industry, strengthen our authority in technical development and integrate our technological achievements into industry-wide technical specifications.

We are also the leader in the commercialization of HUD solutions in China. With our highly competitive solutions, outstanding integrated and full-range proprietary technology architecture and powerful mass production delivery capability, we have won recognition from a number of customers, establishing our leading market position. During the Track Record Period, the sales volume of our HUD solutions exceeded 1.6 million units, generating revenue of RMB540.6 million in 2024, with a CAGR of 77.7% from 2022 to 2024. According to CIC, we ranked second among China’s HUD solution providers in terms of sales volume in 2024, with a market share of 16.2%. We are the only company in the Chinese market that ranks in the top three in terms of sales volume in each of HUD, W-HUD and high-performance AR-HUD solutions in 2024, according to CIC.

China’s automobile industry is driving the global intelligent vehicle development, promoting the continuous penetration and upgrading of HUD solutions. Leveraging our first-mover advantages and industry-leading position in China, we are well-positioned to pursue continued commercial success and international expansion. We have established direct cooperation with major international OEMs, further promoting more solutions from our solution matrix to be applied in international projects, which in turn extends our market leadership in China to the global market.

Integrated and Full-Range Proprietary Technology Architecture Underpinning Differentiated Competitive Advantages

We possess full-stack platform-based R&D capabilities that seamlessly integrate hardware and software across optical design, mechanical engineering, software algorithm development, electronics design and HMI, coupled with rigorous verification and validation. Benefiting from our integrated and full-range proprietary technology architecture that cultivates our core technology capabilities, we had 229 granted patents as of the Latest Practicable Date. Through continuous technological upgrades and innovative breakthroughs driving solution iteration, we have formed a highly autonomous technology architecture with end-to-end control, providing sustainable technological support for cross-domain business expansion.

Enabled by our in-house capabilities relating to the development of core technologies, our R&D platform features the following advantages that set us apart from our industry peers:

- **Powerful Synergistic Effects:** Leveraging our technology architecture, we have achieved coordinated iterative optimization of technological capabilities that allow us to timely grasp the cutting-edge technological advancements, maintaining continuous technology upgrades and industry leadership.
 - *Optical-Mechanical-Electrical Integrated Development:* Leveraging our full-stack technology architecture, we have achieved high-resolution display and precise optical projection, stable support and dynamic adjustment of mechanical structures, reliable information collection and real-time computation of electronic components, operating in a synchronized manner, to enhance overall solution performance across multiple dimensions. The highly integrated development capability allows us to embed our solutions with stability, precision and adaptation while minimizing the volume of our solutions. Meanwhile, we continue to proactively devote resources to technology advancements, including holographic optics, diffractive optics, micro-nano optics and waveguides, to keep up with the most cutting-edge technology developments. According to CIC, we are the first solution provider to achieve mass production for HUD solutions that utilize local dimming technology, which is expected to be deployed in more vehicle models in the future.
 - *Hard- and Software Platforms Coordination:* Based on mainstream hardware configurations and user needs across different vehicle models, we design customizable software and hardware platforms compatible with multiple technology routes, including DLP, TFT and LCoS. We define software-hardware interfaces and conduct software-hardware coordinated optimization, iteratively solving technical challenges such as image distortion and display precision. Meanwhile, we adhere to the “human-centered” HMI design, exploring user scenarios and seamlessly collaborating with other vehicle systems to achieve optimization of enhanced displays for dynamically changing information. Through the organic coordination of software and hardware platforms, we effectively ensure the real-time nature and safety of intelligent cockpit vision and interaction, significantly improving display quality and user experience.
 - *Multi-Dimensional Simulation and Experimental Capabilities:* Through virtual validation based on theoretical prototypes and physical validation in reliance on various proprietary verification and validation instruments, we have achieved all-scenario verification and validation capabilities. Through seamless data sharing, we conduct multi-dimensional simulation verification of data generated during the design and operation of our solutions, forming

closed-loop capabilities of integrated design and verification. This not only ensures R&D and mass production quality of our solutions, but also effectively improves R&D efficiency and market response speed.

- **High Development Efficiency:** Leveraging our platform-based R&D capabilities, we possess high development efficiency and engineering capabilities for our solutions. In light of our solution matrix, our platform-based R&D greatly increases the sharing percentage of basic modules used in our solutions. From a mechanical design perspective, the component sharing percentage for CyberLens reaches over 60%, while that of CyberVision exceeds 65%. From an electronics design perspective, we have achieved platform-based development for over 90% of the electronic components, enabling swift development and adaptation while reducing development costs and expenses for the entire lifecycle of our solutions. Leveraging such robust R&D efficiency and solution adaptation capability, it only takes seven months for us to adapt an existing solution that has been developed for another vehicle model to the same model series of our customers; for the development and delivery of new solutions, we manage to keep the entire process to be as short as 10 months, far below the industry average of 18 months according to CIC. With the development of intelligent driving and V2X, the market demands for HUD solutions are rapidly growing, to which we can quickly respond leveraging our strength in R&D efficiency.

Comprehensive, Flexible and High-Performance Solutions Addressing Diverse Customer Needs

With comprehensive layout in intelligent cockpit vision and interaction technologies, we have achieved wide coverage from product-level solutions, such as CyberLens and CyberVision, to testing solutions and other innovative initiatives. We possess adaptive solution development and delivery capabilities with industry-leading performance, meeting customers' diverse needs with flexibility.

- **Comprehensive and Flexible Solution Matrix:** Leveraging our full-stack R&D platform that integrates hardware and software, we have done extensive work in scenario and functionality development, which in turn enables us to develop and deliver solutions in a flexible manner according to customer needs. Due to the comprehensiveness of our R&D platform, we can easily combine and iteratively optimize solutions' functions and performance parameters according to the diverse needs of different types of customers for HUD solutions. This capability allows us to capture the trending demands for our solutions and address the diverse pain points of our customers more flexibly and accurately. Additionally, we are capable of providing our customers with comprehensive testing solutions for visual applications, addressing the extended needs for reliable testing capabilities from our customers.

- **Superior Solution Performance:** Leveraging our comprehensive coverage of core technologies, we provide HUD solutions with outstanding performance and achieve rapid solution iteration. We offer high-definition displays with 1.3 million pixels, cinema-grade picture quality, high HUD refresh rate, high NTSC color gamut design, high heat resistance and resistance to 120°C optical radiation temperatures. CyberLens has experienced five iterations with significantly improved recognition experience, clearer pictures, better user experience and larger frame and projection distances. CyberVision has also experienced two iterations. We were the first in the industry to achieve mass production of bifocal plane AR-HUD, addressing needs between different projection distances. Meanwhile, our testing solutions also create significant synergies with our HUD solutions, efficiently detecting and providing feedback on various issues identified during coupling testing, which further promotes solution improvement and rapid iteration.
- **High Efficiency:** Leveraging proprietary core technologies throughout the intelligent cockpit vision and interaction solution chain, we have formed a platform-based technology architecture that maximizes the value of existing technology assets. Through the comprehensive optimization of optical design, mechanical engineering, software algorithm development, electronics design and HMI, coupled with rigorous verification and validation processes, we are continuously promoting cost-effective improvements. Through closed-loop capabilities for autonomous verification and validation, we further improve verification and validation efficiency, feed back to product development and reduce development full lifecycle costs. We deliver customized solutions with robust performance and reliability at competitive costs to our customers through mature solution design and supply chain management as well as mass production experience. Our comprehensive, flexible and high-performance solution matrix helps us meet customers' high standards, diverse requirements and cost-effectiveness needs for HUD solutions. By providing customers with one-stop solutions for all stages, from requirement input, customized development, solution delivery and verification and validation to maintenance, we deepen cooperation relationships and recognition with existing customers and continually attract new domestic and international OEM customers, thereby increasing market share, seizing market opportunities for the accelerated penetration of intelligent vehicle supply chains, entering the global market and seizing favorable competitive positions.

Robust Production and Quality Control Systems

Supported by our production facility and quality control systems, we have demonstrated a mass production capability that has been acknowledged by our OEM customers. As of the Latest Practicable Date, we had one production base in Yizheng, Jiangsu Province. With advanced manufacturing facilities, strong supply chain systems, rich mass production management experience and comprehensive quality control systems, we have a proven track record of stable and reliable mass deliveries. We have obtained a number of overseas OEMs' quality certifications, which is a testament to our robust process management that supports our global expansion.

- **Production Line and Inspection Facility Design Capabilities:** We possess the capability to design and manufacture HUD production line equipment and inspection equipment in-house, leading industry production line standards and building significant differentiated competitive edges. Our ability to design and manufacture production line and inspection equipment in-house significantly reduces our dependence on external suppliers, both ensuring core process technology barriers and strengthening supply chain resilience, avoiding production interruptions due to equipment delivery delays or technical adaptation issues. Meanwhile, based on a deep understanding of production, inspection equipment and product characteristics, we maintain high yield rates and production efficiency through customized production line design, while achieving full-process quality management through real-time inspection systems, ensuring that the produced solutions meet automotive-grade reliability standards. Additionally, production line design capabilities enable us to quickly respond to technology iteration needs, flexibly adjust production line parameters for quick model changes and meet flexible production demands for multiple varieties and small batches, thus seizing opportunities in the rapidly evolving intelligent vehicle industry. This full-chain control from manufacturing tools to end solutions not only significantly compresses equipment procurement and maintenance costs but also becomes our core driver for building technology barriers and achieving continuous innovation.
- **Automated, Intelligent Production Management Systems:** We possess highly automated and intelligent production management systems. Equipped with industry-leading intelligent production facilities such as industrial robots, our production lines achieve a high level of automation, with key processes achieving fully automated production, effectively improving production efficiency and product consistency. Meanwhile, we have introduced manufacturing operation management (MOM) system, achieving full-process digital management of production processes. Our MOM system effectively shortens production cycles and implements comprehensive error-proofing and full-process traceability management, fully meeting OEM customers' high automotive-grade standards.

- **Strong Supply Chain Systems:** We possess a comprehensive supply chain management system and have built a vertical supplier system covering the entire HUD solution industry chain. Meanwhile, we have assembled cross-departmental Value Analysis/Value Engineering (VAVE) task forces. This task force has achieved breakthroughs in several core areas such as basic materials, electronic components and manufacturing processes, continuously optimizing costs in various aspects. To ensure supply chain security and cost optimization, we have implemented several strategic initiatives. We have adopted a “2+N” supplier strategy, ensuring that we have at least two mature suppliers for all categories of materials. We have also established a dynamic risk assessment model and formed a special supply guarantee team to respond promptly to unexpected risks. Furthermore, we have implemented a dual-region storage strategy to maintain adequate stock in our headquarters and a third-party warehouse. Our comprehensive supply chain management system enhances our supply chain stability, security and response speed, helping us to continuously optimize costs and promote the realization of economies of scale.
- **Comprehensive Quality Systems:** We have established a comprehensive quality system, obtaining automotive-grade quality and safety management system certifications, including CNAS, IATF16949, ISO14001 and ISO9001, and have passed supplier qualification audits from over 20 major domestic and international OEMs.

Diverse and Loyal Customer Base Sustaining Long-Term Growth

With our excellent solutions and unique value propositions, we have successfully penetrated into the supply opportunities for a number of top-tier domestic and international OEMs and have established long-term, stable and tight collaborations with them. As of September 30, 2025, we had 23 customers including both domestic leading OEMs and emerging ones. We have a rich customer base for vehicle models that we have won design-wins and achieved mass production. As of September 30, 2025, we had secured design-wins for 101 projects and our sales volume exceeded 0.6 million units in the nine months ended September 30, 2025, evidencing our market leadership. Additionally, we have become the strategic partner for vehicle optical solutions for a global leading technology enterprise, bringing us a broader market space.

Furthermore, unlike most of our industry peers, whose overseas expansion is primarily implemented through joining the overseas operations of Chinese domestic automotive OEMs going global, we not only empower domestic OEMs in the global market, but also actively seek design-wins and orders from leading overseas OEMs. With the outstanding performance and quality of our solutions, strong technical strength and advanced process control systems, we have passed strict verifications of overseas OEMs for supplier manufacturing development processes in terms of their traceability, reliability, durability and safety, among others. We are actively engaging in business negotiations with more globally renowned OEMs, planning to promote more solutions from our solution matrix into global projects, participating in global competition and achieving globalized operations. To secure design-wins and orders from

renowned OEMs overseas, we have established a dedicated overseas business development team, integrating experts from our R&D, legal, finance, operations and supply chain teams to formulate and execute comprehensive global market penetration strategies. Our business development team holds weekly meetings to deepen its market understanding and generate actionable market insights. To further strengthen customer engagement, our R&D team conducts bi-monthly on-site visits to overseas customers for technical exchanges, product demonstrations and capability enhancement discussions, supplemented by weekly virtual meetings dedicated to technical analysis of pre-sales project proposals, ensuring our solutions are meticulously aligned with our customers' requirements.

Deep collaboration relationships with top domestic and international OEMs and an extensive design-wins demonstrate our strong commercialization capabilities, which not only brought about outstanding historical performance but also enable us to capture the growth opportunities to further penetrate into the rapidly evolving global intelligent cockpit vision and interaction solution market, enhancing our competitive advantages and supporting our long-term growth.

Seasoned Management with Global Vision and Strong Shareholder Lineup

We are led by a visionary and dedicated management team with a proven track record of entrepreneurial success with solid, diversified and complementary backgrounds. Our founder and management team possess global vision, foresight in technological development and rich cross-disciplinary experience in informational technology and automotive value chain. The average years of working experience of our senior management team exceeds 20 years.

The chairman of our Board, Mr. Zhang Tao, has over 20 years of experience in top-tier OEM operation and enterprise management. Mr. Zhang Tao has profound insights and a wealth of practical experience and knowledge. Our founder, Mr. Zhang Bo, has over 20 years of experience in software engineering. Mr. Zhang Bo previously worked at Microsoft and excels at research and development project management.

Under the leadership of Mr. Zhang Tao and Mr. Zhang Bo, we have established a partnership-style management team, aligning the strengths and goals of core members to build a highly collaborative and complementary organization ecology filled with compelling driving forces. We have established our development strategy, seizing market opportunities for HUD solutions amid the popularization of intelligent vehicles. We have also seized first-mover advantages and taken the lead in achieving mass production breakthroughs for domestically produced HUD solutions, while consolidating our market leadership.

Meanwhile, we have a rich talent pool for our R&D team, with R&D personnel accounting for 35.9% of the total number of our employees as of September 30, 2025. Our R&D talent pool combines academic distinction with the agility of youth. Our core R&D personnel possess solid professional backgrounds, many of whom came from well-known domestic and international enterprises, bringing valuable industry experience and cutting-edge technological vision.

Additionally, since our inception, we have received recognition and support from diverse shareholders. Our shareholder lineup includes both well-known professional investment institutions and multiple industry strategic partners. We and our shareholders closely collaborate with each other in funding support, product development, market channel expansion and other aspects, demonstrating significant synergistic effects.

OUR STRATEGIES

Promoting Penetration of HUD Solutions

As a leader in HUD solutions, we are well positioned to capitalize on the rapidly evolving automotive technology landscape. We recognize that the increasing demand for sophisticated in-vehicle experience presents an unprecedented opportunity for growth and innovation. We intend to leverage market demands to accelerate the further penetration of our innovative solutions and expand our solution offerings.

We plan to strengthen our well-established leadership in HUD solutions by further expanding our OEM customer base. Through targeted engagements with automotive OEMs, we plan to further increase our market share. A key focus will be to promote the penetration of HUD solutions into mainstream vehicle models, making this technology accessible to a broader base of end users. We plan to implement our strategy by integrating our customizable solutions that meet diverse OEMs requirements with cost optimization, while maintaining high standards of quality and performance.

To enhance our technological capabilities and market reach, we plan to establish and cultivate collaborative relationships with globally leading technology companies. These strategic partnerships will enable us to access cutting-edge technologies, expand our prospective customer base and develop further integrated solutions that address emerging market demands. By organically combining our specialized knowledge in vision and interaction solutions with our strategic partners' expertise in complementary fields, we can create more comprehensive and innovative solutions that differentiate our solution offerings in the market.

We position AR-HUD as the optimal platform for integrating AR with AI in the automotive context. By further enhancing AR capabilities and integrating them with AI, we may enhance the levels of situational awareness and vehicle-driver coordination to another level, which represents our vision for the future of automotive interfaces where digital information seamlessly integrates with the physical world to enhance safety, convenience and the overall driving experience.

We are committed to promoting innovative vision and interaction solutions extended from HUD, such as camera monitoring systems, transparent window display and real-image suspensory display. Each of these initiatives represents a significant advancement in how visual information is presented within the in-vehicle environment, creating more immersive, informative and safer driving experiences.

Driving Technological Innovation and Iteration

We are committed to continuously promoting technological innovation and upgrades across our solution offerings. By strengthening our cutting-edge technology development, we will maintain our ability to anticipate and set industry trends, which may in turn further strengthen our competitive edges and ensure that we maintain a leading market position.

We intend to increase our investments in research and development of LCoS and diffractive waveguide technologies. These technologies represent the next frontier in HUD solutions, offering superior display performance. By establishing deep expertise in these advanced optical technologies, we plan to establish a solid foundation for next-generation solutions that outperform market alternatives. Our comprehensive R&D roadmap includes developing proprietary manufacturing processes, optical design methodologies and interaction techniques that will yield patentable intellectual property. This technological foundation will enable us to build and reinforce our brand image as a leader with vision and intelligent interaction expertise within the automotive industry and beyond. Therefore, we plan to use approximately 17.1% of the net proceeds, or HK\$113.0 million to be used for our continued research and development and technological investments in our existing HUD solutions, including developing in-vehicle visual solutions based on multiple technology routes, such as TFT, LCoS, DLP and optical waveguide. See “Future Plans and Use of Proceeds.”

We recognize that the future of automotive interfaces lies at the intersection of digital transformation and AI. Therefore, we intend to build digital and deep learning applications that enhance the capabilities of our display systems. By integrating AI capabilities into our solutions, we aim to improve efficiency in various aspects of the driving experience, including navigation optimization, hazard awareness, vehicle system monitoring and communication management. The efficiency improvements will be quantified through reduced cognitive loads, faster response times to critical information and enhanced driver satisfaction metrics. Therefore, we plan to use approximately 4.3% of the net proceeds, or HK\$28.3 million to be used for the development of AI productivity tools. See “Future Plans and Use of Proceeds.”

Advancing Global Expansion Strategy

We are committed to seizing critical development opportunities in the global market, intensifying our international business expansion efforts to establish a worldwide presence. By accelerating our global production implementation, integrating worldwide R&D resources and optimizing our international supply chain, we are strategically positioning ourselves for sustained global growth and market influence, ensuring long-term sustainable development that will deliver consistent returns.

Our solutions have already achieved international recognition, meeting and defining world-class technical standards. Building on our well-recognized technological strength and global vision, we are advancing collaboration with a number of industry-leading OEMs to advanced next-generation vision and interaction solutions. Our strategic roadmap includes obtaining additional global supplier qualifications from more overseas automotive OEMs, propelling more of our innovative solutions into international projects where they can captivate new markets.

We plan to establish our international supply chain footprint, creating a worldwide operational infrastructure that will drive efficiency and unlock new value creation opportunities. This strategic investment in global infrastructure is expected to support our goal to become a dominant player in the worldwide HUD market while ensuring we can meet the demanding requirements of international automotive OEMs. We plan to use approximately 46.7% of the net proceeds, or HK\$309.1 million for production line expansion and automation and intelligentization upgrades. See “Future Plans and Use of Proceeds.”

Deepening Industry Ecosystem Collaboration to Foster Innovation

By strategically positioning ourselves at critical junctures in the intelligent cockpit vision and interaction solution value chain, we are intensifying our industry ecosystem integration, effectively consolidating resources and deepening our partnerships with industry value chain participants. This approach continuously elevates our technological capabilities and cost-effectiveness, expanding solution application scenarios and accelerating market penetration rates. Our strategic presence across key aspects in the value chain creates a virtuous cycle of innovation, efficiency and influence that reinforces our market leadership.

We intend to deepen our partnerships with global technology leaders in connection with technological advancements in optics, electronics and software algorithms. These strategic alliances will further optimize costs for existing technology routes while accelerating the commercialization of groundbreaking technologies. By perfecting our research collaboration and establishing cutting-edge innovation research projects, we aim to create superior intelligent cockpit vision and interaction experience that will captivate users and cultivate even larger market opportunities. We plan to use approximately 10.9% of the net proceeds, or HK\$72.1 million to be used in potential strategic collaboration with participants across the industry value chain that are focused on optical imaging, near-eye display, wearable products and other related fields, aiming to consolidate and enhance our leading market position and technological capabilities. See “Future Plans and Use of Proceeds.”

On the other hand, we expect that our collaborative joint development initiatives with OEMs will further drive the commercialization of other innovative initiatives in intelligent cockpit vision and interaction solutions. By continually expanding application scenarios and enhancing user acceptance, we aim to create entirely new categories in automotive visual experience.

Strengthening Global Talent Pool

We believe that exceptional talent is a critical driver of our innovation and competitive advantage in our industry. We intend to strategically increase our investment in talent acquisition and development, building a team with superior technical capabilities, strong market competitiveness and high vitality to support our corporate development and globalization strategies. Through these efforts, we aim to create a high-performance growth organization.

We plan to intensify our efforts to attract and cultivate top technical talent in AI applications, digitalization, automation, globalization and visual interaction technology, which is expected to support the development of our second growth curve and the implementation of our global expansion strategy. We plan to retain and attract more talents with extensive industry expertise in our existing HUD solutions and with relevant technological expertise, such as optics, algorithms and HMI. See “Future Plans and Use of Proceeds.”

We place high value on talent cultivation and motivation. We plan to establish a systematic talent development mechanism through new graduate training programs, digital and intelligent skills development and management capability enhancements. These initiatives will provide our employees with diverse long-term growth opportunities, increase our talent density, improve personnel efficiency and establish our company as a talent hub in our industry.

We have established a comprehensive talent incentive mechanism focused on company development and results-oriented performance. This system leverages a combination of job ranking, compensation, bonuses and equity incentives to ensure our core team members share in the company’s success. Additionally, we intend to establish an innovation incubation fund to support internal entrepreneurship projects and valuable ideas, stimulating talent vitality and accelerating business development.

OUR BUSINESS MODEL

We are an innovator of HUD solutions in China, according to CIC. Dedicated to enriching user experience through innovative visual presentation and immersive interactions, we are primarily engaged in the R&D, production and sale of HUD solutions that enhance vehicle intelligence, automotive safety and in-vehicle experience in various application scenarios to cater to diverse customization needs and expectations for functionalities. Our HUD solutions currently include CyberLens and CyberVision. In our pursuit of innovation and excellence, we also roll out our testing solutions and other innovative initiatives that are complementary to our HUD solutions, aiming to lead and drive the advancement of the entire market.

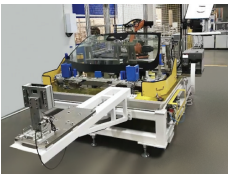
The success and prospects of our HUD solutions rely on our integrated and full-range proprietary technology architecture, which integrates five technology pillars: the optical system, mechanical engineering, software algorithms, electronics and human-machine interface (HMI). Building upon our integrated and full-range proprietary technology architecture, we provide one-stop HUD solutions that integrate advanced proprietary R&D in all five key technology pillars in a synchronized manner. With end-to-end control over our technology architecture and core technologies, we enable seamless interoperability and compatibility of our HUD solutions with popular vehicle models, optimizing performance while ensuring commercial prospects and scalability.

BUSINESS

Leveraging our robust technological capabilities and industry insights, we collaborate with automotive OEMs in depth to advance innovations for HUD solutions, working together in defining the driving and interaction experience. During the Track Record Period, we generated the vast majority of our revenue from the sale of HUD solutions to our customers. As of the September 30, 2025, we had 18 automotive OEM customers and 101 design-wins, covering a diverse and growing pipeline of vehicle models. According to CIC, we ranked second among China's HUD solution providers in terms of sales volume in 2024, with a market share of 16.2%.

OUR SOLUTIONS

We primarily focus on HUD solutions, which include HUD solutions, testing solutions and other innovative initiatives. Our HUD solutions currently include CyberLens and CyberVision, from which we derived a vast majority of our revenue during the Track Record Period.

	Optical Specifications	Software Algorithm	Functionality	Effect Display
CyberLens	- PGU: TFT - VID: 2-4.5 meters	- ZJ Cyber – W Platform - Warping algorithm - Support personalized HMI development	- Image height, angle and brightness adjustment - Display of information such as vehicle speed, gear position and range - Display of telephone Bluetooth, WeChat and text message - Recreational function, navigation and ADAS integration - Display of traffic lights, construction warnings, etc.	
CyberVision	- PGU: TFT, DLP & LCoS - VID: ≥7 meters - FOV: Wider than CyberLens - Image size: Larger than CyberLens	- ZJ Cyber – AR Platform - Warping algorithm - Multimodal fusion algorithm - Dynamic light and color compensation algorithm, delay and spatial alignment algorithm and image stabilization algorithm - Support personalized HMI	Enhancement over CyberLens: - Precision navigation - Richer ADAS integration via AR - Provision of more engaging and intuitive driving experiences to drivers by enhancing driving comfort, reducing stress, highlighting potential hazards, displaying real-time vehicle information and enabling personalization - Scenario-based basic setting identification	
Testing Solutions	- Monocular vision - Binocular vision - Chroma recognition - Brightness recognition, etc.	- Visual recognition algorithm - Visual processing algorithm - Motion control algorithm	- HUD testing - Glass calibration testing - Whole vehicle testing	
Other Innovative Initiatives	- HOE - Optical waveguide - RISD	- ZJ Cyber Platform - VPA virtual image rendering - Support personalized HMI development	- Virtual display 3D display - Multimodal interaction	

BUSINESS

The following table sets forth a breakdown of our revenue in absolute amount and as a percentage of total revenues for the periods indicated:

	Year Ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(in thousands, except for percentages)</i>										
<i>(Unaudited)</i>										
HUD solutions	171,186	80.0	494,541	90.0	540,574	93.6	400,635	93.2	448,355	93.4
– CyberLens	169,708	79.3	481,489	87.6	477,659	82.7	358,326	83.4	322,411	67.2
– CyberVision	1,478	0.7	13,052	2.4	62,915	10.9	42,309	9.8	125,944	26.2
Testing solutions	8,347	3.9	15,223	2.8	32,407	5.6	24,647	5.8	15,936	3.3

The following table sets forth a breakdown of the sales volume and average selling price of HUD solutions and testing solutions for the periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices	Sales volume	Average selling prices
	<i>(units or projects)</i>	<i>(RMB)</i>	<i>(units or projects)</i>	<i>(RMB)</i>	<i>(units or projects)</i>	<i>(RMB)</i>	<i>(units or projects)</i>	<i>(RMB)</i>	<i>(units or projects)</i>	<i>(RMB)</i>
HUD solutions . . .	175,714	974.2	534,598	925.1	624,597	865.5	462,969	865.4	608,035	737.4
CyberLens	174,792	970.9	530,841	907.0	570,588	837.1	426,483	840.2	486,921	662.1
CyberVision	922	1,602.8	3,757	3,473.9	54,009	1,164.9	36,486	1,159.6	121,114	1,039.9
Testing solutions ⁽¹⁾ .	12	695,576.7	35	434,951.7	73	443,928.1	53	465,034.4	70	227,656.6

Note:

(1) The prices of the testing solutions are highly subject to the specific requirements from our customers.

During the Track Record Period, the average selling price of our CyberLens HUD solutions decreased by 31.8% from RMB970.9 in 2022 to RMB662.1 in the nine months ended September 30, 2025, primarily due to the introduction of lower-price CyberLens HUD solutions tailored for more affordable vehicle models in order to increase our market penetration and capture more market share. Generally, the average selling price of our HUD solutions aligns with the prices of the vehicle models that adopt them. For instance, (i) the price of CyberLens HUD solutions that we supplied to a Chinese NEV OEM with vehicle prices between RMB350,000 and RMB500,000 was between RMB900 and RMB990; (ii) the price of CyberLens HUD solution that we supplied to another Chinese NEV OEM with vehicle prices between RMB300,000 and RMB400,000 was between RMB830 and RMB930; and (iii) the price of CyberLens HUD solutions that we supplied to a Chinese automobile manufacturer with vehicle prices between RMB120,000 and RMB200,000 was between RMB570 and RMB600. The decrease in the average selling price of our CyberLens HUD solutions was also attributable to our technological breakthroughs and procurement of lower-cost alternatives for critical components, such as PGU and freeform mirrors, which substantially reduced our production costs.

BUSINESS

The versatility of our CyberVision HUD solutions, which offer multiple technological pathways such as DLP, LCoS and innovative TFT, allows us to cater to diverse OEM requirements and vehicle market positioning. Consequently, the average selling price of our CyberVision HUD solutions typically fluctuates in reflection of the shifts in our OEM customers' preferences for specific technologies and features. The average selling price of our CyberVision HUD solutions surged by 116.7% from RMB1,602.8 in 2022 to RMB3,473.9 in 2023, primarily because (i) certain OEM customers adopted our DLP-based HUD solutions for selected vehicle models, increasing the sales volume of such HUD solutions; and (ii) given that our DLP-based HUD solutions are technologically more advanced and command relatively high manufacturing costs, their average selling price typically ranged from RMB3,000 to RMB3,800. The average selling price of our CyberVision HUD solutions then decreased to RMB1,164.9 in 2024, primarily because (i) certain OEM customers' demand shifted towards our TFT-based CyberVision HUD solutions; and (ii) given that our innovative TFT technology is more cost-efficient as compared to our DLP and LCoS technologies, the manufacturing costs of our TFT-based HUD solutions is relatively low and the average selling price is typically around RMB1,000. The average price of our CyberVision HUD solutions decreased from RMB1,159.6 in the nine months ended September 30, 2024 to RMB1,039.9 in the nine months ended September 30, 2025, primarily due to certain of OEM customer's demand shifted towards our TFT-based CyberVision HUD solutions. In the nine months ended September 30, 2024, the CyberVision HUD solutions that we sold were primarily DLP-based, the average selling price of which was RMB3,125.9. In the nine months ended September 30, 2025, the CyberVision HUD solutions that we sold were primarily TFT-based, which, benefiting from a more mature supply chain and hence lower manufacturing costs, had a much lower average selling price of RMB877.8 as compared to the DLP-based alternative.

The following table sets forth (i) the number of designs that we submitted to compete for design-wins; (ii) the number of design-wins that we secured; and (iii) the conversion rate of designs to design-wins in the periods indicated:

	For the years ended December 31,			For the nine months ended September 30,	
	2022	2023	2024	2024	2025
Number of designs submitted	32	31	36	29	18
Number of design-wins we secured. . .	21	16	21	17	11
Conversion rate (%) ⁽¹⁾	65.6	51.6	58.3	58.6	61.1

Note:

- (1) Conversion rate is calculated by dividing the number of design-wins that we secured in a given period by the number of designs we submitted in the same period.

BUSINESS

The following table sets forth (i) the number of design-wins we secured in the periods indicated; (ii) the number of design-wins we secured in the periods indicated that had been converted into purchase orders as of November 30, 2025; and (iii) the conversion rate of design-wins to purchase orders as of November 30, 2025:

	For the year/As of December 31,			Nine months ended/ As of September 30,	
	2022	2023	2024	2024	2025
Number of design-wins we secured	21	16	21	17	11 ⁽³⁾
Number of design-wins converted into purchase orders as of November 30, 2025 ⁽¹⁾	19	16	12	12	—
Conversion rate as of November 30, 2025 (%) ⁽²⁾	90.5	100.0	57.1	70.6	—

Notes:

- (1) Since the development and approval cycle for our HUD solutions typically take 12 to 18 months after we secure a design-win, the design-wins that we secure in a given period are generally converted into purchase orders from OEM customers on a rolling basis over the following one to two years, depending on our OEM customers' vehicle launch schedules and strategic market considerations. For the nine months ended September 30, 2025, we secured 11 design-wins, which had not been converted into purchase orders as of November 30, 2025. This was primarily due to the development and approval cycles associated with customers' project progress, which are consistent with industry norms, and the remaining design-wins secured during the Track Record Period are expected to be converted into purchase orders progressively in 2026.
- (2) Conversion rate is calculated by dividing (i) the number of design-wins we newly secured in a given period that had been converted into purchase orders as of November 30, 2025; by (ii) the number of design-wins we newly secured in the same period.
- (3) The decrease in the number of design-wins secured in the nine months ended September 30, 2025, compared to the same period in 2024, was primarily due to a relatively lower volume of new project launches from our customers during the early months of 2025. Several key OEM customers had already awarded major projects in 2024, resulting in fewer new opportunities in early 2025 as compared to the same period in 2024. We have since shifted our strategic focus to overseas OEMs and strengthened cooperation with domestic technology platforms, and continue to observe active customer engagement, reflecting sustained interest in HUD solutions.

As of September 30, 2025, 22 vehicle models for which we secured design-wins during the Track Record Period had not yet been converted. As of October 31, 2025, none of these had been converted into purchase order; however, all were expected to be converted into purchase orders by the end of 2026.

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, the revenue from our HUD solutions that were adopted by new vehicle models being mass produced in the respective period amounted to RMB79.8 million, RMB347.1 million, RMB98.1 million, RMB67.6 million and RMB133.8 million. The fluctuations in revenue recognised during the Track Record Period were primarily attributable to variations in product development timelines, the respective commencement dates of mass production, and the number of new product projects entering commercialisation in each period. We have secured most of our customers prior to the Track Record Period. In 2022, 2023, 2024 and the nine months ended September 30, 2025, we secured a total of five new HUD customers, who collectively contributed revenue of RMB129.7 million over the Track Record Period. During the Track Record Period, the average revenue per customer subject to the purchase orders of our HUD solutions in the corresponding period is RMB21.4 million, RMB44.9 million, RMB49.0 million and RMB34.3 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively.

Head-up Display Solutions

We collaborate with leading automotive OEMs for the development and deployment of powerful and advanced HUD solutions that can be customized at both software and hardware levels to meet the specific needs of their vehicle models.

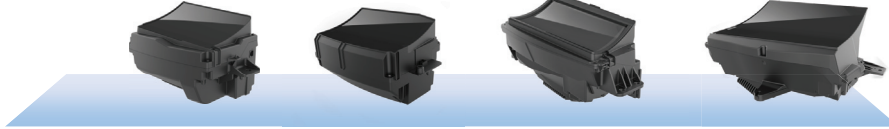
The traditional dashboard is typically located in front of the steering wheel, which generally tends to be below the driver's horizontal line of sight. Due to such physical location, drivers have to move their eyesight off the road to obtain information from the dashboard. Vehicle functions are becoming increasingly sophisticated due to the intelligence transformation of vehicles, leading to an exponential growth in the amount of operational information produced. The increased amount of information that requires the driver's attention inevitably causes distractions, raising safety concerns. As a result, the dashboard's role as a display for vehicle operational information may be gradually substituted as the intelligence transformation of vehicles further evolves.

Leveraging optical imaging technology, HUD is a safety-centric automotive technology that projects critical driving information into the driver's field of view, minimizing the need to glance down at the traditional dashboard. The introduction of HUD allows drivers to easily access critical driving-related information without diverting their attention from the road, significantly improving driving experience while ensuring safety and convenience. Through the integration of optics, mechanics, electronics, software algorithms and HMI, our HUD solutions not only provide drivers with real-time critical information in a unique and convenient manner to significantly enhance driving safety, but also deliver notable intelligent interaction and preferable user experience to both drivers and passengers.

We have advanced the innovation of proprietary HUD technologies in China since our inception. Our HUD solutions currently include CyberLens and CyberVision, featuring a wide range of functions that enhance vision and interaction experience. CyberLens adopts the windshield HUD (W-HUD) design, which is currently the mainstream HUD design, projecting data images directly onto the vehicle's windshield utilizing specialized optical imaging technology. CyberVision adopts the more advanced augmented reality HUD (AR-HUD) design, overlaying dynamic, context-aware information onto the windshield that connects with the real-world road environment through augmented reality (AR) technology. Both CyberLens and CyberVision transform the vehicle's windshield into a dynamic interface that balances presentation of essential information with user-friendly interaction, while prioritizing safety and situational awareness.

The picture below sets forth some illustrative samples of our HUD solutions' physical structure.

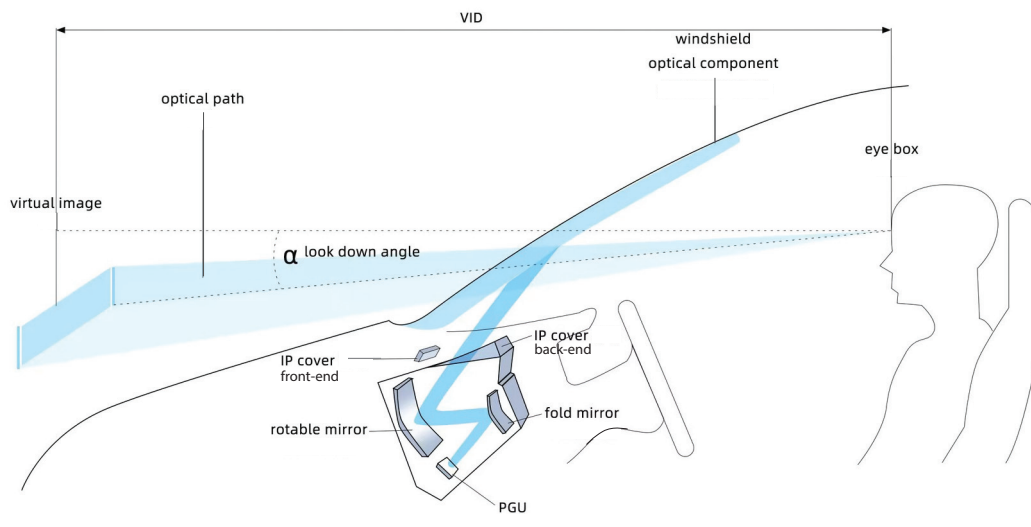
CyberLens



CyberVision



The fundamental working mechanism of our HUD solutions, as shown in the picture below, relies on precise optical path design: using a group of reflective mirrors and picture generation unit (PGU) to control the light path, suppressing stray light interference and combining a large field of view with long-distance imaging to ensure clear and stable images.



The basic operation of our HUD solutions generally goes through the following process:

- **Image Generation:** The optical path process begins with image generation, where the PGU utilizes high-brightness LED or laser light sources to create initial images through advanced microdisplay technologies, such as TFT, DLP or LCoS. These specialized technologies enable the creation of bright, high-contrast visuals that serve as the foundation for the projected display.
- **Reflection and Calibration:** Once generated, the light undergoes reflection and calibration as it passes sequentially through a fold mirror and a rotatable free-form mirror, which precisely adjusts the light path direction while compensating for distortions caused by the windshield's curvature. This calibration stage is essential for maintaining image integrity despite the complex optical surfaces involved.
- **Projection:** In the final projection stage, the calibrated light is reflected through the specially laminated windshield. These precisely directed light beams ultimately reach the driver's eye box, creating a floating virtual image that appears to hover in the distance ahead of the vehicle, delivering critical information directly within the driver's line of sight without requiring them to shift their gaze from the road.

In connection with the optical path process, the imaging effect of HUD solutions is determined by the following key parameters:

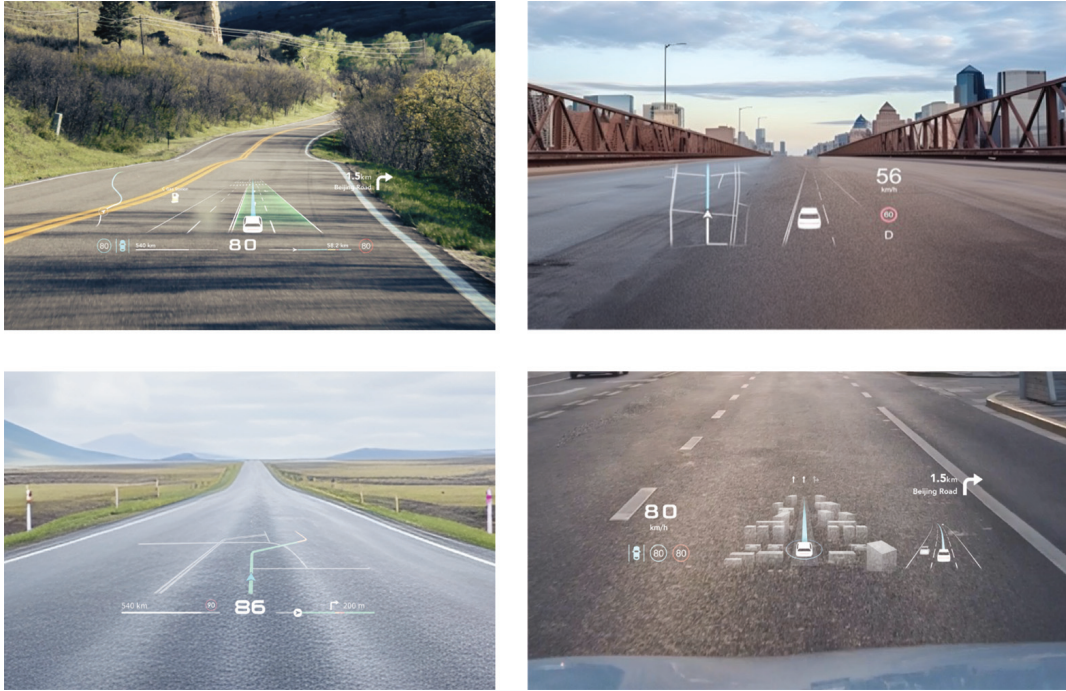
Parameter	Definition	Implications
Field of View (FoV)	FoV is a display range parameter that refers to visible angular range of the virtual image in horizontal and vertical directions.	• Determines the amount of information and coverage area that the HUD solutions can display • A larger FoV supports complex content display, especially for AR-HUD, but requires higher optical precision and a larger PGU • AR-HUD typically requires an $\text{FoV} \geq 10^\circ \times 3^\circ$ to achieve immersive information overlay

BUSINESS

Parameter	Definition	Implications
Virtual Image Distance (VID) . . .	VID is an imaging distance parameter that refers to the distance between the human eye and the virtual image projected by our HUD solutions.	• Directly affects driver's visual focus-switching frequency as a longer VID aligns the virtual image closer to real-world road scenes, reducing eye fatigue caused by shifting focus between the road and the displayed image • A long VID is a core requirement for AR-HUD to achieve lane-level integration of virtual and real elements • W-HUD typically has a VID of 2-4.5 meters, while AR-HUD requires a $VID \geq 7$ meters to match road depth perception
Look-Down Angle (LDA)	LDA is a human-machine interaction parameter that refers to vertical angle between the driver's line of sight when looking straight ahead and the line of sight to the center of the virtual image area displayed by the HUD solutions.	• Controls the projection position of the virtual image by tilting it slightly downward, preventing obstruction of the driver's direct view of the road ahead • Optimizing the look-down angle enhances driving safety while ensuring the virtual image remains within the driver's natural field of vision

As of September 30, 2025, we had 18 automotive OEM customers. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we sold 175,714 units, 534,598 units, 624,597 units, 462,969 units and 608,035 units of HUD solutions, respectively. Our revenue from HUD solutions amounted to RMB171.2 million, RMB494.5 million, RMB540.6 million, RMB400.6 million and RMB448.4 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, representing 80.0%, 90.0%, 93.6%, 93.2% and 93.4% of our total revenue during the same periods, respectively.

CyberLens



Examples of CyberLens Interfaces

CyberLens is our solution that adopts W-HUD design. CyberLens optimizes vehicle design and enhances driver interaction, serving as an innovative solution that iterates and advances conventional dashboard configurations. Leveraging advanced optical imaging technology, CyberLens projects critical driving information directly onto the vehicle's windshield in a seamless manner and integrates a suite of advanced functionalities designed to enhance safety, convenience and driver experience, which minimizes the need for multiple physical displays and streamlines the vehicle's interior architecture while enhancing both functionality and aesthetics.

The high-resolution display generated by CyberLens creates a consolidated information output channel that significantly reduces driver's cognitive load and distraction. By positioning floating images and characters ahead of the driver's natural line of sight, CyberLens effectively minimizes the dangerous habit of repeatedly glancing away from the road. The streamlined information output allows drivers to simultaneously monitor their environment and access vital information including speed, fuel/battery level and efficiency, navigation instructions as well as Advanced Driver Assistance System (ADAS) alerts (e.g., collision warnings, lane keeping assistance), substantially enhancing safety and overall user experience through reduced visual transitions and mental processing requirements.

At its core, CyberLens is engineered to prioritize safety through intelligent integration with onboard ADAS. It dynamically displays urgent warnings such as collision alerts, lane departure cues and speed limit notifications directly within the driver's line of sight, ensuring immediate awareness and faster reaction times. The solution's ultra-fast response time guarantees that relevant alerts remain synchronized with rapidly changing driving scenarios, eliminating latency. Additionally, fatigue detection prompts and adaptive cruise control status updates further enhance situational awareness, transforming the windshield into a proactive safety mechanism. CyberLens also helps streamline navigation instructions. By simplifying complex route guidance with intuitive visual cues rendered in high contrast, including directional arrows, distance markers and lane-specific instructions, CyberLens proactively participates in the driving experience to ensure drivers stay on course with minimal cognitive load.

CyberLens' user interface and experience features are meticulously designed for optimal driver interaction. The intuitive user interface presents information through context-aware layouts that automatically adjust based on driving conditions. Personalization options allow drivers to fine-tune image height, brightness and content arrangement through simple controls, ensuring comfortable viewing in various lighting conditions. The ultra-responsive system operates within milliseconds, ensuring perfect synchronization with real-world driving scenarios. These UI/UX innovations are paramount as they transform the windshield into an intelligent interactive surface that anticipates driver needs, minimizes distractions and creates a seamless connection between human, vehicle and environment.

Furthermore, CyberLens enhances connectivity by integrating Bluetooth call notifications, music player controls and message alerts into the display. Drivers can personalize content layouts, prioritizing frequently used data such as navigation or efficiency metrics. Over-the-air (OTA) updates enable seamless feature upgrades, ensuring compatibility with evolving automotive standards like autonomous driving interfaces or new ADAS protocols. Such capability is supported by a modular software platform, which allows rapid integration of third-party apps or vehicle-specific customization.

As of September 30, 2025, we had 76 design-wins for CyberLens. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we sold an aggregate of 174,792, 530,841, 570,588 units, 426,483 units and 486,921 units of CyberLens, respectively. As of September 30, 2025, CyberLens had been deployed on 62 vehicle models. During the Track Record Period, revenue from CyberLens increased significantly from RMB169.7 million in 2022 to RMB481.5 million in 2023 and RMB477.7 million in 2024. Our revenue from CyberLens decreased from RMB358.3 million in the nine months ended September 30, 2024 to RMB322.4 million in the nine months ended September 30, 2025. Our revenue from CyberLens represented 99.1%, 97.4%, 88.4%, 89.4% and 71.9% of our revenue from HUD solutions during the same periods. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, the average selling price of CyberLens amounted to RMB970.9, RMB907.0, RMB837.1 per unit, RMB840.2 per unit and RMB662.1 per unit, respectively.

Key Configurations and Designs

The table below sets forth some of the key configurations of CyberLens.

	<u>CyberLens</u>
Field of view (FoV)	4.5°~9°×1.8°~4°
Virtual image distance (VID)	2~4.5 meters
Look-down angle (LDA)	3°~5°
Size of image	7~30 inches
Volume	3~9 L

Leveraging our proprietary technology architecture, CyberLens incorporates advanced designs as follows:

Optical System

At the heart of CyberLens lies a sophisticated optical system. Utilizing a PGU with dual-reflective mirror modules consisting of a primary mirror coated with infrared-cut film to mitigate heat and a secondary free-form mirror for distortion correction, CyberLens features a broad FoV of 4.5°~9°×1.8°~4° and a virtual image distance of 2 to 4.5 meters, with customizable display sizes ranging from 7 to 30 inches to match varying driver preferences and vehicle configurations. The optical system of CyberLens collaborates with high-brightness TFT screens of 1.8 inches or 3.1 inches, depending on the differences in the desired FoV, and PGUs to maintain clarity even in harsh sunlight. The optical system of CyberLens generally undergoes rigorous simulations during the development stage in order to prevent optical artifacts such as double imaging.

Mechanical Engineering

With a weight of less than 2 kilograms and a volume less than 9 liters, CyberLens showcases several achievements in mechanical engineering. We carefully select appropriate materials for different components, considering the working environment and lifecycle of CyberLens. To facilitate image height adjustment, the secondary mirror is designed as a rotatable moving component. This is achieved through a stepper motor that drives the transmission system, which in turn rotates the mirror. We adopt a modular design for the transmission system, enabling swift adaptation to different customer requirements. Through rigorous material selection and mechanical design, the vibration noise of CyberLens is reduced to 37dB. The mechanical engineering of CyberLens generally undergoes rigorous simulations during the development stage in order to ensure that the rigidity and strength of the mechanical designs meet customer requirements. Through specific designs and sealing methods, our mechanical engineering enables CyberLens to achieve dust and moisture protection at an IP5K3 standard, which ensures the reliable operation of CyberLens in high-temperature, dusty and moist conditions.

Electronics

Our HUD electronics are platform-based for all models, which enables swift adaptation to diverse customer requirements. The electronics design supports self-diagnostic functions for quick fault identification.

Software Algorithms

ZJ Cyber-W, our proprietary intelligent software platform integrated into CyberLens, elevates in-vehicle digital experience through advanced real-time data processing. It collects vehicle status and sensor inputs, applies multi-layer filtering and fusion algorithms for reliability and projects critical driving information onto windshields via precision 3D rendering with minimal latency. ZJ Cyber-W platform employs a proprietary pixel-level image correction algorithm to counteract optical deviations in HUD solutions, ensuring sharp displays across driving conditions. ZJ Cyber-W also incorporates an adaptive brightness adjustment algorithm that automatically optimizes display intensity based on ambient light, complemented by manual controls to accommodate individual preferences and visual sensitivities. Built for cross-platform compatibility, ZJ Cyber-W integrates seamlessly with major vehicle architectures. Its fusion algorithms enhance data accuracy, while intelligent scene recognition activates context-aware displays, simplifying driver interaction. The scene-specific display models feature modular software designs, which enables accelerated development cycles and allows extensive customization of UI elements and functionalities, addressing diverse requirements of automotive OEMs. ZJ Cyber-W also provides robust software tools for diagnostics, enabling real-time monitoring of TFT screens, vehicle parameters and fault detection, alongside streamlined end-of-line (EOL) testing services. ZJ Cyber-W supports post-deployment updates via USB or OTA channels, ensuring continuous access to feature enhancements and performance optimizations.

By merging real-time data processing, adaptive display technologies and cross-platform flexibility, ZJ Cyber-W drives smarter, immersive and connected vehicle experience.

HMI

As the core interface bridging drivers and critical driving information, CyberLens HMI is designed to deliver intuitive, adaptive and customizable interactions. Its performance relies on seamless integration with our technical capabilities in optical systems, mechanical engineering and software algorithms. Centered on functional performance, CyberLens HMI ensures that critical driving information is projected into the driver's field of view in an optimal manner while supporting personalized interaction. Driven by this goal, CyberLens HMI dynamically prioritizes and renders data based on diverse driving scenarios through a display layout that presents essential driving information intuitively. For instance, the interface employs a layered priority logic that contextually adapts to driving scenarios, highlighting lane-keeping assistance on highways while prioritizing traffic sign recognition in urban environments. The HMI design also synchronizes with the capabilities in optical systems, mechanical engineering and software algorithms to optimize readability across a variety of environments, following its human-centric design principles. CyberLens HMI supports diverse control modes that go beyond merely physical buttons on steering wheels, which allows seamless integration with vehicle-specific control interfaces. CyberLens HMI also enables drivers to personalize UI themes, widget layouts and font sizes via ZJ Cyber-W platform.

Thermal Management

As high-brightness PGUs are prone to generating heat, we adopt a comprehensive and multi-faceted thermal management strategy. Our HUD solution employs a polarized dust cover to block most heat from entering the HUD interior. The first reflective mirror is coated with an infrared cut-off film to prevent infrared light from reaching the TFT screen. The optical system considers the TFT screen angle to avoid direct sunlight exposure. The system incorporates internal temperature monitoring through a thermistor on the TFT cable. To precisely control the TFT screen temperature, software calibration and algorithm optimization are performed to ensure the screen temperature remains within safe limits.

In-Vehicle Deployment

Integrating optical systems, mechanical engineering, electronics, software algorithms and HMI, CyberLens transcends conventional displays to deliver an immersive safety-centric driving experience. Its ability to blend critical information with the road environment, coupled with personalized controls and future-proof connectivity, positions it as an indispensable tool for modern intelligent vehicles.

Leveraging our robust technological capabilities, CyberLens exemplifies how intelligent design can elevate safety and driver engagement in an increasingly connected automotive landscape, as evidenced by wide adoption of CyberLens among automotive OEMs. CyberLens has been adopted by a variety of automotive OEMs.

Set forth below are two examples of CyberLens deployment and the vehicle models on which it is installed.

Case Study — NIO ES8 — market debut on premium vehicle model with significant success

In 2016, we entered into NIO's supply chain competition, prevailing in the intense competition. Despite being a start-up company founded just a year earlier without any mass production capability back then, we competed against established international competitors and secured the engagement for the design and validation of HUD solution to be deployed on NIO's new vehicle model by showcasing our R&D capabilities and customized configuration capability that addressed its needs, making us the first domestic HUD solution company to have obtained design-wins for a high-end domestic vehicle model.

Leveraging our prominent technology capabilities, CyberLens that we developed for NIO ES8 featured dynamic partition display technology, displaying vehicle status, ADAS information and navigation in three zones. CyberLens for NIO ES8 featured an FoV of 6° and a VID of 2.1 meters ahead of the driver's line of sight. The CyberLens deployed on NIO ES8 gradually became a key component in NIO's intelligent cockpit differentiation strategy, with installation rates soaring in subsequent models.

ES8 was the first vehicle model that NIO introduced to the market, which is also one of the representative high-end domestic vehicle model in China with strong consumer demand. We needed to complete mass production and delivery tasks within an extremely challenging timeframe, which posed an unprecedented challenge for us as we had not yet established a production line at that time. Facing such challenges, we implemented a dual-track approach for us to urgently deploy a manual production line for immediate delivery and simultaneously develop an automated production line in parallel. Within highly demanding timeframe, we managed to deliver handcrafted samples on a small scale and we built a fully automated production line in six months. During this process, we also worked with leading suppliers to overcome production of free-form mirrors and drive local suppliers to enter into the market, achieving cost-effectiveness compared to foreign supply chain resources.

NIO ES8, equipped with our CyberLens, had substantial market success. NIO ES8 is the first representative model of high-end luxury SUVs among Chinese automotive brands, and also a vehicle model with significant strategic value that established NIO's market position and showcased NIO's distinctive character. NIO ES8 Founder's Edition was launched in December 2017 and achieved sales of over 10,000 units in the following year. This successful debut earned us significant market recognition and helped us expand our customer base. In return, we contributed to NIO's differentiated competitive advantages in intelligent cockpit as well as its domestic supply chain upgrades.

Case Study — A Five-seat Extended-Range Electric SUV — highly involved in solution definition, delivering stronger intelligent experience

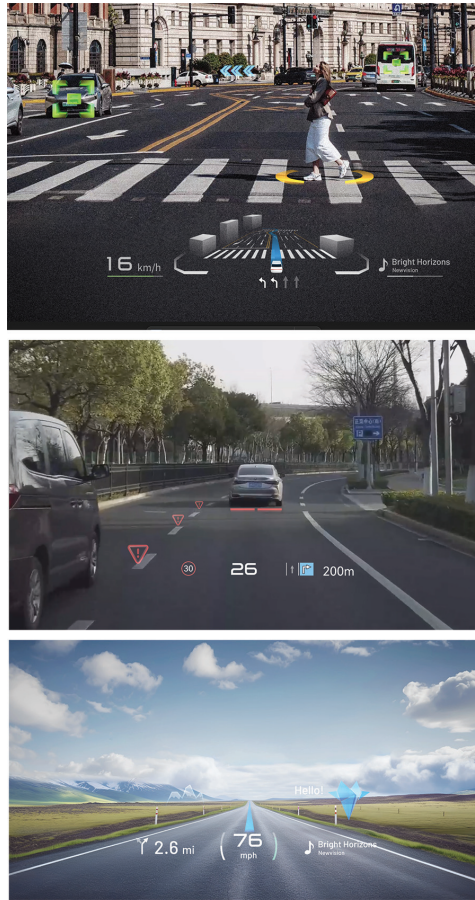
CyberLens has been deployed on a five-seat extended-range electric SUV developed by a leading Chinese new energy vehicle manufacturer, enhancing driver experience and safety while maintaining the vehicle's sleek interior design and aesthetic.

Our team worked closely with the OEM, to custom-configure CyberLens for its vehicle model. Utilizing a 3.1-inch TFT PGU, CyberLens for the five-seat extended-range electric SUV features a 13.35-inch projection size with 800×480 resolutions. Projecting at a VID of 2.3 meters, CyberLens covers a wide FoV of 8°×3°, creating an immersive viewing experience and significantly reducing the frequency of driver gaze transitions. Its core functionality is demonstrated through deep integration with the SUV's intelligent driving system. Such deep integration empowers CyberLens to identify and present obstacles, lane lines and surrounding vehicle information detected by the SUV's LiDAR in real-time, dynamically presenting lane-level navigation paths, automatic lane change trajectory predictions and adaptive cruise control status. The user interface was customized to incorporate the OEM's distinctive visual language and brand colors, ensuring consistency across the vehicle's digital touchpoints.

For complex environmental scenarios, we incorporate intelligent adaptive technologies into CyberLens configured for the SUV to enhance display practicality. In snowy conditions, CyberLens automatically switches the interface color to high-contrast orange, effectively improving readability in snow and fog. During rainy weather and nighttime, CyberLens is also capable of optimizing performance by dynamically adjusting brightness curves and display response speed through algorithms. CyberLens configured for the SUV also deeply integrates multi-modal controls, allowing users to switch display information, such as switching navigation modes or implementing snowy condition mode, via the voice command system. Simultaneously, CyberLens automatically adjusts brightness and enhances display results by linking with ambient light sensors and windshield wipers.

Overall, CyberLens configured for the SUV has been well recognized by the OEM and users of the SUV, which is driving the paradigm shift from physical instrumentation to intelligent solution in vision and human-vehicle interaction through collaborative innovation in hardware performance and software algorithms. The cumulative deliveries for the SUV reached 200,000 on July 8, 2024, making it the fastest model among China's new automotive brands to achieve the milestone of 200,000 vehicle deliveries.

CyberVision



Examples of CyberVision Interfaces

CyberVision is our solution that adopts AR-HUD design. Building upon the foundational capabilities of CyberLens, CyberVision represents a significant leap forward in automotive interfaces by introducing dynamic, context-aware AR overlays that merge with the real-world driving environment, offering drivers highly relevant and actionable insights spontaneously. Different from CyberLens, which primarily displays static information, CyberVision leverages our proprietary AR engine, *ZJ Cyber-AR*, and other technological capabilities to transform human-vehicle interactions by creating an immersive, context-aware AR environment that actively interprets, responds to and interacts with the driving landscape in real-time.

By superimposing virtual elements onto the driver's view of the road, CyberVision creates an intuitive and spatially-intelligent interface that drastically reduces cognitive load. This spatial mapping capability enables digital information to behave as if physically present in the real world. For instance, CyberVision enables virtual navigation arrows to follow road contours, warning indicators to highlight actual hazards and vehicle status information to contextually appear when relevant. Leveraging such AR capabilities, CyberVision transforms

passive information delivery into a more intuitive, immersive and interactive experience. Augmented reality brought by CyberVision opens a new window of interaction between the vehicle and the outside world, extending the display of information and providing a platform for human-vehicle interaction.

Beyond the capabilities of CyberLens, CyberVision achieves robust environmental awareness by synthesizing data from multiple vehicle systems, such as cameras, LiDAR and GPS. The enhanced level of contextual awareness and interactivity surpasses CyberLens, which enables unique capabilities in interpreting and responding to the real-time environment primarily in the following manners:

- ***Precision Navigation.*** Rather than general directional prompts, CyberVision projects animated arrows that visually “cling” to the road surface, guiding drivers through complex intersections or lane changes with turn-by-turn guidance that appears to “paint” the optimal driving path directly onto the road.
- ***Visual Alerts.*** CyberVision identifies and highlights potential dangers by overlaying warning indicators that appear to hover directly over the pedestrians, cyclists or obstacles detected, creating an intuitive spatial relationship between the alert and the actual threat location.
- ***Contextual Infrastructure Recognition.*** CyberVision automatically identifies and annotates relevant environmental elements, such as traffic signs, signals, lane markings, parking lots and gas stations, providing real-time scenario-specific guidance and recognition without driver input.

By visualizing ADAS-processed sensor data, CyberVision projects adaptive cruise control indicators that adjust dynamically to maintain safe following distances, with visual cues scaling in real time based on vehicle speed. It also enhances parking assistance by overlaying AR-guided trajectories onto the driver’s view of the space, simplifying maneuvers that CyberLens’ static gridlines cannot adequately address. Furthermore, CyberVision flags weather-related risks, such as icy roads or heavy rain, by embedding warnings into the relevant sections of the road ahead, preparing drivers for changing conditions.

CyberVision achieves its seamless reality augmentation through extraordinary real-time interactivity. High-performance electronics execute complex coordinate transformations within milliseconds, ensuring AR overlays maintain geometric alignment with the 3D driving environment, even during high-speed driving. Also, proprietary anti-shake algorithms counteract vehicle vibrations through sophisticated filtering and image stabilization techniques, maintaining crisp and stable visuals regardless of road conditions. Additionally, innovative thermal management prevents optical distortion under extreme temperature variations, ensuring consistent performance of CyberVision from arctic conditions to desert heat.

As of September 30, 2025, we had 23 design-wins for CyberVision. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we sold an aggregate of 922, 3,757, 54,009, 36,486 and 121,114 units of CyberVision, respectively. As of September 30, 2025, CyberVision had been deployed on 15 vehicle models. During the Track Record Period, revenue from CyberVision increased significantly from RMB1.5 million in 2022 to RMB13.1 million in 2023 and RMB62.9 million in 2024. Our revenue from CyberVision increased from RMB42.3 million in the nine months ended September 30, 2024 to RMB125.9 million in the nine months ended September 30, 2025. Our revenue from CyberVision represented 0.9%, 2.6%, 11.6%, 10.6% and 28.1% of our revenue from HUD solutions during the same periods. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, the average selling price of CyberVision amounted to RMB1,602.8, RMB3,473.9, RMB1,164.9 per unit, RMB1,159.6 per unit and RMB1,039.9 per unit, respectively.

Key Configurations and Designs

In order to realize AR interactions, CyberVision features a larger display FoV, longer display distance, more vibrant display colors and greater resolutions, compared with CyberLens. The table below sets forth some of the key configurations of CyberVision.

	<u>CyberVision</u>
Field of view (FoV)	$\geq 10^{\circ} \times 3^{\circ}$
Virtual image distance (VID).	≥ 7 meters
Look-down angle (LDA)	$-1^{\circ} \sim 3^{\circ}$
Size of image	≥ 50 inches
Volume	≈ 13 L

Building upon the established designs of CyberLens, CyberVision incorporates further technological advancements as follows:

<i>Optical System</i>	A key element that allows CyberVision to realize augmented reality is the wider FoV it possesses over CyberLens. CyberVision’s advanced optical system enables a virtual display sized more than 50 inches with a FoV that exceeds $10^{\circ} \times 3^{\circ}$, far surpassing CyberLens’ FoV, and projects information over seven meters ahead to create depth perception that merges seamlessly with the driver’s natural line of sight. This spatial projection allows navigation arrows or speed limits to appear as if they float at varying distances, ensuring alignment with evolving road scenarios. For instance, a turn arrow grows larger as the vehicle approaches an intersection. Furthermore, proprietary eye-tracking and vehicle posture algorithms mitigate binocular parallax by continuously recalibrating projections, keeping AR elements anchored to their real-world counterparts even during sudden stops or turns.

CyberVision offers flexibility in display configurations, with options for both single-focal and bifocal displays. Depending on the differences in the desired FoV, we provide multiple options for the fundamental imaging technology adopted by the PGU:

- *TFT (thin-film transistor) technology*: TFT technology is the mainstream imaging technology for HUD solutions because it performs well and is easy to deploy in vehicles at affordable cost. Leveraging our technological capabilities, we offer a diverse selection of TFT technology configurations for CyberVision, including 3.1-inch TFT screen, 4.1-inch TFT screen, 5.1-inch TFT screen and the combination of 3.1-inch TFT screen and 4.1-inch TFT screen, all of which have come into mass production. We offer both single-focal and bifocal CyberVision that utilizes TFT technology.
- *DLP (digital light processing) technology*: Due to its digital characteristics, DLP technology ensures more stable and reliable performance by resisting environmental interference. With high resolution, brightness and contrast, we also offer CyberVision that utilizes DLP technology, including DLP models 3030, 5530 and 4620. We have rolled out single-focal AR-HUD solution that utilizes DLP technology and are in the process of the development of bifocal solution.
- *LCoS (liquid crystal on silicon) technology*: Due to its characteristics of high resolutions, compact size and moderate cost, we have actively pursued the development of AR-HUD solution that utilizes LCoS technology.

Software Algorithm

Our proprietary AR engine, *ZJ Cyber-AR*, powers CyberVision with industry-leading context-aware intelligence and adaptive spatial computing, through its sophisticated architecture and innovative features.

Leveraging its scene-driven data fusion capabilities, ZJ Cyber-AR processes and integrates multi-source data in real-time, seamlessly combining inputs from ADAS sensors, positioning systems, V2X communication units and vehicle dynamics. This comprehensive data integration is managed by a sophisticated contextual awareness system that dynamically adjusts display content, format and priorities based on specific driving scenarios (e.g., highway cruising, urban traffic congestion, parking or emergency avoidance), ensuring critical information like collision warnings receives the highest display priority. The end-to-end processing chain is highly optimized to maintain ultra-low latency, typically below 100ms, meeting the stringent real-time requirements for AR display applications. This millisecond-level virtual-reality fusion computation, powered by our proprietary graphic rendering framework, enables dynamic adjustment of virtual information's position, size, and transparency, ensuring AR elements always align precisely with actual road conditions.

Designed for seamless integration, ZJ Cyber-AR leverages a modular service-oriented architecture (SOA) to enable swift adaptation across vehicle platforms, facilitating exceptional platform compatibility across different operating systems and hardware platforms. This architectural approach provides remarkable flexibility for OEMs, enabling easier adaptation to various hardware configurations and seamless third-party integration through well-defined application programming interfaces.

At its algorithmic core, ZJ Cyber-AR features high-precision spatial positioning and coordinate system fusion that maintains stability even in challenging environments like tunnels or urban CBDs. Additionally, our real-time rendering engine is deeply optimized for automotive-grade SoCs, supporting efficient 3D model rendering, lighting effects and transparency blending. Furthermore, proprietary calibration algorithms and distortion correction models ensure virtual images precisely align with the driver's field of view, adapting to different VID and FoV.

ZJ Cyber-AR excels in multi-scenario adaptability with a built-in algorithm library for over 30 standardized road scenarios, including intersection turns, lane merges and speed limit reminders. Combined with self-learning capabilities, this feature enables the system to recognize complex road condition features and automatically match the best display strategy. For instance, at a ramp fork, our AR engine will automatically enlarge the projection size of the AR guidance arrow to enhance driver cognition, demonstrating its ability to adapt to various driving situations.

ZJ Cyber-AR significantly enhances the driving experience through intuitive lane-level navigation guidance, contextual ADAS warnings and timely display of points of interest and speed limits. By keeping critical information within the driver's field of view, ZJ Cyber-AR minimizes visual distraction and helps drivers identify potential risks faster, particularly improving safety in low-visibility conditions by highlighting lane markings, pedestrians and obstacles.

HMI

CyberVision HMI design redefines in-vehicle human-machine interaction by seamlessly integrating virtual information with the actual driving environment, creating an intuitive interface with genuine spatial depth. This breakthrough is achieved through the synergy of advanced optics and sophisticated software algorithms.

The interaction logic evolves from mere “feature stacking” to “scene resonance” through environmental adaptability that automatically recognizes complex scenarios such as day/night transitions, rain, fog and tunnels to dynamically optimize information brightness, contrast and layout density. CyberVision HMI prioritizes contextual awareness, automatically adapting to environmental conditions by optimizing brightness, contrast and information density. CyberVision HMI enhances icon outlines in bright conditions while suppressing background reflections in rainy nights, ensuring critical information remains consistently discernible. This is complemented by multi-modal cooperation that combines eye movement tracking with voice interaction to achieve intuitive “gaze-as-selection” operation, allowing drivers to trigger detailed information expansion by focusing on specific areas or quickly switch navigation modes through natural voice commands, significantly reducing manual operation frequency.

CyberVision HMI acts as a proactive co-pilot through risk prediction visualization that transforms vehicle perception data, such as blind spot obstacles or sudden lane-changing vehicles, into spatially anchored virtual warning signs, enabling drivers to intuitively understand threat direction and distance. CyberVision HMI also features personalized scene memory that learns user habits to automatically optimize information density and display style, such as highlighting lane-keeping prompts for novice drivers while simplifying interface distractions for experienced drivers. Its seamless ecosystem extension supports linkage with in-vehicle entertainment and smart home systems, expanding interaction scenarios under safe conditions (such as presenting meeting reminders as minimized icons) to deliver an experience where driving continues uninterrupted while services remain present.

This transition from “information display” to “spatial interaction” reshapes the human-vehicle relationship, enabling CyberVision to serve as an intelligent interface that deeply understands the environment, anticipates needs and actively collaborates with drivers through spatial intuition, scene intelligence and unobtrusive cooperation.

In-Vehicle Deployment

CyberVision transcends CyberLens by transforming the windshield into an intelligent spatial canvas that anticipates driver needs and environmental challenges. With its contextual awareness, immersive optics and seamless ADAS integration, CyberVision establishes a new benchmark for automotive interfaces — one where technology enhances human perception rather than merely informing it.

As vehicles evolve toward autonomy, AR-HUD will remain indispensable, serving as the bridge between human intuition and machine intelligence and redefining what it means to “see” the road ahead. CyberVision has been recognized by automotive OEMs due to its superior functionalities and performance.

Set forth below is an example of CyberVision deployment and the vehicle model on which it is installed.

Case Study — A Premium Electric Vehicle Developed by Xiaomi — deep integration with the vehicle system and beyond

CyberVision has been deployed on a premium electric vehicle developed by Xiaomi. CyberVision employs an industry-leading 4.1-inch TFT PGU display screen with an impressive 1280×640 resolution for the display area. CyberVision generates a massive 56-inch virtual image and projects at a VID of seven meters, delivering an expansive 10°×3.6° FoV for an immersive interface.

CyberVision boasts exceptional visual performance with 13,000 nits of ultra-high brightness and a 1500:1 contrast ratio. Through advanced optical technology optimization, CyberVision effectively overcomes visual interference in challenging conditions such as strong sunlight, backlighting and tunnel environments, ensuring driving information remains clearly visible at all times.

On the interaction front, CyberVision supports dual operation methods: voice activation through Xiao Ai Assistant and touch controls. It integrates with the central control screen, flip-up instrument screen, rear tablet and smartphone to form a five-screen interactive ecosystem, enabling seamless cross-screen transfer of navigation, entertainment and other information.

Working in concert with Xiaomi's ecosystem products, CyberVision not only enhances driving assistance functions but also creates an immersive intelligent cockpit experience through its mixed-reality interactive interface.

Deep Collaboration with Automotive OEMs

We believe that, in today's rapidly evolving automotive landscape, the most groundbreaking advancements emerge not from isolated development but through deep strategic collaborations between technology suppliers and automotive OEMs. These partnerships transcend traditional vendor relationships to become genuine co-creation ecosystems where complementary expertise converges to solve complex challenges. When technology innovators bring their specialized knowledge into areas like optical systems, software algorithms and HMI together with an OEM's manufacturing excellence and real-world user insights, the result is transformative innovation that neither could achieve independently. Such collaborations create a powerful symbiosis: technology providers gain invaluable context from actual driving scenarios and user behaviors, while OEMs access cutting-edge capabilities that differentiate their vehicles in an increasingly competitive market. Through shared risk, accelerated development cycles and a mutual commitment to user-centric design, these partnerships are redefining how next-generation automotive technologies move from concept to implementation, creating solutions that are both technically superior and perfectly aligned with driver needs.

Case Study — Collaboration with a Chinese Luxury Automotive OEM

Collaboration Background and Objectives

We emerged as a leading domestic HUD solution provider in China, possessing notable expertise in optical design, software algorithms and HMI theories. Despite these strengths, we initially faced challenges in implementing and enriching our technologies in real-world driving scenarios.

On the other hand, OEM H, a Chinese luxury automotive OEM with profound history, possessed extensive experience in vehicle manufacturing and had accumulated extensive driving scenario data. However, they were eager to deepen their understanding of HUD and its underlying logic and systematic design capabilities necessary for next-generation in-vehicle visual experience.

Recognizing the complementary strengths, we and OEM H started to collaborate in-depth with the shared objective of developing an immersive HUD experience tailored specifically to Chinese users' needs, aiming to set a new industry standard for intelligent cockpit through deep collaboration between technology development and practical application scenarios.

Innovative Collaboration Mechanisms

The collaboration implemented a full-chain development process. This approach constructed a closed loop of “user research → scenario definition → technology development → practical verification → iterative optimization” to ensure all developments focus on actual user needs. The collaboration also built an agile iteration system featuring weekly software updates, resulting in over a thousand detailed optimizations over five years and enabling rapid functional iterations such as lane-level navigation with dynamic adaptation.

Cross-team integration became a hallmark of our collaboration. We and OEM H formed a dedicated joint task force that facilitated high-frequency technical discussions, real vehicle road testing (accumulating over 200,000 kilometers), and extreme environment verifications in plateau regions, cold areas and coastal environments to overcome technical challenges. This approach transcended the traditional supplier model, evolving from mere solution delivery to joint efforts in delivering customer value by tackling complex scenarios. For example, the teams jointly developed solutions for China's complex road conditions, including tunnel glare and low visibility during rainy nights.

Technological Breakthroughs and Innovations

A significant achievement was the development of bifocal plane CyberVision that has been deployed on certain vehicle model of OEM H. The collaboration created an optical innovation employing patented local dimming technology that achieved a 65-inch bifocal plane display, combining a 23.5-inch near focus plane with a 65-inch far focus plane. The solution delivered a contrast ratio of 1200:1 and brightness exceeding 12,000 nits in strong light conditions, effectively solving the glare problems that had plagued traditional HUD systems.

Through electronic circuit and algorithm upgrades, we optimized timing registration to reduce signal delay to millisecond levels, enabling real-time synchronization of information during emergency braking or turning maneuvers and improving reading efficiency.

The 3D interaction experience underwent complete reconstruction. The spatial-layered design utilized the far-focal plane (7-10 meters) to achieve precise fusion of navigation with real-scene lanes, while the near-focal plane (2-4 meters) clearly displayed vehicle speed and ADAS information, preventing visual vertigo. The integration of multimodal interaction combining gesture recognition with voice control reduced driver distraction and improved operational efficiency.

Scenario-based functional innovations included a navigation-entertainment split-screen mode where the far-focal plane focused on road conditions while the near-focal plane simultaneously displayed music controls, balancing safety with interactive enjoyment. The obstacle warning visualization integrated LiDAR data to dynamically mark potential risk targets, shortening dangerous target recognition response times.

CyberVision is deeply integrated with OEM H's proprietary intelligent driving system. In Level 2+ autonomous driving scenarios, it can simultaneously display automatic parking trajectories, obstacle warning prompts and elevated obstacle recognition information. Its intelligent imaging system relies on a three-camera stereo vision perception module that improves obstacle recognition precision, capable of detecting not only conventional road obstacles but also precisely identifying low curbs, overhead cables and other special targets.

Through coaxial bifocal plane optical design, our bifocal CyberVision effectively resolves the visual jumping issues experienced with traditional AR-HUD solutions when switching between near and far views. Combined with whole-vehicle intelligent imaging data fusion, this allows drivers to simultaneously comprehend layered information without frequently shifting visual focus, significantly enhancing driving safety and interactive immersion in complex road conditions.

Industry Value and Benchmark Significance

The collaboration between our company and OEM H has, in our view, established a new paradigm where users define products. Based on behavioral data from users, safety and convenience were embedded into interaction details, such as dynamically adjusting navigation information density. The collaboration achieved a breakthrough in accomplishing full-stack in-house development of AR-HUD core technologies, promoting technology inclusiveness across the industry. It also created a new paradigm for ecosystem collaboration, providing the industry with a collaborative development template between OEMs and suppliers.

Testing Solutions

As we develop our HUD solutions, we initially relied on third parties for testing methodologies and testing equipment to examine the interaction compatibility with collaborative functionality between HUD solutions and external systems. Due to the absence of localized testing service providers in China, we started to develop our testing capabilities in-house and successfully developed our proprietary testing solutions, initially for our own use.

Since we achieved breakthroughs in developing in-house testing capabilities, we have been keeping a keen eye on market demands and identify that there are great market demands for reliable and effective testing capabilities. Therefore, we established Shanghai Sirius Testing Technology Co., Ltd. in 2021 and started to output our testing capabilities as a standalone business, dedicated to the design, development and manufacturing of testing systems/machines for automotive devices and parts. The testing solutions that we offer were initially focused on coupling testing for HUD solutions. Due to the commonality of the underlying testing technology, we gradually expanded into whole vehicle testing and automotive-grade optoelectronic device testing and have been enriching our solution offerings. For instance, we are now capable of providing automotive headlight testing and inspection and are exploring the possibility of rolling out testing equipment/services relating to camera monitoring systems for electronic side-view mirrors. During the Track Record Period, we primarily provided our testing solutions to automotive OEMs and glass manufacturers.

Our testing solutions and our HUD solutions create strong synergies. First, through testing the collaborative functionality between HUD solutions and external systems, we manage to identify various issues at the development stage, which in turn helps optimize the design and manufacturing quality of our HUD solutions. Secondly, as players across the industry value chain also utilize Shanghai Sirius for its testing equipment and capabilities, it may help us have a more comprehensive and profound understanding of industry trends, which in turn provides strong support for benchmarking analysis of our HUD solutions.

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we had 12 projects, 35 projects, 73 projects, 53 projects and 70 projects for our testing solutions, respectively. Our revenue from our testing solutions increased by 82.4% from RMB8.3 million in 2022 to RMB15.2 million in 2023 and further increased by 112.9% to RMB32.4 million in 2024, accounting for 3.9%, 2.8% and 5.6% of our total revenue during the same periods, respectively. Our revenue from our testing solutions decreased by 35.3% from RMB24.6 million in the nine months ended September 30, 2024 to RMB15.9 million in the nine months ended September 30, 2025, accounting for 5.8% and 3.3% of our total revenue during the same periods, respectively.

BUSINESS

The table below sets forth some of our testing solutions and their functions.

Solutions

Functions

Flexible testing platform



The flexible testing platform provides highly adaptable and precise testing services for the automotive glass industry, which can measure the surface quality and PVB angle through customized testing solutions and in-house developed software algorithms. Our flexible testing platform is compatible with multiple types of glasses and HUDs.

Vehicle end-of-line testing equipment



The vehicle end-of-line (EOL) testing equipment utilizes advanced optical testing technology, featuring highly flexible body posture compensation that adapts to various vehicle models' distortions and performs real-time online correction, ensuring testing accuracy and efficiency.

HUD collaborative robot testing platform



The HUD collaborative robot testing platform is China's first integrated solution specifically designed for automotive HUD and ADAS testing and calibration. This platform innovatively combines collaborative robot technology, enhancing testing efficiency and accuracy, and provides the automotive industry with an advanced quality control tool.

BUSINESS

Solutions

AR-HUD online testing system



Functions

The AR-HUD online testing system is China's first synchronized installation and testing equipment for HUD detection and calibration. This innovative system streamlines the HUD testing process, offering efficient and precise quality control for automotive manufacturers.

Other Innovative Initiatives

Complementary to our HUD solutions and testing solutions, we also have a number of other innovative initiatives, such as the camera monitoring system, transparent window display and real-image suspensory display. As of the Latest Practicable Date, these innovative initiatives had not proceeded to mass production yet. Since 2024, we have been progressively and strategically streamlining our other innovative initiatives, as we plan to optimize our business operations and enhance our focus on core business activities in sales of HUD solutions and testing solutions. We plan to maintain the current scale of this business line and provide relevant services as needed in response to our customers' actual requirements.

Our revenue from preliminary R&D projects and tooling for other innovative initiatives is recognized upon our OEM customers' project or product acceptance. As a result, the amount of revenue from our other innovative initiatives in a given period depends on the number of vehicle models achieving Start of Production (SOP) stage and the receipt of relevant customer payments for our preliminary R&D and tooling. In this context, our revenue from others increased significantly from RMB4.4 million in the nine months ended September 30, 2024 to RMB15.6 million in the nine months ended September 30, 2025, primarily because our OEM customers accepted one preliminary R&D projects in the nine months ended September 30, 2024 and five in the same period in 2025. Going forward, we will continuously commit to innovative initiatives that are complementary to our HUD and testing solutions, and expect our other revenue to fluctuate with automotive OEMs' strategic investments in the development of innovative intelligent cockpit vision and interaction solutions.

Camera monitoring system

The camera monitoring system (CMS) is designed to enhance driver awareness of the vehicle surroundings, particularly the side and rear areas, utilizing an advanced digital solution combining camera and display technologies to replace conventional optical mirrors. Utilizing external arm-mounted cameras to capture real-time road conditions, the CMS processes high-definition footage through a dedicated controller and displays it on an in-vehicle monitor

with minimal latency and high refresh rates. This system significantly expands the driver's rearview coverage while integrating intelligent image enhancement and scenario-specific graphical aids, delivering a safer, more intuitive and technologically sophisticated driving experience.

The CMS is particularly suited for intelligent electric vehicles, where its aerodynamic efficiency contributes to extended range and aligns with the high-tech branding of electric vehicles. For Level 2+/Level 3 autonomous vehicles, the system provides critical rearview data to support decision-making algorithms, enhancing safety and reliability in automated driving modes. By merging cutting-edge imaging, low-power operation and intelligent interactivity, the CMS redefines modern vehicular visibility while addressing both driver-centric and automation-oriented needs.

Transparent window display

The transparent window display solution is designed to facilitate a variety of C-V2X interactions on the front, rear or side windshields through images. The specific applications of the transparent window display solution include digital windshields and window projection systems. Leveraging DLP technology, this solution utilizes projectors and specifically designed transparent coating on the windshields to create clear and vibrant displays to both drivers and passengers. The projectors' position can be deployed flexibly within the vehicle, allowing for customization to meet diverse functional needs for various display areas.

Real-image Suspensory Display

The real-image suspensory display (RISD) is an innovative display solution based on aerial imaging that creates floating images visible to the naked eye without requiring wearable devices. In intelligent cockpits, this technology is designed to transform traditional screen information into three-dimensional displays, enhancing driving safety and interactive experiences.

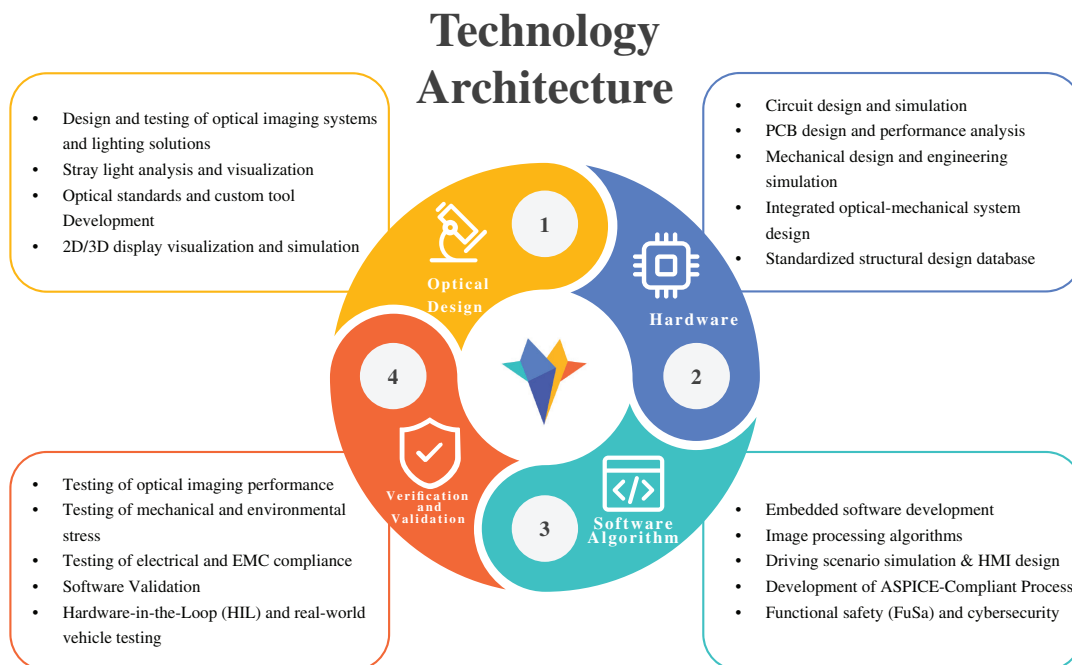
This innovative display solution intends to elevate interaction experience in various aspects. For instance, when the vehicle starts, the RISD solution enables a floating image to present the driving mode selection interface, allowing drivers to switch between different modes through simple hand gestures. In vehicle entertainment scenarios empowered by the RISD solution, music player interfaces appear as album covers, with lyrics and sound effect ripples dynamically changing while floating nearby. During video streaming, images can expand into the space above the center console, unrestricted by physical screen limitations. The RISD solution can also automatically adjust the floating atmospheric effects according to the in-cabin environment. By integrating gesture recognition and voice control, the RISD solution allows passengers to directly operate floating menus to select entertainment content, such as waving a hand to switch songs or using voice commands to request movies. RISD also supports vehicle-to-home connectivity, allowing drivers to check the real-time status of home lighting

and air conditioning on the floating interface and remotely control smart home devices. This technology creates a more intuitive and expandable interaction method for intelligent cockpits by transferring information from flat screens to three-dimensional space while ensuring a clear field of vision for safe driving.

OUR TECHNOLOGY ARCHITECTURE

Our leadership in developing and commercializing our solutions is underpinned by our proprietary technology architecture that integrates optical systems, mechanical engineering, electronics, software algorithms and HMI, coupled with rigorous verification and validation processes. Supported by our end-to-end full-stack R&D capabilities and accumulated industry expertise, we deliver high-quality and innovative solutions with precision and efficiency.

Our technology architecture combines optical systems, mechanical engineering, electronics, software algorithms and HMI. We also leverage our in-house verification and validation capabilities to ensure reliability, longevity and compliance with automotive standards, which in turn further helps improve our technological capabilities. This cohesive approach guarantees the versatility and adaptability of our solutions, enhancing their operational efficiency. Our integrated and full-range proprietary technology architecture allows us to maintain complete autonomy over all material aspects of development, from the initial concept to the final solution. This integrated approach results in highly efficient, innovative and customizable solutions that meet the diverse needs of our customers.



Our technology architecture has been proven to empower our solutions with competitive advantages, primarily featuring the following:

- ***Deep integration of opto-mechatronic design and optimization.*** Due to the specific features of our HUD solutions, integrated opto-mechatronic design and optimization is critical to us. Through years of efforts, our technology architecture achieves seamless integration of optics, mechanical structures and electronic components. The optical system ensures high-definition projection accuracy while minimizing spatial footprint, complemented by dynamic mechanical adjustments that maintain stable image alignment under varying vehicle conditions. Electronic components further enhance reliability through real-time data processing and adaptive control algorithms, collectively achieving clear and stable displays across diverse automotive environments.
- ***Organic collaboration between software and hardware platforms.*** As a customizable solution, our HUD design must adapt to diverse vehicle hardware configurations, display constraints and functional requirements, in light of which organic collaboration between software and hardware constitutes a key focus. Through our years of accumulation by analyzing mainstream vehicle hardware configurations and user needs, our technology architecture has been embedded with an in-house developed customizable hardware-software collaboration framework that manages to constantly optimize the compatibility between image processing algorithms and hardware, coordinate the connections between software and hardware and iterate and resolve technical challenges such as image distortion and display accuracy. Synergies emerge from the collaboration of our software and hardware platforms, ensuring real-time performance and safety while significantly enhancing display quality and user experience.
- ***Scenario-driven vision and interaction enhancement.*** Scenario-driven design has become a core methodology for intelligent system innovation. Our technology architecture implements scenario-driven intelligence through a multi-layered interaction model that processes complex traffic dynamics. By establishing a task flow model with clear business value, well-defined participants and rigorous temporal logic, it enables demand-oriented reconstruction of system functions and service patterns, cultivating continuously evolving technological capabilities. Building upon diverse traffic scenario models, our HUD analyzes personalized display needs, integrates data streams from multiple vehicle sensors, dynamically adapts intelligent algorithms and coordinates with other vehicular systems. Our HUD solution intelligently balances visual enhancement with cognitive load, achieving optimization for the display of a variety of spatiotemporal information while addressing diverse user needs in driving environments.

- ***Continuous evolution of technology platforms.*** HUD design and performance rely on simulation, in-vehicle operation and verification and validation platforms, whose adaptive evolution ensures efficient development. Our design platform features multidisciplinary modelling, collaborative simulation, modular framework and parametric design with structural compatibility. The operation platform supports compatibility for multiple vehicle computing system, OTA upgrades, customizable multi-focal displays and environmental adaptability. The verification and validation platform, having established optical measurement standards and multi-dimensional parameter verification and validation environments, combines virtual prototype verification with physical verification using proprietary instruments, enabling full-scenario validation capabilities.
- ***Integrated design-verification through data sharing.*** Building upon evolving platform capabilities, we established data exchange protocols across design, operation and verification platforms. Seamless data sharing enables automatic utilization of design and operational data as testing inputs, while on-vehicle verification and validation data feeds back for design optimization. The multi-platform synergy creates an integrated design-verification system that ensures product quality in R&D and mass production while enhancing development efficiency and market responsiveness.

Optical System

Our optical system capabilities stand as a cornerstone of our technological excellence, combining rigorous standards with cutting-edge innovations to deliver industry-leading performance. Our optical system focuses on planning the optical path layout, reflecting the image generated by the PGU to the front of the driver's field of vision through the optical system and display medium and ensuring that the magnification, focal length and field of view of the virtual image are within the comfortable range of the human eye. For example, in AR-HUD solution, the optical path design needs to be customized in order to support a longer virtual image distance (such as more than 7 meters) so that the navigation arrows can accurately "fit" on the real road. In addition, the optical system also needs to address ambient light interference, such as image fading in bright light, and double image issues, which is usually achieved through wedge-shaped sandwich coatings on the windshield or polarized light filtering technology. The quality of optical performance directly determines the immersion and information visibility of the HUD display.

We have constructed a comprehensive end-to-end optical design system centered on deep learning, which enables precise control over all critical parameters including imaging distance, field of view and light propagation characteristics. This system can dynamically adjust and automatically predict the optimal free-form surface optical structure, improving design efficiency compared to traditional methods and reducing the design cycle to seconds. Through our proprietary deep learning algorithm, we have achieved standardized and automated optical system design, ensuring high precision and consistency of design results while providing an intuitive user interface and streamlined operation process. Leveraging our proprietary

end-to-end optical design system, we achieve superior precision in both static and dynamic optical system optimization, particularly in managing complex optical challenges such as dynamic distortion visualization, stray light simulation and sunlight backflow analysis.

The technical capability is reinforced by our meticulous design verification checklist coupled with real-world vehicle testing correlation, ensuring millimeter-level accuracy in optical path alignment and thermal stability. The results manifest in the following advantages: our solutions demonstrate lower dynamic distortion compared to conventional designs, reduction in binocular parallax and superior image clarity under extreme lighting conditions. Notably, our breakthrough in local dimming technology for HUD systems exemplifies our capability to transform advanced optical concepts into automotive-grade solutions, which is expected to be deployed in more vehicle models in the future.

Beyond current achievements, our R&D pipeline actively advances next-generation technologies including holographic optics, diffractive optical elements and micro-nano waveguide architectures. This visionary strategy, combined with our extensive expertise in resolving complex photonic interactions, positions us at the forefront of automotive optical innovation — ready to meet evolving industry demands while continuously redefining performance benchmarks.

Mechanical engineering

Mechanical design is crucial in the development of HUD solutions, focusing on the spatial layout and reliability of physical components within the limited interior space of vehicles as well as the stable performance of optical projection systems in challenging automotive environments. Through reasonable design and deployment, the PGU, lenses and mirrors, electronics and other components of the HUD solutions need to be compactly integrated while avoiding interference with the steering wheel, dashboard or air conditioning system.

Our mechanical engineering also addresses several other critical factors:

- ***Heat dissipation:*** High-brightness PGUs are prone to generating heat, necessitating effective thermal management solutions.
- ***Vibration resistance:*** The design must maintain suppression of light path deviation in bumpy vehicle environments to ensure consistent image quality.
- ***Material durability:*** Components are selected and designed for long-term use in automotive conditions.
- ***Adaptability:*** Considering the variations in windshield inclination angles across different vehicle models, our mechanical design incorporates buffer zones that allow for subsequent adjustments. This ensures the adaptability of the optical path across various vehicle configurations.

Leveraging our mechanical engineering capabilities, we developed the transmission system and optical engine system, which become two foundational platforms for our HUD solutions. These two platforms are continually iterated and upgraded to meet evolving needs. Our transmission system platform achieves extremely low hysteresis and noise targets at optimal cost, while our optical projection system platform employs a flat design that is compact and high-brightness. We are capable of implementing cutting-edge local dimming in our HUD solutions. Our transmission system and optical engine system platforms significantly increase the components shared among different HUD solutions. For CyberLens, the component sharing percentage can reach over 60%, while that of CyberVision exceeds 65%. This high level of commonality greatly enhances development efficiency and cost-effectiveness. Additionally, to ensure the feasibility of our mechanical engineering, we developed design tools and simulation analysis to conduct strength and modal analyses of the mechanical design, which turns out to be highly reliable with the difference between the modal simulation and the experiment being within 10%.

Electronics design

Our electronics platform is comprehensive and versatile, capable of meeting the demands of various in-vehicle vision and interaction solutions. We have achieved excellent compatibility with controllers, PGUs and other components in our electronics adaptation process, ensuring seamless integration across different systems.

In our design process, we place significant emphasis on component selection. Through iterative improvements and the adoption of new materials, we strive to ensure the high quality of our components. This meticulous approach extends to our sophisticated electronic design, which integrates (i) high-performance microdisplays that provide crisp and bright images even in challenging lighting conditions, (ii) energy-efficient LEDs with advanced technology to ensure bright and clear displays while minimizing power consumption, and (iii) responsive sensors to adapt the display to changing conditions and user needs. All these elements are synchronized to deliver seamless performance while striking an optimal balance between performance, cost and reliability.

To guarantee the quality and reliability of our electronics design, we employ advanced design tools and simulation analyses, including:

- ***Electrical schematic design:*** We create detailed electrical schematics that serve as the blueprint for our electrical systems, ensuring all components are correctly interconnected.
- ***PCB layout design:*** Our printed circuit board (PCB) layouts are optimized for performance, heat dissipation and electromagnetic compatibility, crucial for the automotive environment.

- ***Component performance verification and validation:*** We rigorously verify and validate the performance of each component to ensure it meets our stringent standards and automotive-grade requirements.

Our electronics design is engineered to satisfy automotive-grade standards, which is crucial for integration into modern vehicles. This includes compliance with automotive-specific regulations and standards for electromagnetic compatibility, temperature tolerance, vibration resistance and longevity.

By leveraging our iterative design process and embracing new materials and technologies, we continually improve our electronics platforms, which allows us to offer solutions that are not only high-performing but also cost-effective and reliable. We strive to create platforms that can accommodate upcoming technologies and features, ensuring that our solutions remain relevant and adaptable as automotive technology evolves.

In conclusion, our robust electronics platform, coupled with our meticulous design and verification and validation processes, enables us to deliver cutting-edge HUD solutions that meet and exceed the demanding requirements of the automotive industry.

Software algorithms

Software algorithm development is the foundation of HUD intelligence, responsible for converting raw data into intuitive graphics that the driver can easily understand, while also achieving dynamic adaptation to various conditions. Our software systems are designed to obtain real-time data from the vehicle operational network, including vehicle speed, navigation information and ADAS data. This information is then channeled to the correct position in the virtual image through sophisticated algorithms. For instance, CyberVision's lane-level navigation system exemplifies the power of our software algorithms. It matches GPS coordinates with lanes recognized by the vehicle's cameras and dynamically overlays steering arrows onto the actual lane using advanced projection algorithms. This creates a seamless and intuitive navigation experience for the driver. Our software also incorporates advanced environmental awareness capabilities. It can automatically adjust brightness based on data from light sensors, ensuring optimal visibility in varying light conditions. Additionally, it can dynamically adjust the virtual image position through eye tracking, accommodating drivers of different heights and ensuring a personalized viewing experience.

Our expertise in software algorithm development is profound and extensive. Our proprietary software algorithm development platform, coupled with a rich array of development tools and software, covers the entire spectrum of in-vehicle vision and interaction solutions, including input, execution and output layers. Our R&D team has the capability to independently develop in-vehicle vision and interaction algorithms on mainstream MCU/SoC platforms, sustaining seamless interoperation across different intelligent cockpit systems and optimizing computing resource utilization. This algorithm development capability is a critical

differentiating factor that helps our solutions excel amongst competitors with their stronger compatibility, optimized efficiency and robust performance. It also enables us to better understand OEMs' requirements from vehicle system perspective and deliver targeted solutions.

Our proprietary data processing and image processing intelligent algorithms demonstrate excellent real-time performance and stability, effectively addressing complex situations in the automotive environment and ensuring computational accuracy and continuity under extreme conditions. The algorithms can automatically identify and process unique data, enhancing the system's ability to cope with complex road conditions and diverse driving scenarios. By componentizing the algorithms into software, we achieve standardized and modular reuse and integration, not only improving software quality but also increasing development efficiency and shortening the development cycle of in-vehicle systems. In terms of functional features, we hold leading advantages in various aspects such as height adjustment, brightness control and AR fusion algorithms. These capabilities provide users with a rich interactive experience and high-performance functional support. For example, our AR fusion algorithms ensure seamless integration of virtual information with the real-world environment, enhancing the driver's perception and decision-making abilities.

Human-vehicle interaction design is another crucial aspect of our software development. We have implemented effective strategies to maintain the priority of information display, preventing visual overload for the driver. This careful balance ensures that critical information is always readily available without overwhelming the user.

We have innovated a cross-modal fusion method that eliminates redundant transformations, achieving functional logic decoupling in the intertwined state of in-vehicle data and supporting rapid updates of HUD software. Through a real-time decision-making algorithm for display information established by reinforcement learning, we have reduced the concurrent display conflict rate of 30 types of information from 5% to 1%. We have also developed a non-linear distortion correction method for large eye-box area projection images guided by imaging quality feedback, controlling the projection image distortion rate to an industry-leading 3%. Leveraging our technological capabilities, we have shortened the fusion display time of virtual images with real scenes to 16ms, achieving a display frame rate of 60 frames. Our commitment to excellence in software development is further underscored by our high code reuse rate, which not only enhances efficiency but also ensures consistency and reliability across our solution matrix. The stability of our software architecture provides a robust foundation for continuous innovation and feature enhancement.

By leveraging our expertise across multiple graphic development platforms, we can tailor our solutions to meet specific user needs. Whether it is for luxury vehicles requiring high-end graphics or more economical models needing efficient yet effective displays, our software can be adapted to suit various requirements.

HMI design

Our HMI design embodies the core philosophy of “scenario-defined interaction,” serving as an intelligent interaction hub that deeply integrates optical systems, mechanical engineering, electronics design and software algorithms to cover the full spectrum of driving scenarios. Our HMI design transforms complex technical capabilities into intuitive user experience by taking actual driving needs as its starting point, becoming the essential interface connecting driver, vehicle and road.

Our HMI design anchors its interaction paradigms in China’s distinctive driving contexts, addressing complex road conditions by automatically adjusting display brightness and contrast in circumstances such as tunnel glare, snow reflections and continuous curves through dynamic environmental light compensation algorithms. For instance, far focal plane brightness is instantly decreased at tunnel entrances, reducing driver visual adaptation time. In dense urban networks where lane changes are frequent, the dynamic path-matching algorithm achieves a high level of alignment between AR navigation arrows and actual lanes, improving driver decision-making efficiency. For extreme environment adaptation, the HMI platform collaborates with automotive OEMs to validate optical material stability at temperatures as low as -30°C, while color compensation algorithms eliminate image distortion caused by low temperatures, ensuring uninterrupted information display.

Breaking beyond single-mode interaction limitations, the HMI design constructs a multidimensional control system that fuses eye tracking, voice commands and touch control. When drivers focus on a target lane through eye tracking, voice commands seamlessly activate CyberVision’s 3D map view, enabling coordinated “visual focus + voice control” operation. For entertainment needs, the HMI design’s split-screen interaction mode continuously displays real-time road conditions on the far focal plane while simultaneously controlling music or video interfaces on the near focal plane, balancing safety with convenience. This design not only reduces manual operation distractions but dynamically optimizes information hierarchy through an intelligent driving scenario recognition system — prioritizing lane-level navigation in highway scenarios and enhancing collision warnings in urban settings, improving critical information delivery efficiency.

As a technological nexus, the HMI platform deeply couples with manufacturers’ intelligent driving systems and vehicle networking services, forming a closed loop of “data-algorithm-function.” For example, when integrated with automatic parking systems, CyberVision can project 360° surround view images with dynamic guide lines; after accessing real-time traffic data, the HMI design automatically optimizes navigation routes and displays charging station availability on the near focal plane. To meet brand differentiation needs, the HMI provides a configurable software framework supporting customized interface styles for different vehicle types — from minimalist immersive designs for luxury models to dynamic visualization themes for technology-focused brands — while maintaining standardized interfaces to ensure the universality of core optical and algorithmic modules, achieving flexible adaptation.

Our HMI design aims to become a transformer of scenario requirements and engineering capabilities that goes beyond merely a collection of technological modules. By infusing optical innovation, algorithmic intelligence and ecosystem resources into actual driving scenarios, the HMI reshapes the value chain of in-vehicle interaction: evolving from “passive information display” to “active service experience” and from “feature stacking” to a “symbiotic interface of safety and efficiency.”

Verification and validation processes

Our HUD solutions undergo rigorous verification and validation processes, including thermal cycling, vibration resistance assessments and human-factor evaluations to ensure reliability, longevity and compliance with automotive standards.

The collaboration of these interdependent elements runs through our technology architecture. While the optical system defines the upper limit of the display effect, the mechanical design ensures the stability of the system in complex environments. The software algorithms grant the HUD scene-based intelligence and the hardware design implements these functions into products solutions can be mass-produced. The integrated and full-range proprietary technology architecture allows us to maintain full autonomy over all material aspects of development, from the initial concept to the final solution, resulting in highly efficient, innovative and customizable solutions that meet the diverse needs of our customers.

We have established a comprehensive verification and validation platform that encompasses a full range of equipment, environments and analytical tools. This platform enables us to provide a comprehensive suite of visual application verification and validation equipment and services, ensuring the highest quality and reliability of our HUD solutions.

Our verification and validation infrastructure includes:

- ***Hardware-in-the-Loop (HIL) verification and validation benches:*** These allow us to simulate real-world conditions and test our solutions’ responses in a controlled environment.
- ***Optical verification and validation equipment:*** This specialized equipment ensures that our HUD displays meet the highest standards of clarity, brightness and color accuracy.
- ***In-vehicle verification and validation equipment:*** This allows us to validate our solutions in actual automotive environments, ensuring real-world performance.

To enhance our verification and validation efficiency and accuracy, we employ automated analysis tools. These advanced methodologies allow us to conduct thorough verification and validation under various conditions, identifying potential issues quickly and accurately. This approach significantly improves our verification and validation efficiency while reducing costs, ensuring that our solutions reliably meet user needs and expectations.

Our HUD solutions undergo rigorous verification and validation processes, including:

- ***Thermal cycling:*** This verifies and validates the ability of our solutions to withstand extreme temperature variations, ensuring reliability in diverse climatic conditions.
- ***Vibration resistance assessments:*** These verification and validation simulate the vibrations and shocks experienced in a moving vehicle, ensuring our HUDs maintain stability and performance.
- ***Human-factor evaluations:*** We conduct extensive usability verification and validation to ensure our HUDs provide an intuitive and non-distracting interface for drivers.

By leveraging our comprehensive verification and validation platform, along with our holistic approach to HUD development, we ensure that our solutions not only meet but exceed the expectations of both automotive OEMs and end-users. Our commitment to quality, reliability and innovation positions us as a leader in the automotive HUD solution industry, capable of delivering cutting-edge solutions that enhance driver safety and experience.

RESEARCH AND DEVELOPMENT

An unwavering dedication to research and development forms the bedrock of our company, driving our innovation spirit. To stay at the forefront of technical development of intelligent cockpit vision and interaction solution industries and to achieve long-term growth and success, we invest substantial resources into R&D with a keen desire to anticipate and meet the evolving needs of our customers. During the Track Record Period, we incurred research and development expenses in an aggregate amount of RMB248.9 million. Leveraging our improved platform-based R&D capabilities, our R&D efficiency has been enhanced, resulting in the decrease in research and development expenses as a percentage of our total revenue from 39.0% in 2022 to 9.9% in 2023 and 10.7% in 2024. In addition, research and development expenses as a percentage of our total revenue remained relatively stable at 10.1% and 10.2%, respectively, during the nine months ended September 30, 2024 and 2025. This pursuit paves the way for the introduction of cutting-edge HUD features and performance enhancements.

In conformity with our technology architecture, the development of our solutions involves the collaboration of interdependent elements throughout the entire process:

- ***Optical system:*** Generally, optical system defines the upper limit of the display effect, determining factors such as image clarity, brightness and field of view.
- ***Mechanical design:*** Mechanical engineering ensures the stability of the system in complex automotive environments, addressing challenges such as vibration, temperature variations and space constraints.

- **Software algorithms:** Our proprietary software algorithms grant the HUD scene-based intelligence, enabling features such as augmented reality overlays, adaptive brightness and integration with vehicle systems.
- **Electronics:** Electronics design implements these functions into mass-producible solutions, balancing performance, cost and reliability.
- **HMI:** The HMI design prioritizes intuitive user interaction, ensuring accessibility across diverse demographics and seamless feedback mechanisms. It bridges user inputs with system outputs, aligning with the vehicle's interface to enhance usability, reduce cognitive load and prioritize safety in dynamic driving scenarios.

Our R&D efforts primarily concentrate on pushing the boundaries of fundamental technologies while simultaneously refining solution-specific innovations. Through this approach, we aim to elevate the performance, reliability, durability and overall experience of our solutions. Our dedication to R&D has yielded significant technical accomplishments, as evidenced by our proven track record of generating IP and industry expertise. As of the Latest Practicable Date, we had 229 granted patents. See “— Intellectual Property.” Our robust R&D capabilities serve as a springboard for continuous innovation. Our pursuit of excellence reinforces our standing as an industry leader but also propels us forward in the ever-evolving landscape of intelligent cockpit vision and interaction technologies.

R&D Teams

As of September 30, 2025, our research and development department consisted of 158 dedicated employees. Our R&D personnel represented 35.9% of the total number of our employees as of the same date. Our R&D personnel specialize in various disciplines, such as optical engineering, mechanical engineering and software engineering. Our core R&D team consists of experienced engineers and technology experts with years of practical industry experience. They also demonstrate robust capabilities in industrialization of our solutions, enabling us to swiftly address technical issues during the transition from small-scale to large-scale production and ensuring a stable mass production process.

Our overall R&D team is divided into the optical R&D team, mechanical and electronics R&D team, software R&D team, R&D verification and validation team and R&D management team. Below is a summary of their core capabilities:

- **Optical R&D team:** Conduct technical analysis such as imaging light path simulation, quality characteristic simulation, image ghosting and tolerance studies; design and develop customized high-quality optical systems for automotive applications.

- ***Mechanical and electronics R&D team:*** Responsible for component selection and design of mechanical and electrical transmission parts, electromechanical integration optimization and technical experiments such as impact and random vibration testing.
- ***Software R&D team:*** Primarily in charge of software framework design, visual processing algorithm development and AR algorithms/software development.
- ***R&D verification and validation team:*** Handle software unit verification and validation, hardware-software integration verification and validation, stress verification and validation, optical component verification and validation, system validation and real-vehicle verification and validation.
- ***R&D management team:*** Overseas product quality, ASPICE process compliance, project execution, functional safety system implementation and other management responsibilities.

Solution Development Process

We cultivate strategic collaborative partnerships with customers. When customers identify emerging market opportunities or trending demands, they engage our team in a collaborative manner to define precise solution specifications, performance benchmarks and compliance with industry standards. We develop our HUD solutions in accordance with an established process and roles and responsibilities. Our overall solution development strategy is to focus on application-specific development, adaptive development and feature enhancements based on our existing solution matrix.

Our solution development process generally undergoes the following five phases:

- ***Solution Establishment Phase:*** In this phase, we begin by extensively collecting customers' needs and market trends. Then, we assemble a solution development team internally, which comprises of personnel spanning across engineers, sales personnel and project managers, to conduct solution development analysis and produce a technical report that addresses the fulfillment of customer needs, development timeline and costs, as well as other commercial terms. The technical report has to be approved by the customer in order to proceed to the development phase.
- ***Solution Development Phase:*** Once an opportunity is identified and a project is established, our R&D team would initiate the solution design process. This phase requires collaboration among multiple departments. As the overall layout of optics and structure must harmoniously align with the customer's vehicle model layout, the optical development would be prioritized to ensure that the solution specifications

could align with the vehicle model, significantly reducing the risks of repeated development. Once the optical development is completed, we move on to the development of the mechanics and sub-systems.

- ***Solution Verification and Validation Phase:*** Once preliminary prototypes are developed, we follow the customer's product timeline for verification and validation. During this phase, the prototypes under development would be thoroughly examined for their reliability and manufacturability to progress to the completion phase.
- ***Completion Phase:*** When the solution development progresses to the completion phase, we would transit the designed solution to the production base for mass production.
- ***Feedback Phase:*** Subsequent to completion phase, we maintain a proactive feedback mechanism, leveraging insights gathered during development and post-launch phases to implement iterative design enhancements, performance optimizations and technology upgrades. This commitment to continuous improvement underscores our dedication to delivering solutions that not only meet but exceed customer expectations while adhering to regulatory and quality assurance protocols.

Our integrated collaboration framework ensures that solution development processes remain strictly aligned with evolving customer demands and market dynamics, enabling swift iteration cycles and seamless adaptation to evolving market demands.

SALES AND MARKETING

Our solutions are sold through direct sales. We primarily sell our solutions based on design-wins received from our customers. We acquire our customers primarily through our well-established brand reputation and diverse solution offering as well as our go-to-market initiatives such as collaboration with industry media to regularly disseminate information about our latest technologies, solutions and developments.

We have an experienced and dedicated sales and marketing team consisting of 20 personnel as of September 30, 2025, who proactively identify and assess market opportunities and carry out our sales strategies. Our sales and marketing team has profound industry knowledge and expertise and works closely with our customers and partners as well as our internal operations teams to promote our solutions. We believe that our high-quality solutions enable us to achieve continued brand exposure and attract high-quality potential OEM customers efficiently.

BUSINESS

Our Customers

As of September 30, 2025, we served a total of 23 customers, the majority of whom purchased our HUD solutions and the rest purchased our testing solutions.

The following table sets forth the retention rate and the movement of the number of customers subject to purchase orders of our HUD solutions from us for the periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
Number of customers at the beginning of the year	14	15	16	16	19
Number of new customers	<u>1</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>—</u>
Number of customers at the end of the year . . .	<u>15</u>	<u>16</u>	<u>19</u>	<u>19</u>	<u>19</u>
Customer retention rate ⁽¹⁾	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

- (1) Customer retention rate is calculated by dividing the difference between the number of customers at the end of a period and the number of new customers in the same period by the number of customers at the beginning of the same period, multiply by 100.0%.

During the Track Record Period, customers of our HUD solutions primarily consisted of leading automotive OEMs. We primarily act as a Tier-1 supplier of automotive OEMs for our HUD solutions. Our HUD solutions are well recognized by our customers, with an increasing number of automotive OEMs that introduce our HUD solutions.

During the Track Record Period, customers of our testing solutions primarily consisted of automotive OEMs, automobile glass manufacturers and other companies that produce HUD solutions.

Set forth below is a summary of salient terms of the sales agreements between our customers and us:

- **Specifications.** Our customers typically set forth specific specification requirements for the solutions ordered, such as name, model, configuration and features.

BUSINESS

- **Term.** The term of the agreement is determined on a case-by-case basis according to each individual agreement.
- **Payment.** Our customers are typically required to settle the payment with credit terms ranging from 60 to 120 days after receipt of invoice.
- **Warranty.** We typically offer a warranty to customers of our solutions.
- **Confidentiality.** All confidential information provided by either party shall be used solely for cooperation purposes pursuant to the agreements and shall not be disclosed to any third party without prior consent.
- **Delivery.** We are generally responsible for delivering the solutions to locations designated by the customers.
- **Transfer of risks.** The risks transfer to customers after they complete the inspection and confirm the receipt of our solutions.
- **Acceptance.** If customers determine that the solution received does not meet their requirements, they must notify us in writing within a specified time; otherwise, the solutions are considered to be accepted.
- **Termination.** Customers generally are entitled to change or cancel orders placed under the purchase order. We will engage good faith discussion with customers on an equitable price adjustment.

During the Track Record Period and up to the Latest Practicable Date, we did not have any disputes or a termination of our contractual relationships with our major customers.

Major Customers

During the Track Record Period, our major customers were primarily automotive OEMs located in China. Our automotive OEM customers manufacture both intelligent vehicles, including electric vehicles and hybrid vehicles, and internal combustion engine (ICE) vehicles. Among our 18 automotive OEM customers as of September 30, 2025, seven solely manufactured intelligent vehicles and 11 manufactured both intelligent and ICE vehicles. In 2022, 2023, 2024 and the nine months ended September 30, 2025, in terms of the number of HUD solutions sold to automotive OEM customers, 68.1%, 56.0%, 57.3% and 65.6% of our HUD solutions sold were adopted by intelligent vehicle models, respectively, and 31.9%, 44.0%, 42.7% and 34.4% were adopted by ICE vehicle models, respectively. Revenue from our five largest customers in each period during the Track Record Period accounted for 93.0%, 93.8%, 80.9% and 83.1% of our total revenue for the respective periods. Revenue from our largest customer in each period during the Track Record Period accounted for 47.6%, 26.1%, 23.2% and 18.3% of our total revenue for the respective periods. See “Risk Factors — Risks Relating to Our Industry and Business — We are exposed to customer concentration risk.”

We do not anticipate any material adverse changes in our relationships with our major customers, considering that (i) we have established over six years of strategic partnerships with our major customers on average as well as demonstrated understanding of and ability to meet their rigorous requirements for HUD solutions; (ii) our proprietary technology and modular development approach that enable us to adapt existing HUD solutions for different models of the same automotive OEM customer within approximately seven months and develop new solutions within approximately ten months, which are significantly faster than the industry average of 18 months, according to CIC; (iii) we continuously optimize our cost structure and supply chain to deliver price-competitive HUD solutions to our major customers without compromising quality; and (iv) our proven track record of reliability has earned us multiple quality awards from our major customers. These factors have made us an indispensable link in our major customers' supply chains, and it is unlikely that our major customers could easily identify an alternative that could seamlessly replace us due to our HUD solutions' highly customized integration, system-level coupling and proprietary technological barriers, which result in substantial switching costs, including high adaptation expenses, extended time investments and considerable operational risks, further solidifying the mutual reliance between our major customers and us. According to CIC, OEMs follow a rigorous Tier-1 nomination process governed by quality and functional safety requirements. In HUD systems, the image is projected onto a laminated windshield with a vehicle-specific wedge PVB interlayer, creating a design dependency between the HUD and the windshield. Replacing a Tier-1 HUD supplier may require wedge-angle redesign and system-level re-validation, resulting in significant time and cost. The nomination process itself generally takes 6-12 months, and once nominated, suppliers are typically retained throughout the model's 4 to 6 year lifecycle. These factors contribute to high switching costs and limited substitutability of HUD solution suppliers. As a front-runner in HUD solutions, we have established a solid foundation in both technology development and market presence. Our early entry has enabled us to accumulate valuable experience and build long-term customer relationships. This positioning allows us to capture first-move advantages while continuing to refine our offering in response to evolving industry needs. According to the above, our Directors are of the view that our robust relationship with the major customers is not likely to terminate or materially and adversely change.

To mitigate the risk of customer concentration, we have been diversifying our customer base. On one hand, we have been actively expanding our domestic market share by establishing partnerships with other premium automotive OEMs. On the other hand, we are expanding into overseas markets, including Japan and Europe. As of September 30, 2025, we had become a supplier of three globally leading automotive OEMs. These efforts will not only reduce our dependency on a single customer but also position us for sustainable growth in the global HUD markets. Nonetheless, as we expand into overseas markets, we face not only direct exposure to their evolving tariff policies, but also indirect impacts through our automotive OEM customers as their automobiles adopting our HUD solutions may be subject to additional import duties in certain countries or regions, potentially affecting their cost structures and demand for our HUD solutions. See "Summary — Recent Regulatory Development."

BUSINESS

The tables below set forth information about our five largest customers for each period during the Track Record Period:

Year ended December 31, 2022

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
1.	Customer A	A leading OEM founded in November 2014, headquartered in Hefei and listed on the New York Stock Exchange, the Hong Kong Stock Exchange and the Singapore Exchange	HUD solutions	101,896	47.6%	2016	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Customer B	A company principally engaged in chip and data service business, navigation products and ceramic materials and components business founded in September 2000, headquartered in Beijing and listed on the Shenzhen Stock Exchange	HUD solutions	46,936	21.9%	2020	Within 90 to 102 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Customer C	A leading OEM founded in February 1995, headquartered in Shenzhen and listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange	HUD solution components	23,387	10.9%	2021	Within 60 days upon receipt of invoice	Bank acceptance bill

BUSINESS

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
4.	Customer D	A leading OEM founded in 1958, headquartered in Beijing and listed on the Hong Kong Stock Exchange	HUD solution components	14,077	6.6%	2016	Within 60 days upon receipt of invoice	Wire transfer
5.	Customer E	A leading OEM founded in 1986, headquartered in Hangzhou and listed on the Hong Kong Stock Exchange	HUD solutions	12,786	6.0%	2021	Within 75 days upon receipt of invoice	Bank acceptance bill

Year ended December 31, 2023

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
1.	Customer F	A leading OEM founded in April 2015, headquartered in Beijing and listed on the Nasdaq and the Hong Kong Stock Exchange	HUD solutions	143,482	26.1%	2021	Within 90 days upon receipt of invoice	Wire transfer, cheque and bank acceptance bill

BUSINESS

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
2.	Customer B	A company principally engaged in chip and data service business, navigation products and ceramic materials and components business founded in September 2000, headquartered in Beijing and listed on the Shenzhen Stock Exchange	HUD solutions	121,918	22.2%	2020	Within 97 to 107 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Customer G	A leading OEM founded in July 1953 headquartered in Changchun	HUD solutions	106,480	19.4%	2022	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
4.	Customer A	A leading OEM founded in November 2014, headquartered in Hefei and listed on the New York Stock Exchange, the Hong Kong Stock Exchange and the Singapore Exchange	HUD solutions	93,777	17.1%	2016	Within 60 to 90 days upon receipt of invoice	Wire transfer and bank acceptance bill
5.	Customer E	A leading OEM founded in 1986, headquartered in Hangzhou and listed on the Hong Kong Stock Exchange	HUD solutions	49,413	9.0%	2021	Within 75 to 90 days upon receipt of invoice	Bank acceptance bill

BUSINESS

Year ended December 31, 2024

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
1.	Customer F	A leading OEM founded in April 2015, headquartered in Beijing and listed on the Nasdaq and the Hong Kong Stock Exchange	HUD solutions	134,004	23.2%	2021	Within 90 days upon receipt of invoice	Wire transfer, cheque and bank acceptance bill
2.	Customer A	A leading OEM founded in November 2014, headquartered in Hefei and listed on the New York Stock Exchange, the Hong Kong Stock Exchange and the Singapore Exchange	HUD solutions	126,758	21.9%	2016	Within 90 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Customer G	A leading OEM founded in July 1953 headquartered in Changchun	HUD solutions	80,487	13.9%	2022	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
4.	Customer H	A leading OEM founded in 1997 and headquartered in Wuhu	HUD solutions	75,188	13.0%	2023	Within 90 days upon receipt of invoice	Wire transfer and bank acceptance bill
5.	Customer I ⁽¹⁾	A private company principally engaged in sales of automotive parts founded in November 2010 and headquartered in Beijing	HUD solutions	51,485	8.9%	2023	Within 60 days upon receipt of invoice	Bank acceptance bill

BUSINESS

Nine months ended September 30, 2025

No.	Customers	Background	Solutions sold	Revenue	% of our total revenue	Year of commencement of business relationship with us	Credit period	Payment method
				(RMB in thousands)				
1.	Customer H	A leading OEM founded in 1997 and headquartered in Wuhu	HUD solutions	87,623	18.3%	2023	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Customer A	A leading OEM founded in November 2014, headquartered in Hefei and listed on the New York Stock Exchange, the Hong Kong Stock Exchange and the Singapore Exchange	HUD solutions	87,456	18.2%	2016	Within 90 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Customer G	A leading OEM founded in July 1953 headquartered in Changchun	HUD solutions	82,399	17.2%	2022	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
4.	Customer F	A leading OEM founded in April 2015, headquartered in Beijing and listed on the Nasdaq and the Hong Kong Stock Exchange	HUD solutions	77,148	16.1%	2021	Within 60 days upon receipt of invoice	Wire transfer, cheque and bank acceptance bill
5.	Customer I	A private company principally engaged in sales of automotive parts founded in November 2010 and headquartered in Beijing	HUD solutions	64,060	13.3%	2023	Within 80 days upon receipt of invoice	Bank acceptance bill

Note:

(1) Customer I is a joint venture of Customer D.

To the best of our knowledge, none of our Directors, their associates or any of our Shareholders who owned more than 5% of our issued share capital as of the Latest Practicable Date had any interest in any of our five largest customers during the Track Record Period.

Marketing

We have adopted a multi-faceted value-driven marketing strategy. We prioritize engagement with premium clientele that align with our strategic focus on innovation-led markets, ensuring optimal resource allocation and brand positioning. Additionally, we employ a data-driven segmentation framework to define target customer cohorts, emphasizing the commercialization of advanced, technologically differentiated solutions to customers with premium demands who, as we believe, value superior performance. Furthermore, we conduct forward-looking market assessments, leveraging solution roadmaps, competitive intelligence and predictive analytics, to identify emerging industry trajectories, which in turn drives us to carry out disciplined deployment to capitalize growth trends. Other than the above, we also engage in diverse marketing activities, both online and offline, to further strengthen our brand. We aim to continue to implement our marketing strategy.

Pricing Policy

We price our solutions dynamically based on a variety of factors, such as solution specifications, costs of raw materials, R&D complexity and expenditure allocation and market conditions. Our final fee proposal is determined based on the reasonable range of gross profit margin generated by the pricing process. In the automotive sector, where technological advancement and economies of scale throughout the industry value chain constantly drive price volatility and automotive OEMs may exert margin compression pressure from time to time, we employ agile pricing models to mitigate the risks. We adopt value-centric strategies in procurement and manufacturing to constantly optimize our cost structure, and pursue lean and disciplined marketing strategies to keep customer acquisition costs in check. Concurrently, we proactively monitor industry pricing trends and collaborate with key accounts to align commercial terms with long-term partnership objectives, ensuring sustained margin resilience while maintaining market competitiveness.

PRODUCTION AND QUALITY CONTROL

Our production capabilities are designed to align with our customers' demands, ensuring a consistent and reliable supply of products. As of the Latest Practicable Date, we had one production base in Yizheng, Jiangsu Province, namely the Yizheng Base. Our Yizheng Base commenced operation in January 2018. As of September 30, 2025, our Yizheng Base had gross floor area of nearly 23,402 square meters.

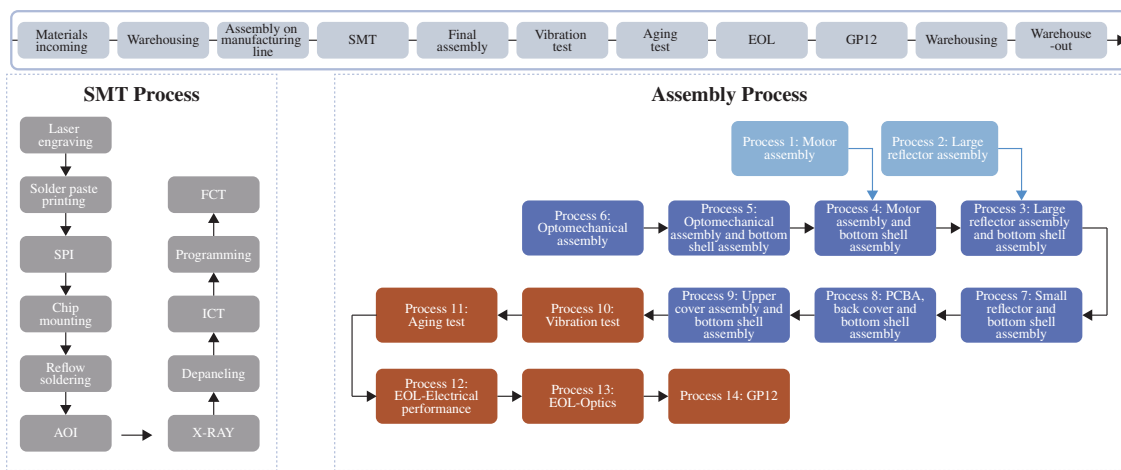
Production Process

Our production process is designed to promote high standards of quality while simultaneously providing the agility to expedite production to meet our customers' demands in a timely manner, which ensures timely delivery of products without compromising on quality.

We are committed to the continual development of production process techniques to enhance our manufacturing and production management capabilities and to accelerate the automation and digitalization of our production line.

Our manufacturing and assembly operations involve the procurement of raw materials and components, production processing, assembly, product testing, packaging and warehousing of the final products. We employ standard manufacturing practices and processes for our production line, allowing us to leverage our current facilities to expand our solution offering spectrum.

The diagram below illustrates key steps of the production process of our HUD solutions:



The major steps of the production process applicable to our HUD solutions are outlined below:

- SMT Process:** Our SMT line begins with precise solder paste printing using laser-aligned stencils, followed by automated mounting of a variety of electronic components onto the PCB. This process ensures precise component placement and secure soldering, creating a reliable foundation for our solutions. Then, multi-stage quality checks that utilize standard automatic inspection technologies, such as SPI, AOI and X-ray, are implemented to detect product defects such as missing parts, welding quality issues and abnormalities. Validated boards are then separated from panels and undergo ICT testing to confirm electrical functionality. Approved PCBs proceed to modular assembly, completing the transition from raw boards to functional subsystems.

BUSINESS

- **Modular Assembly Process:** We then assemble crucial components, including PCBA, optical system and other mechanical parts, to construct the core body of our HUD solutions. The assembly process requires multi-dimensional calibration. Repeated multi-dimensional calibration tests are conducted to dynamically correct the positions of certain components, ensuring position accuracy and virtual image display result.
- **Testing:** Following assembly, we perform extensive testing to verify that the HUD solutions operate as intended. This includes end-of-line testing before the products leave the production line, which evaluates the overall functionality of our solutions under simulated driving conditions and monitors their responses.
- **Packaging:** Once testing is completed, our HUD solutions are packaged and sent to storage in our warehouses. After packaging, the products are delivered to our OEM customers, who then install them on vehicles during the final assembly stage.

Production Capacity and Utilization Rates

Set forth below are some details in connection with the production capacity and utilization rates for our Yizheng Base for the periods indicated.

	Year Ended December 31,									Nine months ended September 30,					
	2022			2023			2024			2024			2025		
	Production Capacity ⁽¹⁾	Actual Production	Utilization Rate ⁽²⁾	Production Capacity ⁽¹⁾	Actual Production	Utilization Rate ⁽²⁾	Production Capacity ⁽¹⁾	Actual Production	Utilization Rate ⁽²⁾	Production Capacity ⁽¹⁾	Actual Production	Utilization Rate ⁽²⁾	Production Capacity ⁽¹⁾	Actual Production	Utilization Rate ⁽²⁾
			(%)			(%)			(%)			(%)			(%)
	(in units, except percentages)														
Yizheng Base	360,000	209,302	58.1	760,000	595,944	78.4	910,000	667,863	73.4	670,000	451,494	67.4	720,000	586,730	81.5

Notes:

- (1) The production capacity of the period is calculated based on the number of operational days per period, the number of shifts per day, the duration of each shift, the cycle time and the overall equipment effectiveness (OEE). These factors vary depending on the specific factor.
- (2) The utilization rate during the period is calculated by dividing the production output by the designed capacity for the same period.

Despite the continuous increase in our actual production from 209,302 HUD solutions in 2022 to 595,944 HUD solutions in 2023, and further to 667,863 HUD solutions in 2024, our utilization rate first increased from 58.1% in 2022 to 78.4% in 2023, then slightly decreased to 73.4% in 2024, primarily due to the extra production line that we built in 2024. Our investments in expanding our production capacity are inherently forward-looking, typically involving the early setup or optimization of production lines in anticipation of next year's output expansion. As such, when the expansion of our production capacity in a given year outpaces that of our actual production, our utilization rate naturally fluctuate.

Production Expansion Plan

We plan to focus on the production expansion and development of our HUD solutions by constructing new production bases, expanding our existing production base and building new production lines. We develop production expansion plans primarily based on (i) the anticipated supply and demand for the relevant products, (ii) the current and anticipated prices for these products, (iii) the utilization of the existing production facilities and the feasibility of their expansion, (iv) the estimated cost of development, and (v) capital resources.

Quality Control

Quality control is integral to our production. We are committed to quality control since the inception of our business. As of the Latest Practicable Date, we have obtained IATF16949, ISO14001 and ISO45001 certifications for our quality management system. Our quality policy targets customer satisfaction and comprehensive quality control throughout our operation.

We have established dedicated examinations following each manufacturing step. To prevent errors, we have also implemented fail-safe mechanisms that trigger alarms for any incorrect procedures. A comprehensive product examination, comprising of electronic performance and optical performance evaluation, is required before the product is delivered to the customers, through which we intend to ensure that every product meets our stringent quality standards.

As a result of our commitment to quality control, we did not experience any material sales returns or any material product liability or major legal claims due to quality control issues, and did not recall any products during the Track Record Period and up to the Latest Practicable Date.

Maintenance

We conduct careful and timely maintenance of our production facilities and equipment. Each piece of our major production equipment or machinery undergoes regular servicing and maintenance, adhering to predefined schedules. We have established and continually update internal procedures tailored to the unique characteristics and requirements of each piece of production equipment or power machinery. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material or prolonged suspensions of operations due to equipment, machinery or other mechanical failures.

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

Our Suppliers

We procure certain raw materials and components from qualified suppliers to maintain quality standards, optimize our cost structure and achieve a desired scale of production.

We have developed a sophisticated procurement strategy that goes beyond merely addressing our needs for raw materials and components. Our approach encompasses a comprehensive supply chain management system that ensures stability of supplies, availability of qualified suppliers and fosters technological advancement. We have successfully established a vertically integrated supply chain covering the entire HUD solution industry, integrating over 200 high-quality suppliers to form a complete supplier matrix. This matrix spans from precision optical components (such as screens, lenses and optical lenses) and electronic components (including chips, resistors, capacitors, connectors and LEDs) to structural parts and system-level DLP optical engine solutions. During the Track Record Period, we sourced raw materials and components primarily from domestic suppliers and did not import any raw materials from the U.S. suppliers. During the Track Record Period, we typically procured chips from both domestic and international distributors and authorized agents. While most of the chips that we procured and utilized were imported, some being of U.S. origin, to the best knowledge of our Directors, they are not subject to U.S. export controls restrictions because those chips should be classified as EAR99. Considering that (i) we have identified domestic alternatives for the chips that we used on our HUD solutions; and (ii) we plan to increase the proportion of domestically sourced chips in future solution iterations, our Directors are of the view that our HUD solutions do not have a material reliance on imported chips. We monitor and manage the impact of price fluctuations by keeping safety stock, entering into strategic agreements with our suppliers and timely secure the price of subsequent orders through advance payments when the market price fluctuates excessively.

We typically enter into framework supply agreements with suppliers, the salient terms of which are set out below:

- ***Product specifications.*** We specify the product name, specification, price, quantity, delivery date, delivery location and other detailed items in each purchase order we send to our suppliers.
- ***Quality control.*** We inspect the products upon receipt to determine any deviations from our requirements with respect to quality and quantity and notify suppliers.
- ***Payment and delivery.*** We are responsible for the timely payment to suppliers, who are responsible for the delivery of products to our designated location specified in each purchase order.
- ***Confidentiality.*** All confidential information provided by either party shall be used solely for the purposes of cooperation pursuant to the agreements and shall not be disclosed to any third party without prior written consent.
- ***Duration.*** The duration of the agreements is generally one year.
- ***Product recalls and return.*** We have the right to return or replace any products that do not meet our requirements, at the expense of suppliers, or to request product replacement or maintenance.

- **Termination.** The agreements will be terminated by mutual agreement, or by other means as set forth in the agreements.

During the Track Record Period and up to the Latest Practicable Date, we did not experience quality issues with our raw materials that materially affected our operations.

Supply Chain Management

Selection and Engagement of Suppliers

In selecting our suppliers, we prioritize those that can offer quality products, cost efficiency, timely delivery, production capacity and valuable customer service. However, our selection criteria extend beyond these basic requirements. We also consider our needs for technological development and security, which has led us to forge long-term partnerships with industry leaders. For instance, our collaboration with our optical lenses supplier has resulted in technological advancement that overcomes challenges in injection-molded curved mirror coating technology, significantly reducing HUD product distortion rates and setting a new industry benchmark.

Our supplier management system stipulates a rigorous selection and engagement process, quality standards and regular evaluation and assessment. During the initial assessment, we examine the basic information of supplier candidates, including registered address, production capacities and capabilities and system certification. Upon satisfaction with these criteria, we conduct a comprehensive review of the production process. Supplier candidates are required to provide test batches of their products, which our R&D team then verifies and evaluates to determine qualification.

We have established long-term partnerships with key suppliers in critical areas. For instance, our nearly decade-long collaboration with our supplier for optical screens in screen technology has exemplified our “long-term partner” concept, covering aspects from technology development to cost optimization.

To ensure supply chain security and cost optimization, we have implemented several strategic initiatives. We have adopted a “2+N” supplier strategy, ensuring that we have at least two mature suppliers for all categories of materials. We have also established a dynamic risk assessment model and formed a special supply guarantee team to respond promptly to unexpected risks. Furthermore, we have implemented a dual-region storage strategy to maintain adequate stock in our headquarters and a third-party warehouse.

Our commitment to continuous improvement is evident in our formation of a cross-departmental VAVE (Value Analysis/Value Engineering) task force. This team has achieved breakthroughs in several core areas, including the successful testing of domestically produced plastic particles for injection-molded curved mirrors in the HUD solution industry. We have also implemented localized LED replacement solutions to drive cost reduction while maintaining technical quality.

Upon careful evaluation of the capabilities and capacity of existing suppliers, we have also strategically developed in-house manufacturing capabilities for certain components. We dynamically adjust the proportion of in-house manufacturing versus sourcing to fulfill production volume requirements and maintain the competitiveness of internally sourced components in terms of quality and price.

This comprehensive approach to supply chain management not only ensures our ability to maintain product quality and drive technological innovation but also optimizes costs and effectively mitigates supply chain risks. Our strategy has positioned us as a leader in the HUD solution industry, capable of responding to market demands and technological advancements with agility and resilience.

Payment and Credit Terms

Our stable network of qualified suppliers provides us with the flexibility to mobilize resources effectively and achieve the expected procurement scale. Our comprehensive supply chain management system further bolsters our capacity to deliver superior products at relatively competitive prices, thereby enhancing efficiency and profitability. Qualified suppliers are subject to annual evaluation and assessment on their performance, and we generally review and negotiate with our suppliers on an as-needed basis for certain modification of the terms of the agreements. We primarily settle payments via wire transfers. Our credit term for procurement is generally between 30 to 90 days.

Major Suppliers

During the Track Record Period, our top suppliers primarily included raw materials and components suppliers, including those for optical components, electronic parts and mechanical parts. Purchase amount from our five largest suppliers in each period during the Track Record Period accounted for 38.9%, 38.9%, 38.5% and 32.0% of our total purchase amount in the respective periods. Purchase amount from our largest supplier in each period of the Track Record Period accounted for 11.5%, 13.2%, 15.2% and 9.0% of our total purchase amount for the respective periods. Our suppliers are located in China.

BUSINESS

The tables below set forth information about our five largest suppliers for each period during the Track Record Period:

Year ended December 31, 2022

No.	Suppliers	Background	Products provided to us	Purchase amount <i>(RMB in thousands)</i>	% of total purchase amount	Year of commencement of business relationship with us	Credit period	Payment method
1.	Supplier A	A private company principally engaged in the sales and manufacturing of in-vehicle devices	Reflector	25,911	11.5%	2017	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Supplier B	A private company principally engaged in the R&D and sales of electronic components, electronic products and computer software and hardware	Triode, Diode, IC, Connector, SMD-Microcontroller	25,287	11.2%	2019	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Supplier C	A private company principally engaged in the technical development of electronics, integrated circuits and computer	LCD screen	14,594	6.5%	2018	Within 30 days upon receipt of invoice	Wire transfer
4.	Supplier D	A private company principally engaged in the technical development of electronic components and electronic products	SMD-Microcontroller, IC	11,521	5.1%	2018	Within 30 days upon receipt of invoice	Wire transfer
5.	Supplier E	A private company principally engaged in the technical development and sales of electronic products	LCD screen	10,425	4.6%	2021	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill

BUSINESS

Year ended December 31, 2023

No.	Suppliers	Background	Products provided to us	Purchase amount <i>(RMB in thousands)</i>	% of total purchase amount	Year of commencement of business relationship with us	Credit period	Payment method
1.	Supplier E	A private company principally engaged in the technical development and sales of electronic products	LCD screen	56,081	13.2%	2021	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Supplier A	A private company principally engaged in the sales and manufacturing of in-vehicle devices	Reflector	31,665	7.5%	2017	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
3.	Supplier B	A private company principally engaged in the R&D and sales of electronic components, electronic products and computer software and hardware	Triode, Diode, IC, Ceramic capacitor, Connector	30,429	7.2%	2019	Within 60 days upon receipt of invoice	Wire transfer and bank acceptance bill
4.	Supplier F	A private company principally engaged in the manufacturing and sales of plastic products and automotive parts and accessories	Left flip bracket, Upper cover	25,765	6.1%	2022	Within 90 days upon receipt of invoice	Wire transfer
5.	Supplier D	A private company principally engaged in the technical development of electronic components and electronic products	Thermal silicone pad, SMD-Microcontroller, IC	20,871	4.9%	2018	Within 30 days upon receipt of invoice	Wire transfer

BUSINESS

Year ended December 31, 2024

No.	Suppliers	Background	Products provided to us	Purchase amount <i>(RMB in thousands)</i>	% of total purchase amount	Year of commencement of business relationship with us	Credit period	Payment method
1.	Supplier E	A private company principally engaged in the technical development and sales of electronic products	LCD screen, motor	61,509	15.2%	2021	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Supplier G	A private company principally engaged in various technical activities, such as development, transfer and consulting, as well as the sales of electronic products and mechanical equipment	Electronic materials	28,201	7.0%	2023	Within 90 days upon receipt of invoice	Wire transfer
3.	Supplier F	A private company principally engaged in the manufacturing and sales of plastic products and automotive parts and accessories	Injection molded parts	27,257	6.7%	2022	Within 90 days upon receipt of invoice	Wire transfer
4.	Supplier H	A private company principally engaged in the technical development and sales of electronic products and LCD display devices	LCD screen	24,689	6.1%	2023	Within 30 days upon receipt of invoice	Wire transfer
5.	Supplier I	A private company principally engaged in the manufacturing and sales of optical instruments	Large and small lenses	14,009	3.5%	2022	Within 60 days upon receipt of invoice	Wire transfer

BUSINESS

Nine months ended September 30, 2025

No.	Suppliers	Background	Products provided to us	Purchase amount <i>(RMB in thousands)</i>	% of total purchase amount	Year of commencement of business relationship with us	Credit period	Payment method
1.	Supplier E	A private company principally engaged in the technical development and sales of electronic products	LCD screen, motor, Kyocera screen	36,271	9.0%	2021	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
2.	Supplier F	A private company principally engaged in the manufacturing and sales of plastic products and automotive parts and accessories	Injection molded parts	30,119	7.5%	2022	Within 90 days upon receipt of invoice	Wire transfer
3.	Supplier L	A private company primarily engaged in the development and sales of electronic components, computer hardware and software, optical and display devices	LCD screen	27,682	6.9%	2024	Within 30 days upon receipt of invoice	Wire transfer and bank acceptance bill
4.	Supplier G	A private company principally engaged in various technical activities, such as development, transfer and consulting, as well as the sales of electronic products and mechanical equipment	Electronic materials	21,405	5.3%	2023	Within 90 days upon receipt of invoice	Wire transfer
5.	Supplier M	A private company primarily engaged in the research, design, and manufacturing of automotive optical components, precision molds, and smart cockpit solutions components	Large and small lenses	13,432	3.3%	2021	Within 90 days upon receipt of invoice	Bank acceptance bill

BUSINESS

To the best of our knowledge, none of our Directors, their associates or any of our Shareholders who owned more than 5% of our issued share capital as of the Latest Practicable Date had any interest in any of our five largest suppliers during the Track Record Period.

OVERLAPPING SUPPLIER AND CUSTOMER

During the Track Record Period, to the best knowledge of our Directors, Customer B, one of our five largest customers in 2022 and 2023 was also a supplier in 2023. For the year ended December 31, 2023, our purchase from Customer B amounted to RMB186.4 thousand accounting for 0.04% of our total purchases for the same period. Our relationship with Customer B during the Track Record Period primarily related to the sale of our HUD solutions. During the early stage of our business with certain automotive OEMs, Customer B acted as the Tier-1 supplier through whom we indirectly supplied our HUD solutions, which was a one-off arrangement for a limited period of time. We ceased the one-off arrangement with Customer B after we obtained the Tier-1 supplier qualifications for and became the direct supplier of such automotive OEMs. Our purchase from Customer B in 2023 was for a separate transaction that related to our engagement of Customer B to conduct pre-delivery quality testing for our HUD solutions through their labs, such as dust tests, high and low temperature tests and drop tests, and to provide corresponding test reports. Except for Customer B, for the years ended December 31, 2022, 2023, 2024 and the nine months ended September 30, 2025, none of our five largest suppliers/customers in each period was also our customer/supplier in the same period.

Our Directors confirmed that all aforementioned transactions were conducted in the ordinary course of business under normal commercial terms and on arm's length basis.

BUSINESS SUSTAINABILITY AND PROFITABILITY

Since our inception, we have placed relentless focus on long-term sustainable growth, driven by technological expertise and market insights. We made substantial strategic investments in top talents and technology architecture to establish a robust platform for sustainable growth. We have built a dedicated team of industry experts and systematically upgraded our production facilities, while persistently exploring the most viable business model aligned with long-term value creation. Historically, our resources were strategically allocated to: (i) research and development efforts to develop proprietary technologies and comprehensive solution matrix, (ii) implementation of advanced manufacturing protocols to achieve industry-leading quality standards, and (iii) cultivation of comprehensive technology routes through continuous innovations.

These strategic investments, while resulting in loss for the year of RMB256.1 million, RMB174.6 million and RMB137.9 million in 2022, 2023 and 2024, and loss for the period of RMB127.8 million and RMB343.7 million in the nine months ended September 30, 2024 and 2025, respectively, have led to competitive advantages, fueling our growth. Notably, excluding fair value losses on redemption liabilities on equity shares and share-based payment expenses, we had adjusted loss for the year (non-IFRS measure) of RMB79.1 million in 2022 and

RMB7.1 million in 2024 and adjusted profit for the year (non-IFRS measure) of RMB13.3 million in 2023. Excluding fair value losses on redemption liabilities on equity shares, share-based payment expenses and listing expenses, we had adjusted loss for the period (non-IFRS measure) of RMB4.4 million and RMB17.5 million in the nine months ended September 30, 2024 and 2025, respectively.

The rapid industry expansion creates a fertile environment for our scalable solutions to achieve profitability at pace. Driven by the rapid development and implementation of intelligent vehicles and the user demand for safer and more convenient driving experience, the penetration rate of automotive HUD solutions in China continues to rise, with the market expanding rapidly. In terms of sales volume, the market size of China's automotive HUD solutions increased from 1.0 million units in 2020 to 3.9 million units in 2024, with a CAGR of 41.2% during the period. With the trends of full cockpit intelligence and the increasing penetration rate of automotive HUD solutions, the number of automotive HUD solutions in China is expected to increase to 12.7 million units by 2029, with a CAGR of 27.9% from 2025 to 2029. In the global market, W-HUD remains the mainstream HUD solution with projected growth from 10.7 million units in 2024 to 20.9 million units in 2029. AR-HUD emerges as the future growth driver, which is expected to increase from 2.0 million units to 7.6 million units in the same period.

We believe our industry-leading design-wins with leading OEM customers, robust technology architecture and solutions matrix, and strong mass production capabilities have laid a solid foundation for long-term development and business sustainability. In particular, we expect that our profitability will be enhanced in the next few years, primarily by (i) driving revenue growth; (ii) enhancing economies of scale; (iii) strengthening operating leverage; and (iv) optimizing our working capital. With the industry's growth trajectory aligning with our capacity to deliver cost-optimized solutions at mass scale, we are poised to transform early-stage investments into sustainable profitability, capturing value as the market matures.

Driving Revenue Growth

We witnessed continued growth in our total revenue during the Track Record Period, primarily attributable to the increase in the sales volume of our HUD solutions. Our revenue increased from RMB214.1 million in 2022 to RMB549.4 million in 2023, and further increased to RMB577.6 million in 2024. Our revenue increased from RMB429.7 million in the nine months ended September 30, 2024 to RMB479.9 million in the nine months ended September 30, 2025. In the future, we aim to drive our revenue growth through the following measures:

Growth with the Global HUD Market

We are strategically positioned to achieve profitability and long-term business growth by capitalizing on the expanding global HUD market. According to CIC, despite the downward industry trend of average selling price of HUD solutions, the HUD market in terms of sales volume is projected to grow significantly from 13.1 million units in 2024 to approximately 28.5 million units in 2029 at a CAGR of 16.8%, with penetration rate in the automotive industry

expected to rise from 16.2% in 2024 to 31.0% in 2029 as HUD solutions replace traditional dashboards. This macro trend provides a substantial growth runway for our business, and we are taking concrete steps to capture this opportunity while improving efficiency and financial performance.

Strengthening Existing Customer Relationship: Customer relationships are key to business growth in the competitive HUD solutions market. According to CIC, it is common to have a high level of customer concentration in the automotive HUD solution industry, primarily due to the high entry barriers and lengthy certification cycles of the automotive OEM supply chains, which propel automotive OEMs to favor long-term partnerships with several major suppliers. According to CIC, a high level of customer concentration is common in the HUD industry. For example, certain leading HUD suppliers derive approximately 90% of their HUD sales volume from their top five OEM customers. With our excellent solutions and unique value propositions, we have established long-term, stable and tight collaborations with leading OEMs. As of September 30, 2025, we served a total of 18 automotive OEM customers, with a sales volume of over 1.9 million units and 101 design-wins. We intend to capitalize our relationships established with existing customers to further discover and meet their needs and stay at the technological forefront of the market. Meanwhile, we are prepared for mass production and delivery for existing design-wins and for additional design-win vehicle models with existing customers to further strengthen such ties for long-term customer retention and loyalty. We have also continually strengthened our ties with customers in HUD and other application scenarios. For example, we have continued to devote resources in diverse technology routes and other innovative initiatives. Retaining and expanding collaboration with established OEMs ensures recurring revenue through long-term cooperation, while our ability to deliver customized solutions for diverse vehicle models has unlocked cross-selling opportunities. This dual-focus approach on customer retention and acquisition mitigates risk associated with market fluctuations affecting our customers and solidifies our position as a trusted partner in the intelligent cockpit solutions market. The trust we have built is reflected in our growing order pipeline, including design-wins and prospective orders for upcoming vehicle models, providing revenue visibility and pricing stability for the years to come. The prospective orders, such as those secured for new vehicle models in 2024 and the expected ones from our newly secured design-wins, enable efficient inventory management and production scheduling, reducing waste and operational inefficiencies. The 94 design-wins not only validate our technological edge but also demonstrate our ability to meet the evolving needs of OEMs, reinforcing industry recognition of our HUD solutions.

Although automotive OEMs may from time to time exert downward pricing pressure on upstream suppliers, HUD solution suppliers, such as we, are typically less susceptible, primarily because due to the relatively high technical barriers and industry entry thresholds for HUD solutions, the supply of HUD solutions to automotive OEMs tends to be concentrated among a limited number of suppliers, who possess a certain degree of pricing power. According to CIC, the top five automotive HUD solution suppliers in China collectively accounted for 66.5% of the market share by sales volume in 2024. According to CIC, it is also likely that automotive OEMs will continue to partner with industry-leading HUD solution suppliers instead of developing their own HUD solutions in-house due to the high costs, technical

barriers and minimal competitive upside: (i) established HUD solution suppliers, such as we, offer mature, cost-effective HUD solutions with proven track record of integration across vehicles of different brands, models and power systems, whereas in-house development would require substantial R&D investment, new supply chains and software calibration expertise without guaranteed differentiation; (ii) HUD solution providers benefit from economies of scale, distributing costs across multiple automotive OEM customers, while automotive OEMs would face higher per-unit expenses for comparable performance; and (iii) since HUD solutions are largely commoditized, automotive OEMs could prioritize partnerships with HUD solution providers over in-house development to allocate resources toward more strategic innovations with respect to vehicle models and designs, ensuring faster time-to-market and lower risk.

Growing Customer Base: Eyeing the significant growth potential of the HUD market, we consider the expansion of our customer base an equally important driver of our revenue growth. By attracting new OEM customers, we have, and will continue to, diversify revenue streams. We believe that our market leadership, combined with our customer-focused technological innovations and solutions offerings as well as large-scale production expertise, will continue to position us as a preferred partner for new customers in the automotive industry. Beyond delivering our solutions, we are actively cultivating stronger alliances with key OEM customers, including prominent electric vehicle manufacturers, by elevating brand engagement and fostering strategic dialogues with their leadership teams. To amplify this effort, we intend to enhance customer interactions through various manners, which will showcase our latest advancements and reinforce awareness of our current offerings. Additionally, we prioritize ongoing communication with customers to gather insights into their challenges and refine our solutions accordingly, ensuring alignment with market demands and bolstering both our reputation and sales performance. While our immediate focus remains on securing major design-wins with domestic and international OEMs, we are energized by early successes in overseas markets. These regions enable us to deploy lean, margin-optimized operational strategies from the start, leveraging local partnerships and cost-efficient frameworks. As momentum builds across global automotive markets — both established and emerging — we aim to harness this geographic diversity to fuel resilient, high-value growth, transforming regional opportunities into long-term competitive advantages.

Refining Solution Offerings and Strengthening Technology Leadership: The sales volume of our HUD solutions increased steadily from 175,714 units in 2022 to 534,598 units in 2023 and further increased to 624,597 units in 2024. The sales volume of our HUD solutions increased from 462,969 units in the the nine months ended September 30, 2024 to 608,035 units in the nine months ended September 30, 2025. This growth trajectory is anchored in the exponential increase in demand for our HUD solutions, witnessing triple-increase in sales volume during the Track Record Period. Building off the success of our existing solution offerings, we intend to actively enhance our solution portfolio to meet evolving industry demands, ensuring our HUD solutions remain at the forefront of innovation. During the Track Record Period, we iterated our W-HUD solutions from 1.0 to 2.0 and developed two types of AR-HUD solutions through four technical approaches, including TFT, DLP, LCOS and waveguide, to offer our customers a wide array of HUD solutions with different display quality

in terms of brightness, contrast and resolutions as well as lower power consumption. Our W-HUD 2.0 solutions (i) feature larger screen sizes, enabling the display of richer content, such as driving information, advanced driver assistance systems (“ADAS”) data, side/rear video feeds and navigation maps; (ii) utilize curved mirror to optimize the optical path, significantly improving dynamic image distortion and clarity; (iii) enhance image contrast through local dimming technology; and (iv) reduce the volume of the HUD PGU optical engine by over 20% while maintaining high brightness and uniformity. Our AR-HUD solutions (i) have larger FOV; (ii) extend the projection distance to over seven meters; (iii) feature an optimized optical design combining single and dual free-form curved mirrors; and (iv) integrate our proprietary AR display algorithms, including virtual-reality fusion, image stabilization, spatial transformation, latency compensation and multi-eyepoint distortion correction. Our W-HUD 2.0 and AR-HUD solutions offer OEMs a powerful tool to attract new customers by delivering a sophisticated and immersive digital cockpit experience that deeply integrates with ADAS, which enhances the perception of technological advancement and luxury in a vehicle. Furthermore, our HUD technologies significantly improve both safety and convenience for drivers by reducing distraction risks while supporting quicker and more confident driving decisions. We also plan to further diversify our technology architecture for more comprehensive coverage of customers’ needs, while expanding our solution offerings to address new use cases. We are promoting innovative vision and interaction solutions beyond HUD. For example, we are developing a variety of other innovative initiatives that are designed to further address diverse market needs. Through continuous technological advancement, we aim to secure more design-wins from leading automotive OEMs, translating into higher sales volumes and revenue growth. Our strong customer relationships with major manufacturers allow us to target high-volume vehicle models, further solidifying our market position. Each of these initiatives represents a significant advancement in how visual information is presented within the in-vehicle environment, creating more immersive, informative and safer driving experiences.

Enhancing Economies of Scale

To achieve a sustainable path to profitability, we have been focusing on enhancing economies of scale across a variety of strategic directions. Together, these strategies create a virtuous cycle. Reduced per-unit costs enable us to offer our solutions at relatively competitive prices and drive further market share expansion and growth in volume, which in turn further amplifies economies of scale. As our sales volume of HUD solutions increased from 175,714 units in 2022 to 534,598 units in 2023 and further to 624,597 units in 2024, our costs of sales per HUD solution decreased by 12.0% from RMB772.0 in 2022 to RMB679.7 in 2023 as compared to a 5.0% decrease in average selling price from 2022 to 2023. The costs of sales per HUD solution further decreased by 7.8% to RMB626.7 in 2024 as compared to a 6.4% decrease in average selling price from 2023 to 2024. As our sales volume of HUD solutions increased from 462,969 units in the nine months ended September 30, 2024 to 608,035 units in the nine months ended September 30, 2025, our cost of sales per HUD solution decreased by 9.9% from RMB626.1 in the nine months ended September 30, 2024 to RMB564.1 in the nine months ended September 30, 2025, meanwhile the average selling price decreased by 14.8% from RMB865.4 for the nine months ended September 30, 2024 to RMB737.4 for the same period

in 2025. In 2023 and 2024, the decrease in the average selling price was generally lower than the corresponding decrease in cost of sales per unit. Notwithstanding the foregoing, for the nine months ended September 30, 2025, the decrease in the average selling price exceeded the decrease in cost of sales per unit as compared to the same period in 2024. The higher rate of decrease in average selling price was primarily due to a relatively greater downward price adjustment of the price of our OEM customers' vehicle models equipped with our HUD solutions. As a result, our gross profit increased from RMB48.4 million in 2022 to RMB140.4 million in 2023 and RMB157.9 million in 2024, and slightly decreased from RMB117.3 million in the nine months ended September 30, 2024 to RMB114.9 million in the nine months ended September 30, 2025. This holistic approach positions us to deliver value across mass and niche markets while building resilience against supply chain volatility and pricing pressures. We are of the view that the R&D process platformization, centralized supply chain management and manufacturing efficiency optimization have been key drivers of our consistently improving gross profit and will continue to support our sustained gross profit moving forward. In particular, we believe these initiatives will contribute to a more predictable expense profile with respect to selling and marketing expenses, administrative expenses and research and development expenses. Accordingly, even as our revenue increases, such expenses are expected to remain relatively consistent, allowing us to further realize economies of scale, mitigate pricing pressure and support an improvement in our profitability over time.

R&D Process Platformization: R&D process platformization serves as a key driver for enhancing economies of scale, which in turn strategically enables expansion in market penetration. By continuously implementing platformization across hardware and software R&D, we establish a unified framework that standardizes core technologies, components and development processes. This approach effectively eliminates redundant efforts as our R&D teams leverage shared infrastructure, reusable R&D results and pre-validated designs, significantly accelerating R&D cycles and reducing time-to-market. For instance, a hardware platform with adaptable interfaces or a software stack with configurable application programming interfaces allows rapid customization, avoiding the need to rebuild systems from scratch. Concurrently, technology commonality across solutions enables further innovations, where advancements in one solution can be seamlessly integrated into others. Certain foundational modules are shared across our HUD solution matrix. For instance, over 60% of our CyberLens solutions and over 65% of our CyberVision share the same foundational mechanical designs, and approximately 90% of our electronic components share the same foundational electrical engineering design. This not only reduces per-unit R&D costs by spreading development expenses across a broader portfolio but also ensures flexibility to pivot resources toward emerging opportunities, such as adapting to new regulatory standards or integrating disruptive technologies. Therefore, our research and development expenses as a percentage of total revenue decreased from 39.0% in 2022 to 10.2% in the nine months ended September 30, 2025. Over time, the compounding efficiency gains from platformization create a self-reinforcing cycle: lower costs per project free up capital for strategic R&D investments, while faster iteration cycles enhance competitive differentiation. By embedding scalability into R&D, we transform innovation from a cost center into a scalable, margin-enhancing engine, ensuring long-term sustainability amid fluctuating demand and tightening cost pressures.

Centralized Supply Chain Management: Scale effects are pivotal to achieving economies of scale, directly underpinning long-term business sustainability and profitability. By strategically leveraging bulk procurement and cultivating deep supplier partnerships, we gradually transform purchasing power into a competitive advantage. Centralized purchasing consolidates demand across solution matrix, enabling higher order volumes that drive down per-unit material costs through volume-based discounts. For example, procuring components in bulk for multiple solutions — rather than fragmented, project-specific orders — could reduce raw material expenses, directly improving gross margins. Concurrently, volume commitments and long-term agreements with suppliers create mutual dependencies: suppliers gain predictable demand, while we secure preferential pricing, priority access to scarce resources and protection against market volatility. For example, the purchase price for liquid crystal display per unit decreased by approximately 20% to 35% in the nine months ended September 30, 2025 compared to 2022, in line with our increase procurement volume. Leveraging scale effects through bulk procurement and strategic supplier partnerships will drive material cost reductions and improve bargaining power. Moreover, scale-driven bargaining power mitigates supply chain risks. By locking in pricing and capacity with key suppliers, we insulate ourselves from inflationary pressures or geopolitical disruptions, ensuring consistent production capacity. This reliability not only reduces operational downtime but also enhances customer trust by meeting delivery commitments. As procurement scale grows, the fixed costs of supplier management, logistics and quality control are distributed across a larger output base. These cost advantages can then be reinvested into our efforts to capture market share, creating a self-reinforcing cycle of growth. Ultimately, scaling procurement operations transcends mere cost reduction; it builds a resilient, agile supply ecosystem that aligns with profitability goals.

Manufacturing Efficiency Optimization: In anticipation of rising order volumes in the future, we have made, and will continue to make, investments in the recruitment and retention of talent and expansion and upgrade of production facilities and equipment to expand our production capacity. Our utilization rate for our Yizheng Base generally increased from 58.1% in 2022 to 81.5% in the nine months ended September 30, 2025 in line with our business growth. We expect the future order flow will continue to improve the utilization rate of our manufacturing facilities. Optimizing manufacturing efficiency will amplify cost advantages through advanced automation, lean production techniques and data-driven process improvements. Investments in smart factories and vertical integration will ensure consistent quality, further lowering per-unit production costs. As we achieve mass production for the remaining design-win vehicle models and ramp up our production volume, we are expected to achieve economies of scale and enjoy lower average manufacturing costs, in particular labor costs and overheads such as depreciation and amortization.

Strengthening Operating Leverage

Our operating efficiency improvements also contributed and will continue to contribute to our profitability. During the Track Record Period, we prioritized R&D process optimization, including the adoption of platform-based design frameworks and software/hardware platform that allows rapid adaptation, which reduced redundant development cycles. In addition, we are committed to our streamlining the R&D employee structure to improve our R&D efficiency.

BUSINESS

We also established our own laboratory to decrease the raw material waste. These factors enabled us to decrease research and development expenses from RMB83.4 million in 2022 to RMB54.5 million in 2023 and RMB62.1 million in 2024. As a percentage of total revenue, our research and development expenses decreased from 39.0% in 2022 to 10.7% in 2024. Our research and development expenses as a percentage of our total revenue further decreased to 10.2% in the nine months ended September 30, 2025. Moving forward, we plan to continuously enhance our R&D capabilities. See “Future Plans and Use of Proceeds.” We expect our research and development expenses to predominately consist of personnel, material and testing costs rather than significant capital investments in new facilities or equipment as we have procured and installed the necessary ones. This shift allows us to focus our resources on targeted R&D initiatives that directly contribute to solution innovation and market expansion, without necessitating proportional increases in research and development expenses as our revenue grows. In addition, we expect our streamlined R&D workflows enabled by automation tools and cross-functional collaboration to further optimize our R&D spending without compromising output.

Similarly, we have achieved improvements of operating efficiency in administrative expenses, which are primarily comprised of employee benefit expenses. Our administrative expenses as a percentage of our total revenue dropped from 29.5% in 2022 to 13.9% in 2023 and 2024. While our administrative expenses as a percentage of our total revenue increased from 14.2% in the nine months ended September 30, 2024 to 17.7% in the nine months ended September 30, 2025 primarily due to the listing expenses incurred in 2025 relating to the Global Offering, we expect it to further decrease due to economies of scale. As our business grows, we can leverage our existing administrative infrastructure and systems across a larger revenue base, improving overall operational efficiency.

Given our established and stable automotive OEM customer base, we anticipate that our selling and marketing expenses in absolute amount will remain relatively stable in the coming years. Our selling and marketing expenses as a percentage of our total revenue dropped from 7.2% in 2022 to 4.2% in 2024. Our selling and marketing expenses as a percentage of our total revenue further decreased from 4.1% in the nine months ended September 30, 2024 to 3.8% in the nine months ended September 30, 2025. As our market recognition and leadership continue to grow, we expect to rely less on selling and marketing activities to grow our business.

As we have established core teams in sales and marketing, R&D as well as administration, we expect our selling and marketing expenses, R&D and administrative expenses as percentages of our revenue to decrease as we scale, enhancing overall operational efficiency and profitability without excessive overhead. This approach allows us to capitalize on revenue growth opportunities while maintaining disciplined cost management, ultimately driving sustainable financial performance.

Optimization of Working Capital

Maintaining sufficient working capital is a critical priority as we execute our growth strategy, and we have implemented a disciplined approach across trade receivables, trade payables, inventory and financing to ensure ongoing liquidity. Our focus on profitability and sustainable expansion is reinforced by proactive working capital management, allowing us to fund operations efficiently while supporting future investments.

Trade Receivables Management

We plan to prioritize maintaining reasonable trade receivable turnover days by carefully selecting customers with strong credit profiles and implementing stringent collection processes. Our refined operational approach is expected to ensure timely invoicing and follow-ups, minimizing delays in cash inflows. We had reduced our trade receivables turnover days from 140.5 days in 2024 to 117.9 days in the nine months ended September 30, 2025. In addition, as major automotive OEMs in China pledged to shorten payment cycles to suppliers in June 2025, we expect a continuous decrease in our trade receivable turnover days in the upcoming years. Through disciplined receivables management, we aim to strengthen our liquidity and reduce reliance on external financing to build a more self-sustaining growth model.

Trade Payables Management

As our scale and bargaining power increase, we plan to actively negotiate more favorable payment terms with suppliers. During the Track Record Period, we had extended our trade payables turnover days from 87.7 days in 2022 to 93.7 days in the nine months ended September 30, 2025. Underpinned by our growing market position, we are able to secure flexible terms without compromising supply chain stability. Such strategic extension improves our cash flow by allowing us to retain funds longer while maintaining strong supplier relationships.

Efficient Inventory Management

We have implemented rigorous inventory control measures. During the Track Record Period, we have reduced our inventory turnover days from 112.7 days in 2022 to 79.0 days in the nine months ended September 30, 2025. Going forward, we plan to continuously enhance our capital efficiency by leveraging demand forecasting, timely procurement and lean production to minimize excess stock while ensuring product availability. Through refined inventory management, we aim to free up our working capital for growth initiatives and reduce holding costs, further strengthening our financial flexibility.

Strengthening Banking Relationships

To supplement internal cash flow, we plan to deepen our collaborations with financial institutions to expand our bank credit facilities. These facilities provide an additional liquidity buffer, ensuring that we can navigate cyclical demand fluctuations or seize strategic opportunities without disruption. Our improving financial performance and credit profile is expected to position us favorably to secure competitive financing terms.

By aligning receivables, payables, and inventory management with our expansion strategy, we expect to maintain sufficient working capital cycle supports both our day-to-day operations and long-term investments. Our disciplined financial practices, combined with enhanced banking partnerships, will ensure that we remain agile in a dynamic market while progressing toward profitability and sustainable value creation.

WAREHOUSING, LOGISTICS AND INVENTORY MANAGEMENT

We established comprehensive systems and procedures for warehousing, logistics and inventory management to standardize the entire process from receipt of materials, stock-in of inventory, return of manufacturing materials to finished product delivery. Meanwhile, we regularly review and update relevant procedures, which are published through our internal systems. We also provide staff training to ensure strict procedural compliance, including inspection, handling and reporting of anomalies to maintain standardized operations.

Our inventory primarily includes raw materials, work in progress and finished products. Our inventories amounted to RMB66.3 million, RMB78.2 million, RMB89.3 million and RMB117.0 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. For the years ended December 31, 2022, 2023, 2024 and the nine months ended September 30, 2025, our inventory turnover days were 112.7, 66.7, 75.0 and 79.0 days, respectively. See “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories” in this prospectus for more details.

Our inventory management is closely linked with our production plans and benefit from the strong relationships with our customers and suppliers, which enable us to manage the level of in-progress inventories, effectively mitigate inventory-related risks and enhance our overall operational efficiency. For inventory management, we track the storage level of our inventory, which helps improve warehousing efficiency and achieve full traceability of materials. Each step from receipt of materials to finished product delivery undergoes rigorous verification. Regular cycle counts and annual inventory stock-taking are conducted to maintain accuracy and transparency in inventory management, ensuring the stable operation of our warehousing and logistics system. We have also engaged competent logistics providers to ensure safe, timely and reliable product delivery.

INFORMATION TECHNOLOGY SYSTEMS

IT is fundamental to our competitiveness and efficient operation. We utilize and maintain IT systems which are in line with our business operations to cater to our diverse operational needs and support various critical functions covering sales, R&D, supply chain, production and after-sales services. We strive to continue optimizing our IT systems. Set forth are our main IT systems:

- **PLM system.** Our product lifecycle management (PLM) system focuses on the entire lifecycle of a product. It is a comprehensive system that manages product data throughout its entire lifecycle, facilitates collaborative work and optimizes processes. Our PLM system helps improve efficiency while maintaining quality and enhance enterprise competitiveness by providing end-to-end product information management.
- **MOM system.** Our manufacturing operation management (MOM) system manages and coordinates all aspects of manufacturing operations, including production, quality, materials, equipment and personnel. Our MOM system increases production efficiency, maintains quality assurance and strengthens our company's competitive advantage in manufacturing.
- **ERP system.** Our enterprise resource planning (ERP) system is an integrated enterprise management solution that efficiently manages and optimizes business processes across multiple domains including finance, human resources, supply chain and production. Our ERP system helps improve operational efficiency, enhance decision-making capabilities and strengthen overall competitiveness.
- **OA system.** Our office automation (OA) system is a system that leverages information technology to achieve automation and digitization of office operations such as workflow approvals, document management and collaborative communication. Our OA system increases office efficiency, standardizes management practices and supports efficient enterprise operations.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material IT system failure or downtime that had a material adverse effect on our business operations. See “Risk Factors — Risks Relating to Our Industry and Business — Our performance may suffer from business disruptions associated with information technology, system implementations, or catastrophic losses affecting our IT systems.”

DATA SECURITY AND PRIVACY

We are committed to ensuring data privacy and information security. Our HUD solutions merely display vehicle information and traffic data in real-time without recording, collecting or transmitting any vehicle information, traffic data or user information. In the course of conducting our business, we collect privacy data mainly pertaining to employee information,

BUSINESS

customer and supplier contact information and other data necessary for operation and management. We ensure to obtain adequate authorization and consent from our employees, customers and suppliers for collecting and processing their private information, and we store these data in mainland China without cross-border data transmission.

We have implemented robust protective measures for the privacy data we collect. These measures include (i) establishing internal control systems such as information security protection policy, trade secrets management policy and file classification management system; (ii) strictly minimizing the access and circulation rights of private information and requiring stringent system authorization for the use of such information; (iii) adopting technical measures such as data loss prevention encryption system for comprehensive data protection; (iv) establishing an information security management system to ensure information security; (v) establishing the Information Security and Prototype Protection Policy (《信息安全及原型保護管理策略》) that clearly defines security protocols for all employees and external strategic partners to prevent unauthorized disclosure of confidential data of our Group and customers; and (vi) enforcing our Information Security Management Procedure (《信息安全管理制度》) which outlines a structured governance framework, with defined roles for management, operational leaders, a dedicated information security and compliance team, department heads and departmental security officers. In particular, we strictly limit the access to and management of our employees' personal information database to our dedicated personnel to further safeguard our information security from unauthorized internal access.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information leakage or loss of operating or transaction data.

SEASONALITY

Our HUD solution sales generally experience seasonal fluctuations. Sales tend to be lower during the first quarter, particularly around the Chinese New Year holiday period when vehicle manufacturing activities slow down. Sales typically increase in the second and third quarters as vehicle manufacturing ramps up during the spring and summer months. The fourth quarter often sees strong sales as customers seek to complete their annual procurement plans and utilize remaining budgets before year-end.

COVID-19

During the COVID-19 pandemic, we implemented various preventive measures to ensure business continuity while prioritizing employee health and safety, including (i) establishing a dedicated pandemic response team that held regular meetings to monitor industry developments, track customer-specific prevention requirements, advance business arrangements and project progress and implement contingency plans for local pandemic outbreaks; (ii) enforcing strict health protocols, including mandatory mask-wearing, temperature checks at all facility entrances and thermal scanning at office and factory gates; (iii) enhancing sanitation measures with office space and restrooms disinfected twice and three to four times per day, respectively; (iv) modifying dining arrangements by temporarily closing

the staff canteen at our production facility and implementing staggered meal breaks with employees bringing their own food. As a result, we did not experience any production halt during the COVID-19 pandemic. As such, our Directors are of the view that the COVID-19 pandemic did not have any material adverse effect on our business operations, financial position or future prospects during the Track Record Period and up to the Latest Practicable Date.

In 2022, our total expenditure relating to the COVID-19 pandemic amounted to approximately RMB29,600, which primarily consisted of (i) the masks, hand sanitizer, thermometer and other protective gears that we procured; and (ii) hotel quarantine expenses.

COMPETITION

The Chinese HUD solutions industry is rapidly evolving and competitive. We primarily compete with existing solution providers and new entrants in the HUD solutions sector. Although we believe that we have market-leading technology, we may face competition from a range of companies which may possess more resources and skills in design, development, manufacturing and sales. Our key competitors predominantly consist of automotive suppliers offering similar solutions. See “Industry Overview” and “Risk Factors — Risks Relating to our Industry and Business — We operate in a highly competitive industry, and we may be unable to continually maintain a leading position in this industry.”

To increase our penetration in the HUD market, expand our business scale, grow our customer base, and drive revenue growth, we have been committed to (i) developing cutting-edge HUD solutions through strategic collaboration with automotive OEMs on cockpit vision and interaction solutions and next-generation HUD technologies. By iterating our HUD solutions and introducing new products such as CMS, we have helped automotive OEMs meet evolving customer demands and differentiate their vehicle offerings; (ii) tailoring differentiated HUD solutions based on automotive OEMs’ specific requirements for display performance and interactive features; (iii) delivering cost-optimized HUD solutions to extend their adoption from premium vehicle models priced above RMB300,000 to entry level vehicle models priced at around RMB100,000; and (iv) establishing cross-functional dedicated teams comprising account managers, solution architects and delivery specialists to serve key customers, ensuring seamless front-to-back office collaboration and enabling agile and responsive customer support. According to CIC, we ranked second among China’s HUD solution providers in terms of sales volume in 2024, with a market share of 16.2%. We believe that we are strategically well positioned in our market, and we compete favorably with others leveraging our advanced in-house developed R&D capabilities, supply chain management capabilities and mass production capabilities to attract and retain customers and expand our market share.

Industry practices suggest that, in the absence of major quality issues or significant disputes between automotive OEMs and HUD solution providers, incumbent providers for a specific vehicle model typically retain their role throughout the model’s lifecycle, though another provider can offer solutions with equal or better performance at a lower price, as noted

by CIC. Thus, our competition primarily involves other HUD solution providers for inclusion in automotive OEMs' new vehicle models. We are confident in our strategic market positioning and our ability to compete effectively. Our confidence is supported by our advanced technologies, which delivers superior performance, quality and cost-efficiency, combined with our automotive-grade manufacturing processes and robust research and development capabilities.

INTELLECTUAL PROPERTY

Our intellectual property rights are key to our success and competitiveness. As of the Latest Practicable Date, we owned 229 granted patents, along with 151 patents under application worldwide. Our patents and patent applications encompass various areas, including HUD optical systems, mechanical structures, software interaction, testing methods and equipment, electronic circuits, among other things. We also had 35 software copyrights and 99 registered trademarks worldwide as of the Latest Practicable Date.

We have developed core patents in multiple areas of HUD technology, showcasing significant advancements in optical, mechanical, software, hardware and testing aspects. For instance, in optical systems, we have created multi-focal plane imaging patents that enhance depth perception and reduce eye strain. Mechanical innovations include patents for stabilizing reflector transmission structures, improving image stability during vehicle movement. Software patents focus on image brightness adjustment, shake compensation and distortion correction, enhancing overall display quality. In electronics design, our patents address electromagnetic compatibility issues, ensuring stable HUD operation in complex electromagnetic environments. Testing innovations include equipment designs for improved stability and efficiency, as well as patents for stray light detection and analysis. Additionally, for AR-HUD, we have developed navigation-based human-machine interaction patents that provide more accurate and personalized navigation guidance by integrating real-time vehicle position data with navigation information.

We undertake a proactive approach to manage our intellectual property portfolio. We have adopted an intellectual property management policy. We also established a reward mechanism to incentivize key employees who contribute to the incubation of new intellectual properties. For patent landscaping purposes, our in-house IP engineers participate in the early stage of our solution development initiatives to analyze the patentability of our potential R&D results. Additionally, we have rolled out an intellectual property platform to archive all relevant information from the R&D stage to the delivery stage for record-keeping purposes. Furthermore, training in relation to intellectual property is held from time to time on a regular basis, constantly raising internal awareness of intellectual property protection across the globe.

Despite our efforts to protect ourselves from infringement or misappropriation of our intellectual property rights, unauthorized parties may attempt to copy or otherwise obtain and use our intellectual property in violation of our rights. Monitoring unauthorized use of our

technology is difficult and costly, and we cannot be certain that the steps we have taken will prevent misappropriation of our technology. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

In addition, third parties may initiate litigation against us alleging infringement of their proprietary rights or declaring their non-infringement of our intellectual property rights. In the event of a successful claim of infringement against us, or our failure or inability to develop non-infringing intellectual property or license the infringed or similar intellectual property on a timely basis, our business could be harmed. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in or experienced any threatened or pending disputes relating to the infringement of intellectual property rights that would have a material adverse effect on our business. See “Risk Factors — Risks Relating to our Industry and Business — We may not be able to protect our intellectual property rights, and our ability to compete could be harmed if our intellectual property rights are infringed by third parties” and “Risk Factors — Risks Relating to our Industry and Business — We may infringe intellectual property rights of third parties, which can lead us to time-consuming and costly intellectual property infringement claims.”

CUSTOMER SERVICES AND WARRANTY

Solution Returns and Replacement

We have established a standardized procedure for handling solution returns. When a customer identifies non-conforming solutions and requests a return, they also need to provide a sample of the non-conforming solution. Our quality control team will review and approve the return request if the non-conformity is confirmed. Throughout the Track Record Period and up to the Latest Practicable Date, we have not encountered any significant returns or recalls of solutions due to defects.

After-sales and Warranty

We are dedicated to providing exceptional support and attentive service to our valued customers. Our team, equipped with the necessary technical knowledge and experience, is committed to delivering timely and effective assistance. Utilizing their expertise, we offer high-quality after-sales services, including diagnosing issues and recommending suitable solutions.

We typically offer a standard product warranty to customers of our solutions. The basic warranty period for our solutions is typically aligned with the warranty period of the vehicles on which our solutions are applied (i.e. typically three to five years or 100,000 to 150,000 kilometers). During the warranty period, for any product quality issue with either our software or hardware which is caused by our fault, we will make repair or replacement free of charge under certain conditions. Warranty services are provided differently based on detailed quality issues. For issues with our software, we will provide on-site or remote update to the software

BUSINESS

at issue. For issues with our hardware, we will provide one-to-one replacement or repairment of components. For product damage caused by the customer's own improper operation, we will provide repair services with charge. In 2022, 2023, 2024 and the nine months ended September 30, 2025, the warranty expenses that we paid amounted to RMB0.2 million, RMB0.7 million, RMB0.7 million and RMB0.6 million, respectively.

EMPLOYEES

As of September 30, 2025, we had 440 full-time employees, based in Yizheng, Xi'an, Shanghai, Chongqing and Changchun. The table below sets forth the number of our employees by function as of September 30, 2025:

Function	Number of employees	% of total employees
Research and Development	158	35.9
Manufacturing and Production Development	141	32.0
Quality Control	36	8.2
Sales and Marketing	20	4.5
Project Management	16	3.6
General and Administration	69	15.7
Total	440	100.0

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, we offer employees relatively competitive salaries, performance-based cash bonuses, incentive share grants and other incentives. In order to maintain a competitive edge, we will continue to focus on attracting and retaining qualified professionals by providing an incentive-based and market-driven compensation structure that rewards performance and results. Under PRC laws, we participate in various employee social security plans that are organized by municipal and provincial governments for our PRC-based full-time employees, including pension, unemployment insurance, work-related injury insurance, medical insurance, maternity insurance and housing provident fund. We are required under PRC laws to make contributions from time to time to employee benefit plans for our PRC-based full-time employees at specified percentages of the salaries, bonuses and certain allowances of such employees, up to a maximum amount specified by the local governments in China. In addition to on-the-job training, we regularly provide management, technology, regulatory and other training to our employees through internally developed training programs or externally hired consultants. We believe that we maintain a good working relationship with our employees, and we have not experienced any material labor disputes. None of our employees are represented by labor unions.

INSURANCE

As of the Latest Practicable Date, we maintained various insurance policies relating to our business operations, including property insurance and employer's liability insurance. We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with industry norms. We procure insurance policies by type and amount that we consider sufficient and evaluate such insurance policies from time to time based on past experience, changes in business operations and industry developments. As of the Latest Practicable Date, we had not procured product liability insurance as it is not mandatory under the relevant laws and regulations in China. According to CIC, it is not uncommon for HUD solution providers in China to operate without product liability insurance. During the Track Record Period, we did not encounter any material insurance claims from third parties related to our business operations, which indicates our limited product liability exposure by highlighting the financial risks arising from our customers' claims regarding alleged defects, damages or injuries caused by our products were remote.

We are committed to minimizing the risks of product liability claims and warranty claims through stringent quality control. However, we may not be able to obtain/purchase adequate insurance for losses and liabilities arising from various operational risks and hazards to which we are exposed. For more information, please see "Risk Factors — Risks Relating to our Industry and Business — We may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Governance

We have established a comprehensive ESG management framework, forming a three-tier management system led by our Board of Directors, coordinated by the ESG management group and supported by our business units, to promote the systematic management and efficient execution of ESG-related work.

Our Board of Directors is in charge of decision-making for ESG matters, responsible for designing, formulating and continuously optimizing our ESG management system, approving ESG reports and overseeing the strategic implementation of material ESG issues. Our ESG management group serves as the daily coordination and oversight body, responsible for identifying stakeholder demands, researching material topics, guiding the implementation of relevant tasks by various departments, and organizing ESG information disclosure and report preparation. Our Audit Committee and legal department jointly oversee the implementation of the ESG management system. The legal department also regularly monitors the operational status of the system and reports the execution effectiveness to the Audit Committee to ensure the system's continuous effectiveness. Our business units carry out ESG-related work within their respective scopes based on our ESG strategy and annual plans, and report their progress to the ESG management group on a regular basis.

BUSINESS

We have incorporated ESG performance into our daily operations and project investment decision-making processes. The Board of Directors pays attention to potential ESG-related risks and opportunities in major transactions. When conducting strategic reviews of significant investments, mergers and acquisitions, or asset disposals, the Board considers ESG factors as one of the essential considerations. We have established a comprehensive enterprise risk management and internal control system, and have integrated ESG risk management into the overall risk management system, with the Audit Committee responsible for specific oversight to ensure the compliance and sustainability of our decisions.

ESG risks present multifaceted challenges for us. By employing qualitative and quantitative assessments, we have systematically analyzed these risks across multiple dimensions, including time horizon, policy compliance requirements, stakeholder impact, reputational implications and potential financial consequences, and have identified the following key risks:

Type of risk	Impact timeframe	Description of	Financial Impact	Mitigation
Physical Risks				
Acute Physical Risks	Short-term, <1 year	– Extreme weather (e.g., heavy rain, extreme heat) may damage production facilities.	– Damage to production facilities may increase repair costs.	– Develop emergency response plans for natural disasters and stockpile critical supplies; reinforce key facilities with flood/fire-resistant upgrades.
		– Natural disasters can disrupt logistics, delaying raw material procurement (e.g., electronic components).	– Logistics disruptions may force premium-priced alternative sourcing or higher-cost transportation, along with potential penalties for delayed deliveries.	– Establish emergency supply agreements with key vendors to minimize procurement risks.
		– Extreme weather and/or damaged equipment and infrastructure may result in accidents and injuries.	– Weather-induced accidents could result in additional medical costs, rework expenses and production delays.	– Conduct regular safety inspections and secure property/business interruption insurance.

BUSINESS

Type of risk	Impact timeframe	Description of	Financial Impact	Mitigation
Chronic Physical Risks	(Medium to long-term, ≥ 1 year)	– Rising sea levels threaten coastal logistics hubs, increasing transport costs. – Resource scarcity drives up raw material costs (e.g., rare earth, copper) – Expansion into ecologically sensitive areas may disrupt local habitats.	– Higher logistics costs and longer supply chains increase inventory expenses. – Rising raw material costs reduce profitability and long-term competitiveness. – Project halts may result in fines, PR costs, and mandatory ecological restoration.	– Optimize supply chains with backup logistics nodes. – Diversify suppliers and invest in raw material recycling. – Adopt TNFD framework to assess biodiversity impact and plan accordingly.
Transition Risks				
Policy & Legal Risks	(Medium-term, 1-3 years)	– Stricter environmental policies (e.g., GHG emissions) increase compliance costs. – Automotive sector faces tighter carbon footprint disclosure requirements. – Labor standards upgrade imposes stricter compliance on labor and human rights.	– Non-compliance may lead to fines or shutdowns; facility upgrades increase costs. – GHG audits and third-party verification raise operational expenses. – Labor policy violations may result in fines, higher insurance, and protective equipment costs.	– Establish compliance teams to monitor and adapt to policy changes. – Invest in energy efficiency, clean energy, and GHG management systems. – Update employee handbooks and conduct regular training on labor policies.

BUSINESS

Type of risk	Impact timeframe	Description of	Financial Impact	Mitigation
Market Risks . . .	(Medium to long-term, ≥ 1 year)	– Market shift toward low-carbon products reduces demand for traditional offerings. – ESG trends may alter competitive dynamics, affecting market share.	– Declining demand for traditional products reduces revenue. – Customers switching to green suppliers may erode market share.	– Develop low-carbon products to meet market demand. – Build ESG management systems to enhance competitiveness.
Supply Chain Risks	(Medium-term, ≥ 1 year)	ESG violations (e.g., environmental harm, child labor, forced labor) in the supply chain.	Supplier ESG non-compliance may disrupt supply chains, damage brand reputation, and reduce orders.	– Strengthen supplier ESG due diligence. – Conduct regular ESG compliance training for suppliers.
Business Ethics Risks	(Medium-term, 1-3 years)	Business ethics violations may lead to regulatory fines and reputational damage.	Corruption or bribery incidents may result in hefty fines, stock price drops, and higher financing costs.	– Establish a Code of Business Ethics and strengthen ethical management systems. – Conduct regular internal audits and employee training.

Environment

We believe that responsible environmental management is a pathway to achieving economic and environmental coexistence. We have consistently demonstrated our commitment to this principle by adhering to relevant laws and regulations while developing internal environmental management protocols, which enables us to conduct our operations more efficiently and sustainably. Given the nature of our business operations, we are subject to a variety of laws and regulations, including but are not limited to the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Water Pollution Prevention and Control Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste.

BUSINESS

The manufacturing processes of our HUD solutions generate (i) exhaust gas, sewage and waste that if left untreated would have a negative impact on the environment, and (ii) greenhouse gas that may lead to climate-related risks. We are committed to sustainability and environmental protection as we pursue revenue growth and production expansion.

We currently comply with all environmental regulatory requirements, covering sewage, noise, waste classification and resource consumption. Moving forward, we will further enhance our environmental management systems by setting science-based goals and ensuring their effective implementation. This will strengthen our environmental performance and support sustainable development. Additionally, we plan to conduct a carbon footprint verification and implement emission reductions based on the findings. In October 2024, we have obtained the ISO 14001 environmental management system certification for our primary production facilities. During the Track Record Period and up to the Latest Practicable Date, we had not received any fines or administrative penalties due to environmental issues.

Greenhouse Gas (GHG) Emissions

We recognize the importance of GHG emissions management in achieving sustainable development and are mindful of global and local regulatory authorities' requirements for GHG emissions disclosure. We are currently gathering information of our Scope 1, 2 and 3 GHG emissions. We will collect and calculate GHG emissions data in accordance with the GHG Protocol (《溫室氣體盤查議定書》), and will engage professional third-party institutions to provide support when appropriate. In addition, we are concurrently improving our internal environmental data management system, laying the foundation for a continuous GHG emissions disclosure mechanism in the future.

We fully recognize the importance of managing GHG emissions in achieving sustainable development and are attentive to the evolving disclosure requirements imposed by regulatory bodies globally and locally. To this end, we have established internal mechanisms for tracking and managing resource consumption and GHG emissions. Our data accounting practices align with the Greenhouse Gas Protocol to ensure accurate and standardized measurement and reporting. The following table presents the GHG emissions from our Yizheng Base in 2022, 2023 and 2024:

	2022	2023	2024
	(tCO ₂)		
Scope 1 GHG emission ⁽¹⁾	5.9	8.4	18.3
Scope 2 GHG emission ⁽²⁾	1,355.2	1,456.6	1,636.6
Scope 3 GHG emission ⁽³⁾	10,473.3	29,380.6	34,603.2
Total GHG emission ⁽⁴⁾	<u>11,834.4</u>	<u>30,845.6</u>	<u>36,258.1</u>

Notes:

- (1) Refers to the direct GHG emissions from sources owned or controlled by our Yizheng Base.
- (2) Refers to the indirect GHG emission resulting from the purchase of electricity and heat by our Yizheng Base.
- (3) Encompasses the other indirect GHG emissions arising from (i) our Yizheng Base's operational activities, such as purchase of goods and services from vendors, purchase of capital goods as well as our employees' business travel and commuting; (ii) emissions related to fuel and energy activities by our suppliers; and (iii) emissions by our suppliers' and downstream partners' transportation and distribution activities.
- (4) The total amount of GHG emissions from our Yizheng Base in 2024 amounted to 36,258.1 tons of carbon dioxide equivalent (tCO₂e), with an emission intensity of approximately 6.7 tCO₂e per thousand RMB of production value. Given that the HUD industry currently lacks a unified standard or common methodology for GHG emission accounting, as advised by CIC, we conducted benchmarking analysis based on publicly available ESG disclosures from selected domestic and international HUD providers. According to this analysis, the average emission intensity among these peer companies was approximately 6.4 tCO₂e per thousand RMB of production value, indicating that our GHG emission in 2024 was generally aligned with that of major industry players.

Generally, the movement of our GHG emission aligns with our production. The amount of our GHG emission increased from 11,834.4 tons in 2022 to 36,258.1 tons in 2024, primarily due to the continuous increase in our production from 209,302 units of HUD solutions in 2022 to 667,863 units of HUD solutions in 2024.

Moving forward, we will continue to refine our management of GHG emission, expand the scope of disclosure with respect to our GHG emission and align our practice with international sustainability reporting standards, such as the ISSB S1/S2 and GRI Standards, as well as industry best practices.

Energy Management

The electricity that we purchased was our primary energy source during the Track Record Period. While ensuring our business growth, we have established management systems to reduce energy consumption and GHG emissions. We have improved energy utilization efficiency and reduced resource consumption through measures such as air conditioning temperature control, enabling energy-saving modes on our equipment and optimizing production loads. We plan to achieve a 3% reduction in our electricity consumption per unit of revenue by 2027 as compared to 2024. We will continue to track this target and monitor its progress. In addition, we plan to commence the construction of a solar power generation project in 2025 to increase the proportion of clean energy in our energy usage and further advance our low-carbon transition.

BUSINESS

The following table sets forth the breakdown of the electricity we used during the Track Record Period:

Indicators		For Year Ended December 31,			Nine months ended September 30,
		2022	2023	2024	2025
Power consumption ⁽¹⁾ . . .	Total electricity consumption (MWh)	2,373.2	2,532.5	3,190.3	2,596.4
	Total electricity consumption per unit of revenue (MWh/RMB in million)	11.1	4.6	5.5	5.4
	Year-over-year change of total electricity consumption per unit of revenue	N/A	(58.4%)	19.8%	(0.06%)

- (1) Given that the HUD industry currently lacks a unified standard or methodology for electricity consumption accounting, as advised by CIC, we conducted benchmarking analysis based on publicly available ESG disclosures from selected domestic and international HUD providers. According to this analysis, the average electricity consumption intensity among these peer companies was approximately 10.19 MWh/RMB in million of production value, indicating that our electricity consumption of 5.5 MWh/RMB in million in 2024 was notably better than major industry players, demonstrating a relative advantage in energy utilization efficiency.

Water Resource Management

We have always attached importance to the management of water resources. We strictly comply with the Water Law of the PRC and other relevant laws and regulations of the places where we operate. We have implemented various water-conservation measures, including optimizing our water usage structure and strengthening water consumption monitoring. We have also reinforced employee awareness of water conservation by placing reminders and promoting watersaving practices in our office and production areas. We have set water conservation targets and plan to achieve a 2% reduction in water consumption per unit of revenue by 2027 as compared to 2024.

BUSINESS

The following table sets forth the breakdown of our water consumption during the Track Record Period:

Indicators		For Year Ended December 31,			Nine months ended September 30,
		2022	2023	2024	2025
Water consumption ⁽¹⁾ . . .	Total water consumption (tons)	5,574.0	5,090.8	6,134.1	4,084.8
	Total water consumption per unit of revenue (tons/RMB in million)	26.0	9.3	10.6	8.5
	Year-over-year change of total water consumption per unit of revenue	N/A	(64.4%)	14.6%	(20.6%)

- (1) Given that the HUD industry currently lacks a unified standard or methodology for water consumption accounting, as advised by CIC, we conducted benchmarking analysis based on publicly available ESG disclosures from selected domestic and international HUD providers. According to this analysis, the average water consumption intensity among these peer companies was approximately 27.5 tons/RMB in million of production value, indicating that our water consumption of 10.6 tons/RMB in million in 2024 was notably better than major industry players, demonstrating a relative advantage in water resource utilization efficiency.

Waste Management

We place great importance on waste management. We strictly comply with relevant laws and regulations pertaining to the control of wastewater, exhaust emissions, solid waste and noise in the locations where we operate. We continuously improve our internal management systems to ensure that all pollutants are discharged in a compliant and standardized manner. We regularly engage qualified third-party institutions to conduct water quality, air and noise monitoring. We implement joint internal and external monitoring of domestic wastewater and production exhaust emissions to ensure compliance with environmental protection standards. Our management goal is to achieve a 100% compliance rate for wastewater, exhaust emissions and solid waste discharge, and we are committed to continuously minimizing our environmental impact and promoting effective clean production management.

BUSINESS

The following table sets forth the breakdown of the waste we generated during the Track Record Period:

Indicators	For Year Ended December 31,			Nine months ended
	2022	2023	2024	September 30, 2025
Waste generation ⁽¹⁾ . Amount of non-hazardous waste (tons)	1.5	16.5	14.6	8.4
Amount of hazardous waste (tons)	N/A	0.6	0.6	2.4
Total amount of waste:	1.5	17.1	15.2	10.8
Total amount of waste per unit of revenue (tons/RMB in million)	0.0072	0.0312	0.0263	0.0225
Year-over-year change of total waste generation per unit of revenue	N/A	334.0%	(15.8%)	(15.2%)

- (1) Given that the HUD industry currently lacks a unified standard or methodology for waste accounting, as advised by CIC, we conducted benchmarking analysis based on publicly available ESG disclosures from selected domestic and international HUD providers. According to this analysis, the average waste generation intensity among these peer companies was approximately 0.38 tons/RMB in million of production value, indicating that our waste generation of 0.0263 tons/RMB in million in 2024 was notably lower than major industry players, reflecting a relative advantage in resource recycling and waste control measures throughout our production processes.

Supplier Management

In our collaboration with suppliers, we have established a comprehensive ESG management and control system and promoted it among our suppliers. We conduct due diligence on our suppliers using our Environmental Survey for Relevant Parties (《相關方環境調查表》) to assess their ESG-related risks across multiple dimensions, including (i) pollution sources, such as GHG emissions, wastewater, hazardous waste and other pollutants; (ii) regulatory compliance, such as their adherence to emission standards, waste disposal protocols and fire safety management; (iii) system establishment, including the presence of dedicated environmental personnel as well as obtaining the IATF 16949 quality management system certification and the ISO 14001 environmental management system certification; (iv) chemical control, covering label integrity, classified disposal of hazardous waste and transportation emergency plans; and (v) environmental training.

To ensure our suppliers adhere to robust ESG standards and regulatory requirements, we have established the Supplier Behavioral Rules (《供應商行為規則》) and Supplier ESG Management Policies (《供應商ESG管理政策》). The Supplier Behavioral Rules set forth binding requirements across business ethics, human rights and labor standards, occupational health and safety, environmental management, information disclosure as well as export controls and sanctions.

Furthermore, we require our suppliers to sign the Environmental Agreement for Relevant Parties (《相關方環境協議》) with us and continuously improve their environmental protection systems and procedures. We conduct regular audits to monitor compliance and implement corrective measures, including penalties for suppliers that exceed hazardous substance limits or fail to make requisite improvements.

Corporate Social Responsibility

We actively fulfill our social responsibilities by identifying and focusing on our employees' human rights protection, business ethics and occupational health and safety. We promote a diverse and equitable work environment, fostering an inclusive and respectful corporate culture. At the same time, we uphold high standards of business ethics and fulfill our commitments to our employees, the community and the society.

Employee Diversity and Equality

We comply with the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), Law of the PRC on the Protection of Rights and Interests of Women (《中華人民共和國婦女權益保障法》) and other laws and regulations in all material aspects, and have formulated internal policies to standardize employment practices and procedures, including the recruitment and hiring, onboarding and offboarding, to specify the contents of labor contracts and regulations on employment management, and to clarify the rights of employees regarding their working hours, rest and leave, in order to ensure the implementation of the equal employment mechanism. We have also established channels for employees to provide feedback.

Our recruitment process is guided by management procedures that ensure fairness, impartiality and diversity. We oppose any form of discrimination. We hire employees based on their merits and it is our corporate policy to offer equal opportunities to our employees regardless of gender, age, race, religion or any other social or personal characteristics. The following table shows the distribution of our employees by gender and age composition:

	For the year ended December 31,		
	2022	2023	2024
Male	229	214	241
Female	115	107	124
Total	344	321	365

BUSINESS

	For the year ended December 31,		
	2022	2023	2024
Under 30 years old	49	57	91
30-39 years old	200	184	195
40 years old and above	95	80	79
Total	344	321	365

Employee Benefits

We place a great emphasis on building a comprehensive employee benefits system, committed to providing our employees with competitive compensation packages and robust welfare arrangements. We continuously promote a humanistic approach in our management. Through regularly organized activities such as sports clubs, team building exercises, holiday celebrations and interest-based competitions, we strive to foster a positive and uplifting work environment. In addition, we conduct periodic employee engagement surveys to collect feedback and suggestions from our employees, which we use to optimize our internal communication mechanisms and welfare policies, constantly enhancing our employees' sense of belonging and team cohesion.

Occupational Health and Safety

We are committed to abiding by all applicable regulatory requirements, preventing and reducing hazards and risks that may harm the health of our employees, and ensuring the health and safety of our employees and surrounding communities. Strictly complying with the Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and other applicable laws and regulations, we have continuously strengthened the occupational health protection of employees and systematically sorted out the occupational health management system documents.

We have obtained ISO 45001 certification. We have formulated a series of management procedures and regulations, provided safety protection equipment, conducted fire safety emergency drills, developed occupational health and safety training plans and organized occupational health examinations to ensure employees' workplace safety and physical health in all aspects. We conduct regular information sessions on occupational health and safety awareness for employees, including equipment safety, safety regulations, construction safety and incident case studies. Meanwhile, through health knowledge training, we continue to improve the safety awareness of our employees.

We uphold a culture of equality, diversity, innovation and zero tolerance for discrimination, fostering a transparent and trusting environment that values honesty and inclusiveness. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any accidents related to occupational health and safety, nor had we been involved in any claims or complaints arising from work safety issues, that would have a material adverse impact on our business operations or financial performance.

Business Ethics

We require all our employees and our suppliers to adhere strictly to the business ethics. Specifically, we have implemented a set of policies to ensure our operations comply with applicable anti-bribery and anti-corruption regulations in jurisdictions where we operate. The policies explain potential bribery and corruption conduct and our anti-bribery and anti-corruption measures. Improper payments prohibited by the policy include bribes, kickbacks, excessive gifts or facilitation payment, or any other payment made or offered to obtain an undue business advantage. Our legal department is responsible for investigating the reported incidents and taking appropriate measures as necessary. We conduct background checks before hiring any third party and ensure that the hiring procedure is implemented fully in accordance with the anti-bribery and anti-corruption policies. We also have regular training for employees regarding anti-bribery and anti-corruption policies to facilitate better implementation.

Governance

We place great emphasis on building and implementing a compliance culture, committed to fully integrating the principles of legality, ethics and responsible operations into our corporate governance. We have established a compliance management system covering our directors, senior management, employees and business partners. The main internal policies that we have implemented included the Code of Business Ethics (《商業道德行為準則》), Anti-Bribery Rules (《反商業賄賂規則》) and Anti-Bribery Commitment Letter (《反商業賄賂承諾書》), forming a unified code of conduct and compliance management framework.

To strengthen compliance awareness, we offer regular training sessions, providing compliance knowledge to all employees, managers, board members and key business partners. Such training sessions primarily cover anti-corruption laws and regulations, company policy requirements, risk identification of non-compliance and the reporting process. Our business partners must also commit to complying with the relevant compliance clauses in the agreements with us.

Furthermore, we have established an internal reporting mechanism and review process to identify and address potential non-compliance or misconduct. Our legal department is responsible for receiving and investigating reports as well as conducting targeted audits when necessary. Our Audit Committee annually reviews the implementation of the compliance system and, if needed, proposes policy revision recommendations to the Board of Directors to continuously enhance the company's overall governance standards and risk prevention capabilities.

PROPERTIES AND FACILITIES

Our principal executive offices are located in Yizheng, Jiangsu Province. As of the Latest Practicable Date, we had one production base in Yizheng and had offices in Yizheng, Xi'an, Shanghai, Chongqing, Changchun and Ningbo, all of which were on leased premises. The facilities we leased as of the Latest Practicable Date had an aggregate of 30,178.14 square meters. We believe that our existing facilities are generally adequate to meet our current needs, but we expect to seek additional space as needed to accommodate future growth.

As of the Latest Practicable Date, none of the properties held or leased by us had a carrying amount of 15% or more of our consolidated total assets. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Non-compliance Relating to Leased Properties

As of the Latest Practicable Date, we leased fifteen properties in China, which were used for R&D, production and general office work. We had certain non-compliant incidents involving our leased properties, mainly due to non-registration of lease agreements.

As of the Latest Practicable Date, seven lease agreements had not been registered with relevant authorities. As advised by our PRC Legal Advisor, the non-registration of lease agreements will not affect the validity of the lease agreement and will not lead to any risks of relocation from those leased properties, but the relevant local housing administrative authorities can require us to complete registrations within a specified timeframe and we may be subject to a fine of between RMB1,000 and RMB10,000 for any delay in making registration for each of these lease agreements. During the Track Record Period and up to the Latest Practicable Date, we had not been required by the relevant local housing administrative authorities to complete the registrations, nor been penalized or fined by the relevant authorities.

The reasons behind the failure to register the above lease agreements are beyond our control because, among other things, the lessors' willingness to cooperate in the registration process and provision of relevant documents for registration is necessary. To minimize the potential negative impact of the above lack of registration of lease agreements, we will continue to maintain regular communications with such lessors seeking their cooperation to complete a late registration of the relevant leases. In addition, we will seek the landlord's cooperation to register a lease agreement before signing in order to ensure compliance with applicable PRC laws and regulations in the future. We will actively liaise with the respective lessors to complete the registration of all such lease agreements, if possible.

In addition, as of the Latest Practicable Date, one of our leased properties was used for a purpose inconsistent with its permitted usage, primarily because it is situated within an industrial park planned and developed by the local government (the “**Industrial Park**”), and all the properties and land parcels within the Industrial Park are designated for industrial use due to historical zoning reasons, though all the properties were ultimately developed as office buildings. As the leased property is for general office use, we believe that we can relocate to other comparable alternative premises without any material adverse effect on our business and financial condition in case the inconsistency with permitted land use prevents us from continuing the lease. Our PRC Legal Advisor is of the view that such leased property is compliant with the relevant safety requirements, considering that (i) upon conducting a site visit, our PRC Legal Advisor confirmed that such leased property is in an office building situated within the Industrial Park, and that, all buildings within the Industrial Park are office buildings with no factories, warehouses or other structures related to industrial production; (ii) our actual use of such leased property for general office purposes aligns with the actual construction purpose and current usage of the buildings within the industrial park, given that (a) as confirmed by the lessor of such leased property, although the property ownership certificate indicates that the leased property is for industrial use due to historical zoning reasons, it is suitable, and the relevant local government authorities have not raised objections to or intervened the leasing of such property, for office use; and (b) according to the leasing agreement, both the lessor and the property owner of such leased property were aware that we intended to use it for general office purposes; (iii) pursuant to a certificate and the Enterprise Special Credit Report (Listed Company Version) issued by competent authorities, namely the Construction and Administration Bureau of Liangjiang New Area and Chongqing Credit Center, we had not violated any property management and leading regulations or been subject to administrative penalties related to safety issues; (iv) we have obtained confirmations from the lessor of such leased property, stipulating that (a) such leased property fully complied with office-use requirements and met fire safety regulations for office use; (b) the owner and lessor have duly completed the necessary fire safety filing and the routine fire safety compliance inspections; and (c) such leased property has not been involved in any material safety incidents or posed any safety risks; and (v) our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we had not received any administrative penalties from relevant regulatory authorities regarding safety issues of such leased property, nor had we encountered any safety problems or disputes. Given that such leased property (i) have relatively small gross floor area; and (ii) are primarily used as office space with abundant available alternatives in the market, our Directors are of the view that if we need to vacate such leased property, we could identify and relocate to an alternative premises within one month at relatively low costs, which would not have any material adverse impact on our business operations.

In respect of three of our renovation projects for leased properties used as general offices in Changchun, Xi'an and Shanghai, we have not received construction commencement permits and have not completed the fire safety acceptance for the office in Changchun and have obtained relevant documentations for the Xi'an and Shanghai offices as of the Latest Practicable Date, primarily because the relevant employees at our subsidiaries did not fully comprehend the legal interpretation and enforcement of laws and regulations pertaining to decoration and renovation work in leased properties as well as their differences across jurisdictions. According to the Measures for Construction Permission Management of construction Projects (《建築工程施工許可管理辦法》), for any construction project without

obtaining a construction commencement permit, the relevant government authority may stop the construction, request for rectification within a specified time limit and impose on the owner of the construction project a fine of 1% to 2% of the contract value of the construction project. According to the PRC Fire Safety Law (《中華人民共和國消防法》), we may be subject to fines under RMB5,000 for each renovation project without fire safety acceptance. As of the Latest Practicable Date, we had not received any notification from competent government authorities that required us to obtain or complete relevant construction or fire protection-related permits, filings or procedures for the three leased properties, nor had we received any administrative penalties in this regard. The maximum potential fine penalty for these projects is less than RMB100,000. Our PRC Legal Advisor is of the view that the leased properties for which we have retroactively completed the necessary procedures or which we have vacated are compliant with the relevant safety requirements in all material respects, considering that: (i) as advised by our PRC Legal Advisor, we have no record of violations in housing and urban-rural development or fire safety regulations during the Track Record Period; (ii) our Directors confirm that we have complied with fire safety regulations throughout the lease term of such leased properties and have actively cooperated with the lessor to maintain fire safety; (iii) we had not encountered any safety issues or disputes related to the leased properties during the Track Record Period and up to the Latest Practicable Date; (iv) we have retroactively completed the necessary procedures, including construction completion acceptance and filing as well as fire protection design and completion acceptance filings, and had obtained the Construction Project Fire Protection Acceptance Filing Certificate (《建設工程消防驗收備案憑證》) for our leased property in Xi'an on June 6, 2025; and (v) we have vacated one of the two leased properties in Shanghai in February 2025. With respect to the leased properties for which we have not retroactively completed the necessary procedures and that we have not vacated our PRC Legal Advisor (1) had verified from the Personnel of competent Bureau of Housing and Urban-Rural Development and Fire and Rescue Division, confirmed that: (i) during the management of real estate planning, renovation and construction, and fire safety filing, no illegal or non-compliant activities involving leased properties in Jilin were identified; (ii) regarding a historical renovation matter, there will be no retrospective investigation or penalties imposed and (2) has conducted an on-site visit to the service window of the Jiading District Administrative Service Center in Shanghai and obtained confirmation from the relevant personnel that the construction and completion procedures comply with the applicable requirements, and the project acceptance filing has been obtained and (3) obtained confirmations from the lessors that such leased properties (i) had fire safety facilities that complied with the requirements of both the relevant regulatory authorities and the lessor; (ii) had no historical safety incidents; and (iii) had never been subject to administrative penalties related to safety issues. Considering that above and that such leased properties (i) have relatively small gross floor area; and (ii) are primarily used as office space with abundant available alternatives in the market, our Directors are of the view that if we need to vacate such leased property, we could identify and relocate to an alternative premises within one month at relatively low costs, which would not have any material adverse impact on our business operations.

We believe that the foregoing issues will not have any material adverse impact on our business and results of operations.

BUSINESS

LICENSES, APPROVALS AND PERMITS

We are required to obtain a number of certificates, licenses, permits and approvals for our business. As advised by our PRC Legal Advisor, as of the Latest Practicable Date, we had duly obtained all requisite certificates, licenses, permits and approvals from the relevant authorities that are material and necessary for our operations in China and such certificates, licenses, permits and approvals are valid and effective. We monitor our compliance with the relevant laws and regulations to ensure that we have the requisite certificates, licenses, permits and approvals for our operations. We renew our certificates, licenses, permits and approvals from time to time to comply with the relevant laws and regulations. As advised by our PRC Legal Advisors, there is no material legal impediment to renewing our certificates, licenses, permits and approvals required for our operations. The following table lists the material certificates, licenses, permits and approvals that we currently hold:

Certificate/Licenses/ Permits/Approvals	Validity Period	Granting Authority
Customs Declaration Filing Certificate . . .	February 7, 2025- N/A	Yangzhou Customs
Stationary Pollution Source Pollutant Discharge Registration Receipt	August 18, 2025- August 17, 2030	–
High-Tech Enterprise Certificate	November 19, 2024- November 18, 2027	Jiangsu Provincial Department of Science and Technology, Jiangsu Provincial Finance Department, Jiangsu Provincial Tax Bureau of the State Administration of Taxation
Environmental Management System Certification (ISO14001)	October 12, 2024- October 11, 2027	TÜV NORD (Hangzhou) Co., Ltd.
Quality Management System Certification (ISO9001)	June 17, 2024- June 16, 2027	TÜV NORD (Hangzhou) Co., Ltd.
Occupational Health and Safety Management System Certification	December 3, 2024- December 2, 2027	Guardian Independent Certification Ltd.
Automotive Industry Quality Management System Certification	May 24, 2024- May 23, 2027	TÜV NORD (Hangzhou) Co., Ltd.
ESD (Electrostatic Discharge) Protection Standard Certification	November 2, 2025- November 1, 2026	TÜV Rheinland Certification Services (China) Co., Ltd.
Laboratory Accreditation Certificate	February 18, 2022- February 17, 2028	China National Accreditation Service for Conformity Assessment (CNAS)
Safety Production Standardization Level-3 Enterprise	October 20, 2023- October 19, 2026	Yangzhou Emergency Management Bureau
Customs Declaration Filing Certificate . . .	January 19, 2024- N/A	Jiading Customs

BUSINESS

Certificate/Licenses/ Permits/Approvals	Validity Period	Granting Authority
High-Tech Enterprise Certificate	December 26, 2024- December 25, 2027	Shanghai Municipal Science and Technology Commission, Shanghai Municipal Finance Bureau, Shanghai Municipal Tax Bureau of State Administration of Taxation
High-Tech Enterprise Certificate	November 29, 2024- November 28, 2027	Jilin Provincial Department of Science and Technology, Jilin Provincial Finance Department, Jilin Provincial Tax Bureau of State Administration of Taxation
High-Tech Enterprise Certificate	November 29, 2023- November 28, 2026	Shaanxi Provincial Department of Science and Technology, Shaanxi Provincial Finance Department, Shaanxi Provincial Tax Bureau of State Administration of Taxation

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. See “Risk Factors — Risks Relating to Our Industry and Business — We may be involved in legal or other proceedings arising out of our operations from time to time and may face significant liabilities as a result.” During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material litigation, arbitration or administrative proceedings, and we were not aware of any pending or threatened litigation, arbitration or administrative proceedings against us or our Directors, that could, individually or in the aggregate, have a material and adverse effect on our business, financial condition or results of operations. As such, we did not make any provisions for any legal proceedings or claims during the Track Record Period.

Compliance

The summary below sets out incidents of historical non-compliance with applicable regulations during the Track Record Period. Our Directors believe that the following non-compliance incidents did not and will not have a material adverse impact on our business operations or financial performance.

Social Insurance and Housing Provident Fund Contributions

According to the Regulation on the Administration of Housing Provident Funds (《住房公積金管理條例》), which was promulgated by the State Council and became effective on April 3, 1999, and subsequently amended on March 24, 2019, we are required to set up housing provident fund accounts (住房公積金賬戶) and pay the housing provident fund on time and in full for our employees. According to the PRC Social Insurance Law (《中華人民共和國社會保險法》), which was promulgated by the Standing Committee of the National People's Congress on October 28, 2010, effective on July 1, 2011 and last amended and effective on December 29, 2018, a PRC enterprise is required to obtain social insurance certificates for its employees and to pay the social insurance contributions on time and in full. During the Track Record Period and up to the Latest Practicable Date, we did not pay social security premiums and housing provident funds in full amount in accordance with the relevant laws and regulations, though we did fully cover all of our employees.

As advised by our PRC Legal Advisor, an employer that has not made social insurance contributions in full and on time as prescribed by the law, may be ordered by social insurance contributions collection institutions to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late payment fee of up to 0.05% per day. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times the amount overdue. In addition, an employer that has not made housing provident fund contributions at a rate and based on an amount prescribed by the law, or at all, may be ordered by the housing provident fund management center to rectify the noncompliance and pay the required contributions within a stipulated deadline. If the employer still fails to rectify the failure to make housing provident fund contributions within the stipulated deadline, it may be subject to the court's compulsory enforcement. Pursuant to the Supreme People's Court issued Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)), we may face the risk of employees seeking termination of the labor contract and claiming economic compensation. However, once the social insurance contributions are duly paid, we have grounds to request the return of the compensation from the employee.

In 2024, the amount of shortfall of social insurance and housing provident fund contributions for our employees was approximately RMB0.5 million. As advised by our PRC Legal Advisor, considering that (i) we did not underpay the social insurance and housing provident fund contributions for our employees in 2022 and 2023; and (ii) as of the Latest Practicable Date, we had not received any notices from or failed to make payments within the deadlines stipulated by the relevant government authorities, the maximum potential penalty we may face, calculated based on our underpaid social insurance and housing provident fund contributions for our employees in 2024, would be RMB1.4 million.

During the Track Record Period, we were not subject to any administrative penalties in terms of the contribution of social insurance premium and housing provident funds pursuant to the credit reports obtained from the provincial credit information platform, the compliance letter from the relevant PRC authorities and written confirmations issued by competent government authorities. As of the Latest Practicable Date, we did not receive any notification from the relevant PRC authorities alleging that we had not fully contributed to the social insurance premiums and housing provident funds and demanding payment of the same before a stipulated deadline. Furthermore, pursuant to the Emergency Notice on Implementing the State Council's Directives and Ensuring the Stabilization of Social Insurance Contribution Collection (關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知) issued by the Ministry of Human Resources and Social Security on 21 September 2018, administrative enforcement authorities are prohibited from undertaking centralized collection efforts to recover historical arrears of social insurance contributions owed by enterprises. As advised by our PRC Legal Advisor, the risk of us being imposed of material penalties is remote, provided that we pay the unpaid amount for social insurance and housing provident funds in full amount and in a timely manner after receiving notices to rectify the non-compliance from the relevant PRC authorities. As such, we did not make relevant provisions. We are taking steps to remedy this situation and achieve full compliance with relevant laws and regulations. We will make full payment of any outstanding amount if requested by the relevant authorities. Additionally, we are committed to progressively increasing the contribution base for employees' social insurance and housing funds during the annual adjustment period. To prevent such underpayment from recurring in the future, we have implemented robust internal control measures, which include (i) maintaining regular communication with relevant authorities to ensure ongoing compliance with applicable regulations; (ii) actively engaging with employees to enhance their awareness and understanding of social insurance contributions and their responsibilities; (iii) strengthening internal review processes by assigning dedicated personnel to monitor compliance on a regular basis; (iv) regularly consulting with PRC legal counsel on the latest regulatory developments; and (v) offering training sessions to employees on social insurance compliance.

RISK MANAGEMENT AND INTERNAL CONTROL

We have devoted ourselves to establishing and maintaining risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continuously improving these systems. We continually review the implementation of our risk management and internal control policies and procedures to enhance their effectiveness and sufficiency.

Financial Reporting Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, such as financial reporting management policies, budget management policies and financial statement preparation policies.

Intellectual Property Risk Management

See “Intellectual Property.”

Human Resources Risk Management

We have in place an employee handbook and a code of conduct which is distributed to all our employees. The handbook contains internal rules and guidelines regarding work ethics, fraud prevention mechanisms, negligence and corruption. We provide employees with regular trainings, as well as resources to explain the guidelines contained in the employee handbook.

We have implemented anti-corruption policies and procedures, providing guidance to our employees with respect to ethics and conducts. All employees are required to comply with these policies and procedures. Such policies and procedures generally prohibit the offer, promise, payment or receipt of anything of value to obtain, retain or grant business opportunities or to exchange in an improper advantage. Any employee that violates the anti-corruption policies and procedures can be subject to disciplinary actions, up to and including termination of employment. We also prohibit employees from engaging in any illegal or unethical economic behavior and seeking benefits from it, and implement strict management and audit procedures to prevent lack of transparency and corruption during the sale or procurement process. All of our employees are required to complete comprehensive training on our anti-corruption policies and procedures covering outlines of prohibited behaviors, our supervisory policies, and penalties for violation of such policies and procedures. We make our internal reporting channel open and available for our staff to report any bribery and corruption acts. Any reported incidents and personnel will be investigated and appropriate measures will be taken. Through those anti-corruption and anti-bribery efforts, we ensure that our employees’ daily practices and knowledge level of our anti-corruption policies and procedures remain up-to-date, enabling them to better comply with applicable laws and regulations in the course of our daily operations.

We provide regular trainings to our employees on work ethics, working procedures, internal policies, management, technical skills and other aspects that are relevant to their day-to-day work, and specialized training tailored to the needs of our employees in different departments. Through these training sessions, we ensure that our staff’s skill sets and knowledge level of our anti-bribery and anti-corruption policy remain up-to-date, enabling them to better comply with applicable laws and regulations in the course of business conducts.

Investment Risk Management

Our investment strategy follows the principles of compliance, prudence, safety and effectiveness. We consider a wide variety of factors in making investment decisions. With surplus cash on hand, we may also make investments in cash management products to generate

finance income at a yield higher than the current bank deposit interest rates, with an emphasis on capital preservation. We make sure each investment decision is made based on internal vetting and discussions, considering factors such as market dynamics, expected returns and risks involved.

We believe that our internal strategy and policies regarding investments and the related risk management mechanisms are adequate, and that our investment decisions have been in full compliance with our investment strategy and policies.

Board Oversight

Our Board of Directors is responsible and has the general power to supervise the operations of our business, and is in charge of managing the overall risks of our company. It is responsible for considering, reviewing and approving any significant business decision involving material risk exposures. Our Board of Directors will monitor the ongoing implementation of our risk management policies and corporate governance measures. Our audit committee comprises three members, namely Ms. Sun Hui, Mr. Hu Bin and Ms. Young Meng Ying. Ms. Sun Hui, being our independent non-executive Director with the appropriate professional qualifications, is the chairperson of the committee and is the director appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. For the professional qualifications and experience of the members of our audit committee, see the section headed “Directors and Senior Management” in this prospectus.

International Sanctions Risk Management

In order to identify and monitor our exposure to risks associated with International Sanctions relevant to our business operations, we have implemented the following measures to control and monitor our risk exposure:

- we have introduced sanctions-related general terms and conditions in our template procurement contracts, including a right to conduct regular or ad hoc audits to verify our suppliers’ compliance with International Sanctions;
- before entering into a sales contract, our legal, finance, manufacturing, commercial and logistics departments conduct a comprehensive background check on the customer, including researching in public databases and business information platforms to determine whether the customer has any ties to sanctioned entities or countries;
- we conduct end-user and end-use verification by requesting our customers to provide relevant information. When necessary, we conduct on-site inspections and direct communications with the end user to ensure that our products are not used for sanctioned purposes or destined for sanctioned entities or countries; and

BUSINESS

- we analyze transaction data and logistics information to promptly detect unusual trading behavior.

Upon Listing, we plan to further enhance our sanctions risk management and implement the following additional measures as appropriate:

- we plan to establish and maintain a separate bank account solely for the purpose of storing and allocating funds raised from the Global Offering, as well as any other funds raised through the Stock Exchange;
- we plan to implement ongoing sanctions screening and monitoring of all counterparties, especially in relation to high-risk jurisdictions;
- we plan to continuously enhance and enforce our sanctions compliance-related contractual obligations imposed on customers, suppliers, and distributors; and
- we plan to strengthen communication with relevant parties such as government, industry associations, and legal advisers to support the implementation of our International Sanctions-related internal control policies.

AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognitions for the quality of our solutions as well as our strong R&D capabilities and intellectual properties. We received awards and recognitions from our automotive OEM customers with respect to the quality of our solutions for consecutive years. In addition to those, some of the significant awards and recognitions we have received are set forth below:

<u>Award Year</u>	<u>Award/Recognition</u>	<u>Awarding Institution/Authority</u>
2025	First Prize in the Jiangsu Provincial Science and Technology Progress Awards (江蘇省科技進步獎一等獎)	Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳)
2024	Specialized, Refined, Distinctive and Innovative “Little Giant” Enterprise (專精特新“小巨人”企業)	Ministry of Industry and Information Technology of the PRC (中國工業和信息化部)
2024	Potential Unicorn Enterprise of Jiangsu Province (江蘇省潛在獨角獸企業)	Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳)

BUSINESS

Award Year	Award/Recognition	Awarding Institution/Authority
2024	Jiangsu Province “Purple Gold Award” Industrial Design Competition Excellence Award (江蘇省“紫金獎”工業設計大賽優秀獎)	Various government departments of Jiangsu Province
2024	9th China Auto Parts Industry Awards • Mass Production • Cockpit System Category • the Excellence Award (2024第九屆鈴軒獎•量產•座艙系統類•優秀獎)	Auto Business Review (汽車商業評論)
2024	9th China Auto Parts Industry Awards • Visionary • Cockpit System Category • the Gold Award (2024第九屆鈴軒獎•前瞻•座艙系統類•金獎)	Auto Business Review (汽車商業評論)
2023	National Intellectual Property Advantageous Enterprise (國家知識產權優勢企業)	China National Intellectual Property Administration (國家知識產權局)
2023	Benchmark Internet Factory of Jiangsu Province (江蘇省互聯網標杆工廠)	Industry and Information Technology Department of Jiangsu Province (江蘇省工業和信息化廳)
2023	Enterprise Engineering Technology Research Center of Jiangsu Province (江蘇省企業工程技術研究中心)	Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳)
2023	Service-Oriented Manufacturing Demonstration Enterprise of Jiangsu Province (江蘇省服務型製造示範企業)	Industry and Information Technology Department of Jiangsu Province (江蘇省工業和信息化廳)
2023	Second Prize in China Instrument and Control Society Science and Technology Progress Award (中國儀器儀表學會科技進步獎二等獎)	China Instrument and Control Society (中國儀器儀表學會)
2023	First Prize in Jiangsu Institution of Engineers Science and Technology Achievement Award (江蘇省工程師學會科學技術成果獎一等獎)	Jiangsu Institution of Engineers (江蘇省工程師學會)

BUSINESS

Award Year	Award/Recognition	Awarding Institution/Authority
2022	Enterprise Technology Center of Jiangsu Province (江蘇省企業技術中心)	Industry and Information Technology Department of Jiangsu Province (江蘇省工業和信息化廳)
2022	7th China Auto Parts Industry Awards • Visionary • Electronic Appliances • the Gold Award (2022年第七屆鈴軒獎•前瞻•電子電器類•金獎)	Auto Business Review (汽車商業評論)

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

DIRECTORS

Our Board consists of nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. Directors serve a term of three years and may be re-elected for successive reappointments.

The following table sets forth certain information regarding our Directors:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors, Supervisors and senior management
Executive Directors						
Mr. Zhang Tao (張濤)	50	Executive Director and chairperson of the Board	February 2018	February 2018	Responsible for the formulation of the general corporate business plans, strategies and major decisions of our Group	Brother of Mr. Zhang Bo
Mr. Zhang Bo (張波)	47	Executive Director and deputy general manager	May 2015	November 2017	Responsible for overall management, business plans and strategies and major decisions of our Group	Brother of Mr. Zhang Tao
Mr. Fan Xin (范鑫)	52	Executive Director and general manager	May 2021	October 2021	Responsible for overall corporate governance, business operation, and management of HUD business	None
Non-executive Directors						
Mr. Hu Bin (胡濱)	48	Non-executive Director	January 2019	January 2019	Responsible for providing advice to the Board and participating in the formulation of the general corporate business plans	None
Mr. You Tianyu (由天宇)	37	Non-executive Director	December 2023	December 2023	Responsible for providing advice to the Board and participating in the formulation of the general corporate business plans	None

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors, Supervisors and senior management
Ms. Zheng Shiyong (鄭詩瀛)	35	Non-executive Director	July 2024	July 2024	Responsible for providing advice to the Board and participating in the formulation of the general corporate business plans	None
Independent non-executive Directors						
Ms. Young Meng Ying (楊孟瑛) .	68	Independent non-executive Director	April 2025	April 2025	Responsible for providing independent advice on the operation and management of our Company	None
Ms. Sun Hui (孫暉)	54	Independent non-executive Director	April 2025	April 2025	Responsible for providing independent advice on the operation and management of our Company	None
Prof. Bai Jian (白劍)	59	Independent non-executive Director	April 2025	April 2025	Responsible for providing independent advice on the operation and management of our Company	None

Executive Directors

Mr. Zhang Tao (張濤), aged 50, is our co-founder, the chairperson of the Board and our executive Director. Mr. Zhang also served as our executive Director since February 2018 and served as the general manager of our Company from February 2018 to May 2021 and currently holds positions in various subsidiaries of our Company, including as an executive director of New Vision Chongqing since September 2021, as a director of Shanghai Sirius since October 2021, as the chairperson of the board of New Vision Jilin since September 2021, and as a director of New Vision Ningbo since August 2024.

Mr. Zhang has more than 20 years of experience in the automotive electronics industry. From August 1998 to January 2018, Mr. Zhang worked at Saic Volkswagen Automotive Company Limited (上汽大眾汽車有限公司) (formerly known as Shanghai Volkswagen Automotive Co., Ltd. (上海大眾汽車有限公司)) and its subsidiaries, serving successively as an electrical engineer and equipment manager at Saic Volkswagen Automotive Company Limited from August 1998 to November 2003, as a deputy general manager at Shanghai Baosteel & Arcelor Tailor Metal Co., Ltd. (上海寶鋼阿賽洛激光拼焊有限公司) from November 2003 to

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

February 2011. From February 2011 to August 2017, he successively served as the general manager, executive director and director at Yizheng Dazhong Allied Developing Co., Ltd. (儀徵大眾聯合發展有限公司) and the general manager and executive director at Nanjing Lianxin Investment Management Co., Ltd. (南京聯鑫投資管理有限公司). He also served as a human resources director at Shanghai Volkswagen United Development Co., Ltd. (上海大眾聯合發展有限公司) from August 2017 to January 2018.

Mr. Zhang obtained a bachelor's degree in industrial automation from Xi'an Jiaotong University (西安交通大學) in the PRC in July 1998, his Master of Business Administration from Arizona State University in May 2006 and his Executive Master of Business Administration from Shanghai National Accounting Institute (上海國家會計學院) in the PRC in June 2006.

Mr. Zhang was previously a director of the following company, which was established in the PRC and was dissolved with the relevant laws and regulations:

Company name	Position	Nature of business before dissolution/deregistration	Date of dissolution/deregistration	Reason of dissolution/deregistration
Shanghai Lianji Investment Development Co., Ltd. (上海聯冀投資發展有限公司).	Legal representative, executive director	Investment	November 29, 2017	Voluntary dissolution

Mr. Zhang confirmed that (i) the above company was solvent immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to the deregistration of the above company and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) the above company was not involved in any material non-compliance incidents prior to its deregistration.

Mr. Zhang Bo (張波), aged 47, is our co-founder, executive Director and deputy general manager. After he co-founded our Group in May 2015, Mr. Zhang has served as our deputy general manager ever since, and has also served as our Director since November 2017. Mr. Zhang has also served as the director of New Vision Jilin and a supervisor of New Vision Xi'an since September 2021.

Mr. Zhang has more than 20 years of experience in electronics technology and management. He served as a system designer and project manager at Xi'an Changyuan Electronic Engineering Co., Ltd. (西安長遠電子工程有限責任公司) from July 2000 to April 2004, a support engineer at Microsoft (China) Co., Ltd. (微軟(中國)有限公司) from November 2004 to August 2006. He successively served as an executive director and the general manager at Xi'an Ray-vision Electronics (西安睿維申電子科技有限公司) from July 2010 to March 2017.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Zhang graduated in computer software from Xi'an College of Post and Telecommunications (西安郵電學院) in the PRC in July 2001.

Mr. Zhang was previously a director, supervisor or senior management of the following companies, which were established in the PRC and were dissolved with the relevant laws and regulations:

Company name	Position	Nature of business before dissolution/ deregistration	Date of dissolution/ deregistration	Reason of dissolution/ deregistration
Jiangsu Hongmao Electronic Technology Co., Ltd. (江蘇弘茂電子科技有 限公司)	Supervisor	Research and sales of automotive electronic products	January 24, 2019	Voluntary dissolution
Jiangsu Ruiweishen Electronic Technology Co., Ltd. (江蘇睿維申電子科技 有限公司)	General manager	Research and sales of automotive electronic products	August 8, 2019	Voluntary dissolution
Jiangsu Tiansheng Yongchuang Electronic Technology Co., Ltd. (江蘇天晟永創電子科 技有限公司)	Supervisor	Research and design of electronic products	August 28, 2019	Voluntary dissolution
Xi'an Hongshengli Electronic Technology Co., Ltd. (西安鴻晟麗電子科技 有限公司)	Supervisor	Research and sales of electronic products	January 24, 2018	Voluntary dissolution
Shanghai Dehong Enterprise Management Consulting Co., Ltd. (上海德弘企業管理諮 詢有限公司)	Executive director	Management consulting	February 27, 2018	Voluntary dissolution

Mr. Zhang confirmed that (i) the above companies were solvent immediately prior to their deregistration; (ii) there was no wrongful act on his part leading to the deregistration of the above companies and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) the above companies were not involved in any material non-compliance incidents prior to their deregistration.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Fan Xin (范鑫), aged 52, is our executive Director and general manager. Mr. Fan joined our Company in May 2021 and has since served as our general manager, and has been appointed as a Director of our Company since October 2021. He currently also holds multiple management positions in our various subsidiaries, including serving as a director of New Vision Jilin since September 2021, as the manager of New Vision Ningbo since August 2024, and as the general manager of New Vision Chongqing since September 2021.

Mr. Fan has more than 20 years of experience in the automotive electronics industry. Prior to joining our Group, Mr. Fan worked at Xudian (Shanghai) Technology Co., Ltd. (旭電(上海)科技有限公司) from May 2002 to May 2004, at Linde Great China Region Headquarters (林德(中國)投資有限公司) (formerly known as (BOC (China) Holdings Co., Ltd. (比歐西(中國)投資有限公司)) from May 2004 to September 2005, at Anbofu Electrical System Co., Ltd. (安波福電氣系統有限公司) (formerly known as Delphi Parker Electrical Systems Co., Ltd. (德爾福派克電氣系統有限公司)) from September 2005 to October 2007, and served as the operations director of the electrical division in the Asia-Pacific Region at Eaton (China) Investment Co., Ltd. (伊頓(中國)投資有限公司) from January 2013 to July 2014. He also served as a general manager of the factory and director of electronic products in the Asia-Pacific Region, and general manager of the automotive fasteners and parts division at ZF Asia Pacific Group Co., Ltd. (採埃孚亞太集團有限公司) (formerly known as Tianhe Asia Pacific Limited (天合亞太有限公司)) from October 2007 to January 2013 and from July 2014 to July 2016, respectively, and a general manager/vice president of the automotive ventilation systems and plastic fasteners division at Shanghai ITW Plastics and Metal Company Limited (上海依工塑料五金有限公司) from July 2016 to May 2021.

Mr. Fan obtained both his bachelor's degree of engineering in motor and its control and master's degree of engineering in motor from Zhejiang University (浙江大學) in the PRC in June 1994 and March 1997, respectively, and his Master of Business Administration in Tulane University in the United States in May 2003.

Mr. Fan was previously a director of the following company, which were established in the PRC and were dissolved with the relevant laws and regulations:

<u>Company name</u>	<u>Position</u>	<u>Nature of business before dissolution/deregistration</u>	<u>Date of dissolution/deregistration</u>	<u>Reason of dissolution/deregistration</u>
Gunhua Platech (Taicang) Co., Ltd. (建和汽車配件(太倉)有限公司) . . .	Legal representative, executive director, general manager	Sales of automotive products	January 28, 2023	Voluntary dissolution

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Fan confirmed that (i) the above company was solvent immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to the deregistration of the above company and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) the above company was not involved in any material non-compliance incidents prior to its deregistration.

Non-executive Directors

Mr. Hu Bin (胡濱), aged 48, is our non-executive Director. Mr. Hu joined our Company in January 2019 and has since served as our non-executive Director.

Mr. Hu has nearly 20 years of experience in business management. From February 2006 to June 2018, Mr. Hu Bin worked at Northwest Industrial Technology Research Institute (西北工業技術研究院, “**Northwest Institute**”). Since December 2016, Mr. Hu has also served as the director of Shaanxi Beiyan Industrial Equipment Group Co., Ltd. (陝西北研工業裝備集團有限公司, formerly known as Shaanxi Yichuang Technology Industrial Investment Co., Ltd. (陝西億創科技產業投資有限公司)), a wholly owned subsidiary of Northwest Industrial Technology Research Institute, during which he was appointed to, and primarily responsible for the investment and management matters of several subsidiaries controlled thereby, serving as directors, supervisors or senior management members.

Mr. Hu obtained his bachelor’s degree in computer applications and his master’s degree in software engineering field engineering from Xidian University (西安電子科技大學) in the PRC in July 2003 and 2009, respectively. He obtained a doctorate degree in system engineering from Northwestern Polytechnical University (西北工業大學) in the PRC in December 2023. Mr. Hu was qualified as a senior engineer (高級工程師) by the Department of Human Resources and Social Security of Shaanxi Province (陝西省人力資源和社會保障廳) in November 2020, and was recognized as a “Torch Entrepreneurship Mentor” by Torch Center of Ministry of Science and Technology (科技部火炬中心) in January 2016.

Mr. Hu Bin was appointed as the chairperson of board of Shenzhen Kangcheng Machinery Equipment Co., Ltd. (深圳市康鉞機械設備有限公司) (“**Shenzhen Kangcheng**”), a company controlled by Northwest Institute, in September 2018, by virtue of his position held at the Northwest Institute.

- (i) On January 7, 2020, Shenzhen Kangcheng applied to the People’s Court of Bao’an District, Shenzhen, Guangdong Province for bankruptcy and liquidation (the “**Bankruptcy Proceeding**”). Shenzhen Silida Clearing Affairs Co., Ltd. (深圳市司力達清算事務有限公司) was appointed as the administrator (the “**Administrator**”) for the Bankruptcy Proceeding. On August 18, 2023, the Bankruptcy Proceeding was concluded on the grounds of insolvency, and Shenzhen Kangcheng was dissolved. The dissolution resulted from delayed payments by its principal customers for

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

reasons attributable to those customers, which caused significant difficulties in recovering outstanding accounts receivable. Consequently, Shenzhen Kangcheng incurred prolonged operating losses and was unable to meet its debt obligations as they matured.

- (ii) The Administrator confirmed in writing that it has decided to waive pursuing any liability against the relevant personnels (including Mr. Hu Bin) arising out of the Bankruptcy Proceeding, in view that (i) the shareholders of Shenzhen Kangcheng have fully paid the registered capital, and (ii) all relevant personnels have cooperated in good faith with the Bankruptcy Proceeding in view of their cooperative submission of financial records and key documents to the administrator. As confirmed by the Company's PRC Legal Advisor, the Bankruptcy Proceeding does not affect Mr Hu Bin's qualification to serve as a non-executive Director of the Company according to the requirements of the Company Law and other relevant laws and regulations of the PRC regarding the qualifications for directors, supervisors, and senior management personnel.

Mr. You Tianyu (由天宇), aged 37, has been our non-executive Director since December 2023 when he joined our Group.

Prior to joining our Group, Mr. You served as a senior researcher of iResearch Consulting Group (上海艾瑞市場諮詢股份有限公司) from June 2010 to June 2013, a senior research manager of Beijing Guangyitong Advertising Co., Ltd. (北京網易傳媒有限公司) from June 2013 to February 2014, a research director of Honeycomb (Shanghai) Asset Management Co., Ltd. (蜂之巢(上海)資產管理有限公司) from February 2014 to July 2016 and a director of the research institute at Beijing Euronet Alliance Technology Co., Ltd. (北京億歐網盟科技有限公司) from February 2017 to March 2021. Since March 2021, Mr. You has served as a managing director and the head of industrial research institute of Capital Link (Beijing) Fund Management Co., Ltd. (凱聯(北京)投資基金管理有限公司).

Mr. You obtained his bachelor's degree in media from Communication University of China (中國傳媒大學) in the PRC in June 2010.

Ms. Zheng Shiyang (鄭詩羸), aged 35, has been our non-executive Director since July 2024 when she joined our Group.

Prior to joining our Group, Ms. Zheng's major working experience includes serving as an investment manager at Shanghai Qipan Investment Management Co., Ltd. (上海棋盤投資管理有限公司) until May 2017, and subsequently as the head of the investment department of Zhejiang Geely Holding Group (浙江吉利控股集團). Since May 2023, Ms. Zheng has served as a general manager of Wuhan Zhongqing.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Ms. Zheng obtained her bachelor's degree in business and management from the University of Sunderland in February 2013 and her master's degree in international business and economic development from University of Reading in December 2014 in the United Kingdom. She obtained the Fund Practitioners Qualification Certificate (基金從業資格證書) from the Asset Management Association of China (中國證券投資基金業協會) in February 2022.

Ms. Zheng was previously a supervisor of the following company, which was established in the PRC and was dissolved with the relevant laws and regulations:

Company name	Position	Nature of business before dissolution/deregistration	Date of dissolution/deregistration	Reason of dissolution/deregistration
Hangzhou Luosen Enterprise Management Consulting Co., Ltd. (杭州羅森企業管理諮詢有限公司)	Supervisor	Management consulting	September 15, 2021	Voluntary dissolution

Ms. Zheng confirmed that (i) the above company was solvent immediately prior to its deregistration; (ii) there was no wrongful act on her part leading to the deregistration of the above company and she was not aware of any actual or potential claim that had been or would be made against her as a result of such deregistration; and (iii) the above company was not involved in any material non-compliance incidents prior to its deregistration.

Independent non-executive Directors

Ms. Young Meng Ying (楊孟瑛), aged 68, was appointed as an independent non-executive Director of our Company in April 2025.

Ms. Young has nearly 20 years of experience in accounting and financial management. Ms. Young served as an independent non-executive director at Automated System Holdings Limited, a company listed on the Stock Exchange (stock code: 771.HK), from August 2009 to September 2015. She served as the director at Pine Link Business Advisory Limited (松勵商業諮詢有限公司) since August 2011.

Ms. Young obtained a bachelor's degree in business from University of South Australia in May 1993 and a master's degree in practicing accounting from the Monash University in November 2001 in Australia. She was admitted as a certified practicing accountant (CPA) of the CPA Australia in April 2005, and a member of the Hong Kong Institute of Certified Public Accountants in April 2006.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Ms. Young was previously a director of the following companies, which were established in Hong Kong and were dissolved with the relevant laws and regulations:

Company name	Position	Nature of business before dissolution/deregistration	Date of dissolution/deregistration	Reason of dissolution/deregistration
Lynch Consultancy Limited (勵志顧問有限公司)	Director	Business advisory	April 17, 2014	Voluntary dissolution
Sun & Young Business Advisory Limited (伸揚商業諮詢有限公司)	Director	Business advisory	May 3, 2019	Voluntary dissolution
Wah Fung International Limited (樺豐國際有限公司)	Director	Investment in water plant in China	March 7, 2014	Voluntary dissolution

Ms. Young confirmed that (i) the above companies were solvent immediately prior to their deregistration; (ii) there was no wrongful act on her part leading to the deregistration of the above companies and she was not aware of any actual or potential claim that had been or would be made against her as a result of such deregistration; and (iii) the above companies were not involved in any material non-compliance incidents prior to their deregistration.

Ms. Sun Hui (孫暉), aged 54, was appointed as an independent non-executive Director of our Company in April 2025.

Ms. Sun has extensive experience in accounting and financial management. From November 2000 to June 2017, Ms. Sun worked at Ernst & Young, firstly in the United States and then subsequently in the PRC, with her last position as the partner in the assurance group, and head and founding partner of EY financial accounting advisory services practice in the China North region. She served as a partner in the capital markets accounting advisory services in the assurance group at PricewaterhouseCoopers in the United States from June 2017 to December 2018, a partner in the operating group at SB Investment Advisers (US) Inc. from September 2019 to June 2020 and the group chief financial officer, and the Atlas chief financial officer of Atlas Technology Group LLC from January 2022 to June 2022. She has served as an independent non-executive director at TOT BIOPHARM International Company Limited, a company listed on the Stock Exchange (stock code: 1875.HK) since March 2025.

Ms. Sun obtained a bachelor's degree of business administration from Baruch College of the City University of New York in the United States in September 1997. She is a certified public accountant in the State of New York since January 2002 and a certified public accountant (inactive) in the State of California since June 2017. Ms. Sun served as a member of the board of governors and the finance committee at the International School of Busan in South Korea from December 2021 to March 2024.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Prof. Bai Jian (白劍), aged 59, was appointed as an independent non-executive Director of our Company in April 2025.

Prof. Bai has extensive experience in optical science. Prof. Bai is currently a professor at the school of optical science and engineering in Zhejiang University, an independent non-executive director of Beilong Precision Technology Co., Ltd. (貝隆精密科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 301567.SZ) since August 2020, and Hangzhou Everfine Photo-e-info Co., Ltd. (杭州遠方光電信息股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300306.SZ) since May 2022.

Prof. Bai obtained his bachelor's degree in computer software in June 1989 and a doctorate degree in testing and measurement technology and instrument in September 1995 from Zhejiang University (浙江大學) in the PRC, respectively. Prof. Bai was qualified as a professor by the Department of Human Resources and Social Security of Zhejiang Province (浙江省人力資源和社會保障廳) in December 2004. He was awarded the first prize of Science and Technology Award of Zhejiang Province (浙江省科學技術獎一等獎) from Zhejiang Provincial People's Government (浙江省人民政府) in 2013, the first prize of Innovation Invention and Entrepreneurship (發明創業獎創新獎一等獎) from China Association of Inventions (中國發明協會) in August 2023 and the second prize of Science and Technology Progress Award of Zhejiang Province (浙江省科學技術進步獎二等獎) from Zhejiang Provincial People's Government (浙江省人民政府) in 2023.

SUPERVISORS

Our Supervisory Committee comprises three members. Our Supervisors serve a term of three years and may be re-elected for successive reappointments. The functions and duties of the Supervisory Committee include reviewing financial reports, business reports and profit distribution plans prepared by the Board and overseeing the financial and business performance of our Group.

The following table sets out information regarding our Supervisors:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Supervisor	Roles and responsibilities	Relationship with other Directors, Supervisors and senior management
Mr. Zhang Ningbo (張寧波)	39	Chairperson of the Supervisory Committee and employee representative Supervisor	May 2015	May 2015	Performing duties as a Supervisor in accordance with the Articles as well as relevant laws and regulations	None

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Supervisor	Roles and responsibilities	Relationship with other Directors, Supervisors and senior management
Ms. Xiao Jiangyu (肖江玉)	34	Supervisor	September 2022	September 2022	Performing duties as a Supervisor in accordance with the Articles as well as relevant laws and regulations	None
Mr. Shan Chao (單超)	41	Supervisor	November 2024	November 2024	Performing duties as a Supervisor in accordance with the Articles as well as relevant laws and regulations	None

Mr. Zhang Ningbo (張寧波), aged 39, is the chairperson of our Supervisory Committee and employee representative Supervisor of our Company. Mr. Zhang joined our Group in May 2015 and successively served as the manager of electronic research and development department, chief engineer and assistant director of research and development department and product research and development director of our Company.

Prior to joining our Group, Mr. Zhang worked at Guangzhou Zhiyuan Electronics Co., Ltd. (廣州致遠電子股份有限公司) from September 2009 to July 2010, at Micron (Xi'an) Electronic Technical Co., Ltd. (邁隆(西安)電子技術有限公司) from November 2010 to September 2012, and at Xi'an Ray-vision Electronics from March 2013 to March 2015.

Mr. Zhang obtained his bachelor's degree in automation from Xi'an College of Post and Telecommunications (西安郵電學院) in the PRC in July 2009.

Ms. Xiao Jiangyu (肖江玉), aged 34, is the Supervisor of our Company. Ms. Xiao joined our Group in September 2022 and since then served as a Supervisor of our Company.

Ms. Xiao has served as an investment director at FAW Equity Investment (Tianjin) Co., Ltd. (一汽股權投資(天津)有限公司), being responsible for equity investment and post investment management.

Ms. Xiao obtained her bachelor's degree of science from Adelphi University in the United States in August 2015 and her master's degrees in accounting from the University of Sydney in the Australia in October 2018.

Mr. Shan Chao (單超), aged 41, has been appointed as our Supervisor since November 2024 when he joined our Group.

Prior to joining our Group, Mr. Shan worked at Carlyle Investment Consulting (Shanghai) Co., Ltd. (凱雷斯投資諮詢(上海)有限公司), a wholly owned subsidiary of Carlyle Asia Investment Advisors Limited (凱雷投資集團亞洲有限公司), from May 2012 to December

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

2014, at Legend Holdings Corporation (聯想控股股份有限公司), a company listed on the Stock Exchange (stock code: 3396.HK), from February 2018 to February 2021, and at Guangdong Yuanzhi Technology Group Co., Ltd. (廣東元知科技集團有限公司) from August 2021 to January 2023. Since March 2024, Mr. Shan has served as a managing director of Wuhan Zhongqing.

Mr. Shan obtained his bachelor's degrees in naval architecture and ocean engineering in July 2008 and his master's degree in finance in March 2012 from Shanghai Jiao Tong University (上海交通大學) in the PRC, respectively.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table provides information about members of our senior management:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a senior management member	Roles and responsibilities	Relationship with other Directors, Supervisors and senior management
Mr. Fan Xin (范鑫)	52	Executive Director and general manager	May 2021	May 2021	Responsible for overall corporate governance business operation, and corporate strategies	None
Mr. Zhang Bo (張波)	47	Executive Director and deputy general manager	May 2015	May 2015	Responsible for overall management, business plans and strategies and major decisions of our Group	Brother of Mr. Zhang Tao
Mr. Wang Zhenggang (王正剛)	49	Deputy general manager	May 2015	May 2015	Responsible for overall strategic planning and business direction and day-to-day management of our Group	None
Mr. Lyu Tao (呂濤)	46	Chief technology officer	May 2015	May 2015	Responsible for R&D and management of the technology and products of our Group	None
Mr. Bu Yingqi (卜英奇)	34	Financial Director	December 2018	March 2022	Responsible for overall financial management of our Group	None
Ms. Ma Hairong (馬海蓉)	44	Board secretary and joint company secretary	November 2021	April 2025	Responsible for overall corporate governance, information disclosure, investor relation and other Board-related matters	None

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Fan Xin (范鑫) is our executive Director and general manager. See “— Directors — Executive Directors” in this section for his biographical details.

Mr. Zhang Bo (張波) is our executive Director and deputy general manager. See “— Directors — Executive Directors” in this section for his biographical details.

Mr. Wang Zhenggang (王正剛), aged 49, is our deputy general manager. Mr. Wang joined our Group in May 2015, and served as a Director of our Company from May 2015 to October 2021, and the general manager of our Company from May 2015 to May 2018. He has also served as the deputy general manager of our Company since May 2018 and the general manager of Shanghai Sirius since October 2021.

Mr. Wang has more than 20 years of experience in the automotive industry. Before joining our Group, he served as a manager at Saic Volkswagen Automotive Company Limited from July 1998 to November 2007 and successively served as the senior supplier quality management engineer, head of quality process control department, deputy director of sales department, deputy director of quality assurance department and quality general manager at Kostal (Shanghai) Management Co., Ltd. (科世達(上海)管理有限公司) from November 2007 to November 2015.

Mr. Wang obtained a bachelor’s degree in materials science and engineering from Xi’an Jiaotong University in the PRC in July 1998.

Mr. Wang was previously a supervisor of the following companies, which were established in the PRC and were dissolved or struck-off with the relevant laws and regulations:

Company name	Position	Nature of business before deregistration/ struck-off	Date of deregistration/ struck-off	Reason of deregistration/ struck-off
Shanghai Beiyanhong Industrial Development Co., Ltd. (上海別樣紅實業發展有限公司) . . .	Supervisor	Production of automotive products	March 26, 2004	Voluntary dissolution
Shanghai Zhengji Economic and Trade Co., Ltd. (上海徵吉經貿有限公司).	Supervisor	Sales of automotive products	March 4, 2008	Struck off as it was not in actual business operation and therefore did not submit annual filing with the relevant PRC authorities

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Wang confirmed that (i) the above companies were solvent immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to the deregistration of the above companies and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) the above companies were not involved in any material non-compliance incidents prior to their deregistration or struck-off.

Mr. Lyu Tao (呂濤), aged 46, is our chief technology officer. Mr. Lyu joined our Company in May 2015, and served as an employee representative Supervisor from May 2015 to November 2017. He has also served as our chief technology officer since May 2015.

Mr. Lyu has more than 20 years of experience in research and development of electronic technology products. Mr. Lyu worked at Ricoh Asia Industry (Shenzhen) Limited (理光(深圳)工業發展有限公司) from October 2002 and May 2005, at Micron (Xi'an) Electronic Technical Co., Ltd. (邁隆(西安)電子技術有限公司) from April 2006 to July 2010. He also served as a supervisor at Xi'an Chuangni Information Technology Co., Ltd. (西安創尼信息科技有限公司) (formerly known as Xi'an Chuangnier Automotive Electronic Technology Co., Ltd. (西安創尼爾汽車電子技術有限公司)) from December 2010 to January 2016, a technology director at Xi'an Ray-vision Electronics from September 2011 to May 2015 and a manager at Jiangsu Hongmao Electronic Technology Co., Ltd. (江蘇弘茂電子科技有限公司) from September 2013 to January 2019.

Mr. Lyu obtained his bachelor's degree in mechanical engineering and automation from Northwestern Polytechnical University in the PRC in July 2002.

Mr. Lyu was previously a legal representative and general manager of the following company, which were established in the PRC and were dissolved with the relevant laws and regulations:

Company name	Position	Nature of business before dissolution/ deregistration	Date of dissolution/ deregistration	Reason of dissolution/ deregistration
Jiangsu Hongmao Electronic Technology Co., Ltd. (江蘇弘茂電子科技有限公司)	Legal representative, general manager	Research of automotive products	January 24, 2019	Voluntary dissolution

Mr. Lyu confirmed that (i) the above company was solvent immediately prior its deregistration; (ii) there was no wrongful act on his part leading to the deregistration of the above company and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) the above company was not involved in any material non-compliance incidents prior to its deregistration.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Bu Yingqi (卜英奇), aged 34, is our financial director. Mr. Bu joined our Company in December 2018 as our financial manager. He has served as the financial director of our Company since March 2022 and a director of information management department of our Company since April 2024. He has also served as a supervisor of Shanghai Sirius since December 2021.

Mr. Bu has more than 10 years of experience in financial management. Mr. Bu worked at Baker Tilly China Certified Public Accountants (天職國際會計師事務所(特殊普通合夥)) from August 2015 to May 2017, served as a financial due diligence manager at Shanghai Quark Youfu Management Consulting Company Limited (上海誇客優富企業管理顧問有限公司) from November 2017 to April 2018 and worked at Nanjing Chuangpuke Commercial Management Co., Ltd. (南京創普客商業管理有限公司) from May 2018 to October 2018.

Mr. Bu obtained a bachelor's degree in finance and taxation from Shanghai Lixin University of Accounting and Finance (上海立信會計金融學院) in the PRC in June 2014.

Ms. Ma Hairong (馬海蓉), aged 44, is our Board secretary and one of the joint company secretaries of the Company. She is primarily responsible for overall corporate governance, information disclosure, investor relation and other Board-related matters of our Company. Ms. Ma joined our Company in November 2021 and has since successively served as the patent director, the director of intellectual property management department, and the director of the legal and intellectual property department of our Company. She was appointed as our Board secretary and the joint company secretary of our Company in April 2025.

Ms. Ma has over 15 years of experience in legal management. Before joining our Group, she served as an intellectual property manager of ZTE Corporation Limited (中興通訊股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000063.SZ) from July 2009 to November 2021.

Ms. Ma obtained her master's degree in law from Xi'an Jiaotong University in the PRC in June 2009. She was awarded the Second Prize for Scientific and Technological of Shaanxi Province (陝西省科學技術二等獎) from Shaanxi Provincial People's Government (陝西省人民政府) in February 2017. She obtained the Certificate of Patent Agent Qualification issued by the China National Intellectual Property Administration in March 2011, and the Certificate of National Legal Professional Qualification issued by the Ministry of Justice of the PRC in March 2025.

INTERESTS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Saved as disclosed above, none of our Directors, Supervisors and senior management had been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Saved as disclosed above, as of the Latest Practicable Date, none of our Directors, Supervisors or senior management were related to other Directors, Supervisors or senior management of our Company.

JOINT COMPANY SECRETARIES

Ms. Ma Hairong (馬海蓉) is the board secretary and one of the joint company secretaries of the Company. See “— Senior Management” in this section for her biographical details.

Mr. Lui Wing Yat Christopher (呂穎一) is one of the joint company secretaries of the Company. Mr. Lui is a senior manager of company secretarial services of Tricor Services Limited. He has over 12 years of experience in the corporate secretarial field. Mr. Lui has been working for Tricor Services Limited since October 2011 and has been providing professional corporate services to Hong Kong listed companies as well as offshore companies.

Mr. Lui is a Chartered Secretary and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom in June 2017.

Mr. Lui obtained a bachelor's degree in economics and statistics from University College London in the United Kingdom in August 2011.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code and the Listing Rules, our Company has formed three Board committees, namely the Audit Committee, the Nomination and Remuneration Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Ms. Sun Hui, Mr. Hu Bin and Ms. Young Meng Ying. Ms. Sun Hui serves as the chairperson of the Audit Committee, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to, the following:

- reviewing and evaluating the work of external auditors;
- monitoring and making recommendations concerning the internal audit work of our Company;

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

- reviewing and making recommendations concerning the financial reports of our Company;
- evaluating the effectiveness of internal control work;
- ensuring coordination between the management, internal audit department and relevant departments and external auditors; and
- performing other duties and responsibilities as assigned by our Board.

Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of three Directors, namely Ms. Young Meng Ying, Mr. Zhang Tao and Ms. Sun Hui. Ms. Young Meng Ying serves as the chairperson of the Remuneration Committee. The primary duties of the Remuneration Committee include, but are not limited to, the following:

- reviewing and approving remuneration proposals of members of our senior management in accordance with our Company's policies and objectives as approved by our Board from time to time;
- making recommendations to our Board concerning our Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, including, but not limited to, performance evaluation standards, procedures and evaluation systems;
- conducting the evaluation of the annual performance of all Directors and senior management;
- monitoring remuneration payable to all Directors and senior management;
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and
- performing other duties and responsibilities as assigned by our Board.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of three Directors, namely Mr. Zhang Tao, Ms. Sun Hui and Prof. Bai Jian. Mr. Zhang Tao serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to, the following:

- reviewing and making recommendations to the Board on the composition and number of our Board and senior management with reference to our Company's business activities, the scale of assets and shareholding structure;
- identifying individuals suitably qualified to become a member of our Board and senior management, and making recommendations to our Board on the selection of individuals nominated for directorships and senior management;
- reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors;
- accessing and making recommendations to the selection of other senior management appointed by our Board; and
- performing other duties and responsibilities as assigned by our Board.

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

We offer our executive Directors, Supervisors and senior management members, who are also the Company's employees, remuneration in the form of salaries, allowances and benefits in kind, performance related bonuses, pension scheme contributions and share-based payment. Our independent non-executive Directors receive remuneration with reference to their respective positions and duties, including being a member or the chairperson of Board committees.

For the years ended December 31, 2022, 2023, 2024 and nine months ended September 30, 2025, the aggregate amount of remuneration paid or payable to our Directors and our Supervisors amounted to approximately RMB4.7 million, RMB22.9 million, RMB5.8 million and RMB4.7 million, respectively.

Under the arrangement currently in force, we estimate the total remuneration before taxation, including estimated share-based remuneration, to be accrued to our Directors and Supervisors for the year ending December 31, 2026 to be approximately RMB6.7 million. The actual remuneration of Directors and Supervisors in 2026 may be different from the expected remuneration.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The total emoluments for the five highest paid individuals amounted to approximately RMB13.9 million, RMB24.8 million, RMB7.8 million and RMB6.1 million, for the years ended December 31, 2022, 2023, 2024 and nine months ended September 30, 2025, respectively.

During the Track Record Period, no remuneration was paid to our Directors, our Supervisors or any of the five highest paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or receivable by, any of our Directors, former directors, our Supervisors, former Supervisors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors or Supervisors waived any emoluments during the Track Record Period. Save as disclosed above, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors, Supervisors or the five highest paid individuals during the Track Record Period.

Our Board will review and determine the remuneration and compensation packages of our Directors, Supervisors and senior management and will, following the Listing, receive recommendations from our remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors, Supervisors and senior management and the performance of our Group.

EMPLOYEE INCENTIVE SCHEME

To recognize the contributions of our key employees, incentivize our management team, retail talent and promote our long-term sustainable development, we have adopted the Share Incentive Scheme on April 17, 2020. For details of the Share Incentive Scheme, see “Appendix IV — Statutory and General Information — Our Incentive Schemes”.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company complies or intends to comply with the corporate governance requirements under the Corporate Governance Code set out in Appendix C1 to the Listing Rules after the Listing.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted a Board Diversity Policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the Board Diversity Policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the candidates to our Board, including, but not limited to, gender, skills, age,

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

professional experience, knowledge, cultural background, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our board currently consists of three female Directors and six male Directors. Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, quality assurance and control, finance and accounting and corporate governance in addition to industry experience relevant to our Group's operations and business. They obtained degrees in various majors including economics, accounting, business management, and engineering. This diverse academic background allows the Board to approach challenges and opportunities from multiple angles, fostering innovative solutions and comprehensive strategies. We have three independent non-executive Directors with different industry backgrounds, representing one third of the members of our Board. Furthermore, our Board has a diverse age and gender representation. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our Board Diversity Policy.

Our Nomination Committee is responsible for reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors. After the Listing, our Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness, and, when necessary, make any revisions that may be required and recommend any such revisions to our Board for consideration and approval. The Nomination Committee will also include in annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Group's business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on April 22, 2025 and (ii) understands the requirements under the Listing Rules that are applicable to him or her as a director of a listed issuer under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment.

Rule 13.51 of the Listing Rules

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no information relating to the appointment of our Directors and Supervisors that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matters concerning any Director and Supervisor that needs to be brought to the attention of our Shareholders as of the Latest Practicable Date.

COMPLIANCE ADVISOR

We have appointed Changjiang Corporate Finance (HK) Limited as our Compliance Advisor pursuant to Rules 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company in certain circumstances, including:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction is contemplated, including share issues and share repurchases;
- (c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this Prospectus; and
- (d) where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Hong Kong Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of the appointment of our Compliance Advisor will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER GROUP

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, the Controlling Shareholder Group, including Mr. Zhang Tao (張濤), Mr. Zhang Bo (張波), Mr. Wang Zhenggang (王正剛), Mr. Lyu Tao (呂濤), Ms. Ye Jing (葉靜), Ms. Guo Hui (郭慧), Ms. Lyu Xianglian (呂湘連), Yangzhou Zeying and Yangzhou Zewu, was collectively interested in approximately 44.66% of our total share capital by virtue of (i) the acting-in-concert arrangement among Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian, and (ii) the control of Yangzhou Zewu and Yangzhou Zeying, our employee shareholding platforms, by Mr. Zhang Tao in his capacity as their respective general partner. See “History, Development and Corporate Structure — The Concert Party Group” in this Prospectus for details.

Immediately following the completion of the Global Offering (assuming the Share Subdivision is completed), the Controlling Shareholder Group will continue to control in aggregate approximately 38.79% of our total share capital. Therefore, they will remain as a group of our Controlling Shareholders.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently from our Controlling Shareholders and their respective close associates after the Listing, taking into consideration the factors below.

Management Independence

Our Board consists of nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors, while our senior management team consists of six members. Mr. Zhang Tao (executive Director) and Mr. Zhang Bo (executive Director and deputy general manager), being only two out of a total of nine Directors, as well as Mr. Lyu Tao and Mr. Wang Zhenggang, both being deputy general managers, are members of the Controlling Shareholder Group. Save as disclosed herein, none of our Directors or members of our senior management team holds any position in our Controlling Shareholders or their respective close associates.

Our Directors consider that we are capable of maintaining management independence for the following reasons:

- (a) our daily management and operations are carried out independently by our senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Company. For details of the industry experience of our senior management team, please refer to the section headed “Directors, Supervisors and Senior Management” in this prospectus;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER GROUP

- (b) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;
- (c) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting. Hence, no Director will be able to influence our Board in making decisions on matters in which he or she is, or may be interested; and
- (d) we have three independent non-executive Directors and certain matters of our Company, including continuing connected transactions, must always be referred to the independent non-executive Directors for review. We have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Company and our Controlling Shareholders which would support our independent management. For details, see “— Corporate Governance” in this section.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Company independently from our Controlling Shareholders and their respective close associates after the Listing.

Operational Independence

We do not rely on our Controlling Shareholders and their respective close associates for our business development, staffing, logistics, administration, finance, internal audit, IT, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers. We are in possession of all relevant licenses, certificates, facilities and IP rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors believe that we are able to operate independently of our Controlling Shareholders and their respective close associates.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER GROUP

Financial Independence

We have an independent financial system and make financial decisions according to our Company's own business needs. We have our own internal control and accounting systems and an independent finance department for discharging the treasury function and independent access to third party financing. We do not expect to rely on our Controlling Shareholders and their respective close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities, the cash and cash equivalent on hand and internally generated funds as well as the proceeds from the Global Offering.

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Controlling Shareholders or their respective associates. As of the Latest Practicable Date, we did not have any outstanding loans or guarantees provided by or granted to, nor any non-trade balances due to or due from, our Controlling Shareholders or their respective associates.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on our Controlling Shareholders after the Listing.

INTERESTS OF OUR CONTROLLING SHAREHOLDERS IN OTHER BUSINESSES

Each of our Controlling Shareholders confirmed that as of the Latest Practicable Date, apart from the business of our Company, it/he/she did not have any interest in other business, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”), which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Company and our Controlling Shareholders:

- (a) where a Board meeting is held for the matters in which any Director or his/her associates have a material interest, such Director(s) shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDER GROUP

- (b) where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their respective associates has a material interest, our Controlling Shareholders or their respective associates will not vote on the resolutions and shall not be counted in the quorum in the voting;
- (c) as part of our preparation for the Global Offering, we have amended our Articles of Association to comply with the Listing Rules which will become effective upon Listing. In particular, our Articles of Association provides that, a Director shall abstain from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;
- (d) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with our Controlling Shareholders or any of their respective associates, our Company will comply with the applicable Listing Rules;
- (e) we are committed that our Board shall include a balanced composition of executive Director and non-executive Directors (including independent non-executive Directors). We have appointed three independent non-executive Directors, and we believe our independent non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment, and (iii) will be able to provide an impartial and external opinion to protect the interests of our Shareholders as a whole. For details of the independent non-executive Directors, see "Directors, Supervisors and Senior Management";
- (f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expenses; and
- (g) we have appointed Changjiang Corporate Finance (HK) Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Company and our Controlling Shareholders, and to protect minority Shareholders' interests after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Global Offering, assuming that the Share Subdivision is completed, the following persons will have an interest and/or short position (as applicable) in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company:

Shareholder	Nature of Interest	Number and Description of Shares ⁽¹⁾	Approximate Percentage of Shareholding in the Domestic Unlisted Shares/ H Shares immediately after the Global Offering	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company immediately after the Global Offering
Mr. Zhang Tao ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Beneficial owner	1,907,072 Domestic Unlisted Shares	13.28%	1.55%
		4,449,836 H Shares	4.08%	3.61%
	Interest in a controlled corporation	5,201,953 Domestic Unlisted Shares	36.23%	4.22%
		12,137,891 H Shares	11.13%	9.84%
	Interest held jointly with another person	7,249,212 Domestic Unlisted Shares	50.49%	5.87%
		16,914,832 H Shares	15.5%	13.71%
Mr. Zhang Bo ⁽²⁾⁽³⁾	Beneficial owner	2,669,672 Domestic Unlisted Shares	18.59%	2.16%
		6,229,236 H Shares	5.71%	5.05%
	Interest held jointly with another person	11,688,565 Domestic Unlisted Shares	81.41%	9.47%
		27,273,323 H Shares	25.01%	22.10%
Ms. Ye Jing ⁽²⁾⁽³⁾⁽⁶⁾	Beneficial owner	1,243,889 Domestic Unlisted Shares	8.66%	1.01%
		2,902,409 H Shares	2.66%	2.35%
	Interest held jointly with another person	13,114,348 Domestic Unlisted Shares	91.34%	10.63%
		30,600,150 H Shares	28.06%	24.80%
Ms. Guo Hui ⁽²⁾⁽³⁾	Beneficial owner	1,243,889 Domestic Unlisted Shares	8.66%	1.01%
		2,902,409 H Shares	2.66%	2.35%
	Interest held jointly with another person	13,114,348 Domestic Unlisted Shares	91.34%	10.63%
		30,600,150 H Shares	28.06%	24.80%

SUBSTANTIAL SHAREHOLDERS

Shareholder	Nature of Interest	Number and Description of Shares ⁽¹⁾	Approximate Percentage of Shareholding in the Domestic Unlisted Shares/ H Shares immediately after the Global Offering	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company immediately after the Global Offering
Mr. Wang Zhenggang ⁽²⁾⁽³⁾	Beneficial owner	1,096,649 Domestic Unlisted Shares	7.64%	0.89%
		2,558,849 H Shares	2.35%	2.07%
	Interest held jointly with another person	13,261,588 Domestic Unlisted Shares	92.36%	10.75%
		30,943,710 H Shares	28.38%	25.08%
Mr. Lyu Tao ⁽²⁾⁽³⁾	Beneficial owner	497,557 Domestic Unlisted Shares	3.47%	0.40%
		1,160,965 H Shares	1.06%	0.94%
	Interest held jointly with another person	13,860,680 Domestic Unlisted Shares	96.53%	11.23%
		32,341,594 H Shares	29.6%	26.21%
Ms. Lyu Xianglian ⁽²⁾⁽³⁾ .	Beneficial owner	497,556 Domestic Unlisted Shares	3.47%	0.40%
		1,160,964 H Shares	1.06%	0.94%
	Interest held jointly with another person	13,860,681 Domestic Unlisted Shares	96.53%	11.23%
		32,341,595 H Shares	29.6%	26.21%
Yangzhou Zewu ⁽²⁾⁽⁵⁾ . . .	Beneficial owner	2,931,431 Domestic Unlisted Shares	20.42%	2.38%
		6,840,007 H Shares	6.27%	5.54%
Yangzhou Zeying ⁽²⁾⁽⁴⁾ . .	Beneficial owner	2,270,522 Domestic Unlisted Shares	15.81%	1.84%
		5,297,884 H Shares	4.86%	4.29%
Mr. Fan Xin ⁽⁴⁾	Interest in a controlled corporation	2,270,522 Domestic Unlisted Shares	15.81%	1.59%
		5,297,884 H Shares	4.86%	4.29%
Golden Growth ⁽⁶⁾	Beneficial owner	7,583,672 H Shares	6.96%	6.15%
Shunwei China Internet Opportunity Fund III, L.P. (“SCIOF III”) ⁽⁶⁾ .	Interest in a controlled corporation	7,583,672 H Shares	6.96%	6.15%
Shunwei Capital Partners IV GP, L.P. (“SCIOF III GP”) ⁽⁶⁾ .	Interest in a controlled corporation	7,583,672 H Shares	6.96%	6.15%
Shunwei Capital Partners IV GP Limited ⁽⁶⁾ . . .	Interest in a controlled corporation	7,583,672 H Shares	6.96%	6.15%

SUBSTANTIAL SHAREHOLDERS

Shareholder	Nature of Interest	Number and Description of Shares ⁽¹⁾	Approximate Percentage of Shareholding in the Domestic Unlisted Shares/ H Shares immediately after the Global Offering	Approximate Percentage of Shareholding in the Total Issued Share Capital of our Company immediately after the Global Offering
Silver Unicorn Ventures Limited ⁽⁶⁾	Interest in a controlled corporation	7,583,672 H Shares	6.96%	6.15%
Koh Tuck Lye ⁽⁶⁾	Interest in a controlled corporation	7,583,672 H Shares	6.96%	6.15%
Qianzhan Yuanzhi ⁽⁷⁾	Beneficial owner	7,541,160 H Shares	6.92%	6.11%
Wuhan Zhongqing ⁽⁷⁾	Interest in a controlled corporation	7,541,160 H Shares	6.92%	6.11%
Ningbo Forward Engine Equity Investment Partnership Enterprise (Limited Partnership) (寧波前瞻引擎股權投資合夥企業(有限合夥)) (“Qianzhan Yinqing”) ⁽⁷⁾	Interest in a controlled corporation	7,541,160 H Shares	6.92%	6.11%
Mr. Feng Qingfeng (馮擎峰) ⁽⁷⁾	Interest in a controlled corporation	7,541,160 H Shares	6.92%	6.11%

Notes:

- (1) All interests are long positions. The number of Shares were presented based on the assumption that the Share Subdivision is completed.
- (2) As of the Latest Practicable Date, Mr. Zhang Tao was the general partner of Yangzhou Zewu and Yangzhou Zeying. Therefore, Mr. Zhang Tao is deemed to be interested in the 4,885,719 and 3,784,203 Shares held by each of Yangzhou Zewu and Yangzhou Zeying under the SFO.
- (3) Pursuant to the acting-in-concert agreement dated February 1, 2021, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian are parties acting in concert in respect of their shareholding interests in our Company. Therefore, each of Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian is deemed to be interested in the interest of each other under the SFO.
- (4) As of the Latest Practicable Date, the partnership interest of Yangzhou Zeying was held as to (i) 16.44% by Mr. Zhang Tao as the general partner; (ii) 39.64% by Mr. Fan Xin as a limited partner, and (iii) 43.92% by 42 other limited partners, none of which holds more than 30% interest therein.

SUBSTANTIAL SHAREHOLDERS

- (5) As of the Latest Practicable Date, the partnership interest of Yangzhou Zewu was held as to (i) 0.55% by Mr. Zhang Tao as the general partner; and (ii) 99.45% by 47 limited partners, none of which holds more than 30% therein.
- (6) Golden Growth is a wholly owned subsidiary of SCIOF III and the general partner of SCIOF III is SCIOF III GP. SCIOF III GP is controlled by Shunwei Capital Partners IV GP Limited as its general partner, which is held by Silver Unicorn Ventures Limited as to more than 50% of the issued and outstanding shares. Mr. Koh Tuck Lye is the sole shareholder of Silver Unicorn Ventures Limited. Therefore, each of SCIOF III, SCIOF III GP Shunwei Capital Partners IV GP Limited, Silver Unicorn Ventures Limited and Koh Tuck Lye is deemed to be interested in the Shares held by Golden Growth.
- (7) The general partner of Qianzhan Yuanzhi is Wuhan Zhongqing, which is in turn ultimately controlled and beneficially owned by Mr. Feng Qingfeng. The limited partnership interest of Qianzhan Yuanzhi was owned as to 59.94% by Qianzhan Yinqing, which is in turn managed by Wuhan Zhongqing as its general partner. Therefore, each of Wuhan Zhongqing, Qianzhan Yinqing and Mr. Feng Qingfeng is deemed to be interested in the Shares held by Qianzhan Yuanzhi.

For those who are directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of our Group, see “Appendix IV — Statutory and General Information — Further Information about our Directors, Supervisors, Senior Management and Substantial Shareholders — Disclosure of Interests”.

Save as disclosed herein, the Directors are not aware of any other person who will, immediately following the Global Offering, have an interest or short position in Shares or underlying Shares of the Company, which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company.

SHARE CAPITAL

OUR SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the Global Offering.

Immediately before the Global Offering

As of the Latest Practicable Date, the registered capital of our Company was RMB53,584,383, comprising 53,584,383 Shares of nominal value RMB1.00 each.

We expect to conduct the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into two Shares with par value of RMB0.50 each. See “History, Development and Corporate Structure — Share Subdivision” for further details.

Upon the Completion of the Share Subdivision and the Global Offering

Immediately following the completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed), the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
Domestic Unlisted Shares	14,358,237	11.64
H Shares converted from Domestic Unlisted Shares	<u>92,810,529</u>	<u>75.21</u>
H Shares to be issued pursuant to the Global Offering	<u>16,226,500</u>	<u>13.15</u>
Total	<u>123,395,266</u>	<u>100.00</u>

The Conversion of Domestic Unlisted Shares into H Shares will involve an aggregate of 92,810,529 Domestic Unlisted Shares (being 46,405,264 Shares of the Company with par value of RMB1.0 before the completion of the Share Subdivision) held by 40 existing Shareholders, representing approximately 86.60% of total issued Shares of the Company as of the Latest Practicable Date and approximately 75.21% of total issued Shares of the Company upon completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed). Set out below are such Shares held by our existing Shareholders and their respective shareholding upon completion of the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed).

SHARE CAPITAL

Shares immediately after the Global Offering (assuming the Conversion of Domestic Unlisted Shares into H Shares and the Share Subdivision are completed)					
Shareholders	Number of Shares held before the Global Offering (assuming the Share Subdivision is completed)	H Shares	Approximate Percentage	Domestic Unlisted Shares	Approximate Percentage
Mr. Zhang Bo	8,898,908	6,229,236	4.36%	2,669,672	1.87%
Mr. Zhang Tao	6,356,908	4,449,836	3.11%	1,907,072	1.33%
Ms. Ye Jing	4,146,298	2,902,409	2.03%	1,243,889	0.87%
Ms. Guo Hui	4,146,298	2,902,409	2.03%	1,243,889	0.87%
Mr. Wang Zhenggang . .	3,655,498	2,558,849	1.79%	1,096,649	0.77%
Mr. Lyu Tao	1,658,522	1,160,965	0.81%	497,557	0.35%
Ms. Lyu Xianglian	1,658,520	1,160,964	0.81%	497,556	0.35%
Yangzhou Zewu	9,771,438	6,840,007	4.79%	2,931,431	2.05%
Yangzhou Zeying	7,568,406	5,297,884	3.71%	2,270,522	1.59%
Golden Growth	7,583,672	7,583,672	5.31%	–	–
Qianzhan Yuanzhi	7,541,160	7,541,160	5.28%	–	–
Kenge Capital	5,775,372	5,775,372	4.04%	–	–
Suzhou Sushang	3,918,036	3,918,036	2.74%	–	–
Jiaxing Kailian	3,872,180	3,872,180	2.71%	–	–
Wenzhou Kechuang	3,601,446	3,601,446	2.52%	–	–
Jiaqiao Capital	3,361,660	3,361,660	2.35%	–	–
FAW Investment	2,848,442	2,848,442	1.99%	–	–
Changjiang Investment .	2,780,702	2,780,702	1.95%	–	–
Binfu Capital	2,505,530	2,505,530	1.75%	–	–
Jiaxing Juntai	2,400,000	2,400,000	1.68%	–	–
Huang Zhigang	2,232,714	2,232,714	1.56%	–	–
Shunyi State Investment	2,305,976	2,305,976	1.61%	–	–
Lianshan Investment . . .	1,458,684	1,458,684	1.02%	–	–
Gongqingcheng Yintai . .	1,452,068	1,452,068	1.02%	–	–
Gold Investment	1,181,672	1,181,672	0.83%	–	–
Anhui Jiaokong	1,181,672	1,181,672	0.83%	–	–
Ningbo Youfu	1,138,878	1,138,878	0.80%	–	–
Yangzhou Qizheng	1,027,650	1,027,650	0.72%	–	–
Yuhu Investment	455,696	455,696	0.32%	–	–
Zhao Huarong	290,412	290,412	0.20%	–	–
Zheng Yanhua	201,198	201,198	0.14%	–	–
Zhang Feng	193,150	193,150	0.14%	–	–
Total	107,168,766	92,810,529	64.95%	14,358,237	10.05%

SHARE CAPITAL

DOMESTIC UNLISTED SHARES AND H SHARES

The H Shares in issue upon completion of the Global Offering and the Domestic Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. Our H Shares may only be subscribed for and traded in Hong Kong dollars.

Our Domestic Unlisted Shares, on the other hand, may only be subscribed for and traded in RMB. Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai — Hong Kong Stock Connect or the Shenzhen — Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities (such as our certain existing Shareholders the Domestic Unlisted Shares held by whom will be converted in to H shares according to the approval of the CSRC), H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC. Our Domestic Unlisted Shares, on the other hand, can be purchased or transferred between legal or natural persons of the PRC, qualified foreign institutional investors and qualified foreign strategic investors.

Domestic Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and shall rank *pari passu* with each other in all respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Domestic Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

CONVERSION OF DOMESTIC UNLISTED SHARES INTO H SHARES

Pursuant to the regulations prescribed by the securities regulatory authorities of the State Council and the Articles of Association, the Domestic Unlisted Shares may be converted into overseas-listed Shares. Such converted Shares could be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval process has been duly completed, all the filing procedures with relevant PRC regulatory authorities, including the CSRC are followed. In addition, such conversion and trading shall comply with the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. If any of the Domestic Unlisted Shares are to be converted, listed and traded as H Shares on the Hong Kong Stock Exchange, such conversion, listing and trading will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Hong Kong Stock Exchange.

File with the CSRC for Full Circulation

In accordance with the Overseas Listing Trial Measures and related guidelines, H-share listed companies shall file with the CSRC for the conversion of Domestic Unlisted Shares into H shares for listing and circulation on the Hong Kong Stock Exchange. An unlisted domestic joint stock company may file for “full circulation” when applying for an overseas initial public offering.

SHARE CAPITAL

We have filed with the CSRC for the conversion of 92,810,529 Domestic Unlisted Shares into H Shares on a one-for-one basis upon the completion of the Global Offering and CSRC issued the filing notice in respect of the Global Offering dated December 11, 2025.

Listing Approval by the Stock Exchange

We have applied to the Listing Committee of the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering, and the H Shares to be converted from 92,810,529 Domestic Unlisted Shares on the Hong Kong Stock Exchange, which is subject to the approval by the Hong Kong Stock Exchange.

We will perform the following procedures for the Conversion of Domestic Unlisted Shares into H Shares after receiving the approval of the Hong Kong Stock Exchange: (1) giving instructions to our H Share Registrar regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS.

REGISTRATION ON TRANSFER OF SHARES ISSUED PRIOR TO THE GLOBAL OFFERING

In accordance with Article 160 of the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by the Company prior to the Global Offering will be subject to such statutory restriction on transfer within a period of one year from the Listing Date. See “History, Development and Corporate Structure — Pre-IPO Investments”.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See “Appendix III — Summary of Articles of Association” in this prospectus.

CORNERSTONE INVESTORS

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a “**Cornerstone Investment Agreement**”, and together the “**Cornerstone Investment Agreements**”) with the cornerstone investors set out below (each a “**Cornerstone Investor**”, and together the “**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 50 H Shares) that may be purchased for an aggregate amount of approximately HK\$109.95 million (exclusive of brokerage fee, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee) (the “**Cornerstone Placing**”).

Assuming an Offer Price of HK\$42.00 per Offer Share (being the low-end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 2,617,800 Offer Shares, representing approximately 16.13% of the Offer Shares pursuant to the Global Offering and approximately 2.12% of the total issued share capital of the Company immediately following the completion of the Global Offering (assuming the Share Subdivision is completed);

Assuming an Offer Price of HK\$45.00 per Offer Share (being the mid-point of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 2,443,300 Offer Shares, representing approximately 15.06% of the Offer Shares pursuant to the Global Offering and approximately 1.98% of the total issued share capital of the Company immediately following the completion of the Global Offering (assuming the Share Subdivision is completed).

Assuming an Offer Price of HK\$48.00 per Offer Share (being the high-end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 2,290,550 Offer Shares, representing approximately 14.12% of the Offer Shares pursuant to the Global Offering and approximately 1.86% of the total issued share capital of the Company immediately following the completion of the Global Offering (assuming the Share Subdivision is completed).

We believe that the Cornerstone Placing signifies our Cornerstone Investors’ confidence in our Company and its business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. We became acquainted with each of the Cornerstone Investors through introduction by the Overall Coordinators of the Global Offering.

The Cornerstone Placing will form part of the International Offering, and save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the public float of our Company under Rule 8.08 (as amended and replaced by Rule 19A.13A)

CORNERSTONE INVESTORS

of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company; and none of the Cornerstone Investors and their close associates will become a substantial Shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

With respect to the Cornerstone Investors, (i) Yingke No. 1 (Hongkong) Limited (盈科壹號(香港)有限公司) (“**Yingke No. 1**”) is wholly owned by Beijing Yingke Industrial Equity Investment Fund (Limited Partnership) (北京盈科產業股權投資基金(有限合夥)) (“**Yingke Investment Fund**”), which is ultimately controlled by the State-owned Assets Supervision and Administration Commission of Shunyi District People’s Government, Beijing (北京市順義區人民政府國有資產監督管理委員會) (“**Beijing Shunyi SASAC**”); and (ii) Hongkong High Tech Industrial (Beijing) Development Investment Co., Limited (香港高精尖產業(北京)發展投資有限公司) (“**Hongkong High Tech**”) is wholly owned by Beijing Gaojingjian Industrial Development Investment Fund (Limited Partnership) (北京高精尖產業發展投資基金(有限合夥)) (“**Beijing Gaojingjian**”) whose general partners and limited partners are ultimately controlled by the People’s Government of Beijing Municipality (北京市人民政府) (“**Beijing Municipality Government**”), Beijing Shunyi SASAC and Beijing State-owned Assets Supervision and Administration Commission (北京市國有資產監督管理委員會) (“**Beijing SASAC**”) (as the case may be), thus for the purpose of the Cornerstone Placing, each of Yingke No. 1 and Hongkong High Tech is considered as a close associate of our existing Shareholders, consisting of Shunyi Fund and Yingke Fund, which are ultimately controlled by government authorities within Beijing Municipality (each not a substantial Shareholder) and hold an aggregate of approximately 2.16% of the Company’s issued Shares as of the Latest Practicable Date. For details about the shareholding structure of Yingke No.1 and Hongkong High Tech, see “—Our Cornerstone Investors” below. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.04 of, and consent under Paragraph 1C(2) of Appendix F1 to, the Listing Rules in relation to the subscription of the Offer Shares as Cornerstone Investors by Yingke No. 1 and Hongkong High Tech. Please refer to the section headed “Waivers from Strict Compliance with the Listing Rules and Exemptions from the Companies (Winding Up and Miscellaneous Provisions) Ordinance — Waiver from Strict Compliance with Rule 10.04 of the Listing Rules and the Stock Exchange’s Consent under Paragraph 1C of Appendix F1 to the Listing Rules in respect of Subscriptions of Offer Shares by Close Associates of Existing Shareholders as Cornerstone Investors” for further details.

CORNERSTONE INVESTORS

To the best knowledge of our Company, save for the fact that each of Yingke No. 1 and Hongkong High Tech is considered as a close associate of our existing Shareholders, consisting of Shunyi Fund and Yingke Fund, for the purpose of the Cornerstone Placing, (i) each of the Cornerstone Investors is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, the Directors, chief executive, our Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of H Shares registered in its name or otherwise held by it; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is directly or indirectly financed by our Company, the Directors, chief executive, our Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; (iv) each Cornerstone Investor will be utilizing its internal financial resources, financial resources of its shareholders or (in the case of Cornerstone Investors which are funds or investment managers) the assets managed for its investors as its source of funding for the subscription of the Offer Shares, and it has sufficient funds to settle its respective investment under the Cornerstone Placing; and (v) each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing.

The Cornerstone Investors have agreed to pay in full for the relevant Offer Shares that they have subscribed before dealings in the Company's H Shares commence on the Stock Exchange.

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around Monday, March 23, 2026.

OUR CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing, assuming an Offer Price of HK\$42.00, being the low-end of the indicative Offer Price range set out in this prospectus:

Cornerstone Investor	Investment amount ⁽¹⁾	Number of Offer Shares ⁽²⁾	Approximate % of the Offer Shares	Approximate % of the International Offer Shares	Approximate % of our total issued share capital immediately upon completion of the Global Offering (assuming the Share Subdivision is completed)
	<i>(HK\$ in millions)</i>				
Yingke No. 1	55.00	1,309,500	8.07%	8.97%	1.06%
Hongkong High Tech. . .	54.95	1,308,300	8.06%	8.96%	1.06%
Total	109.95	2,617,800	16.13%	17.93%	2.12%

CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing, assuming an Offer Price of HK\$45.00, being the mid-point of the indicative Offer Price range set out in this prospectus:

Cornerstone Investor	Investment amount ⁽¹⁾	Number of Offer Shares ⁽²⁾	Approximate % of the Offer Shares	Approximate % of the International Offer Shares	Approximate % of our total issued share capital immediately upon completion of the Global Offering (assuming the Share Subdivision is completed)
	(HK\$ in millions)				
Yingke No. 1	55.00	1,222,200	7.53%	8.37%	0.99%
Hongkong High Tech. . .	54.95	1,221,100	7.53%	8.36%	0.99%
Total	109.95	2,443,300	15.06%	16.73%	1.98%

The table below sets forth details of the Cornerstone Placing, assuming an Offer Price of HK\$48.00, being the high-end of the indicative Offer Price range set out in this prospectus:

Cornerstone Investor	Investment amount ⁽¹⁾	Number of Offer Shares ⁽²⁾	Approximate % of the Offer Shares	Approximate % of the International Offer Shares	Approximate % of our total issued share capital immediately upon completion of the Global Offering (assuming the Share Subdivision is completed)
	(HK\$ in millions)				
Yingke No. 1	55.00	1,145,800	7.06%	7.85%	0.93%
Hongkong High Tech. . .	54.95	1,144,750	7.05%	7.84%	0.93%
Total	109.95	2,290,550	14.12%	15.68%	1.86%

Notes:

- (1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy.
- (2) Rounded down to the nearest whole board lot of 50 H Shares. The exact number of H Shares to be subscribed by the Cornerstone Investors will be subject to the exchange rate as prescribed in the relevant cornerstone investment agreement.

CORNERSTONE INVESTORS

OUR CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Yingke No. 1

Yingke No. 1 is a limited liability company incorporated in Hong Kong and principally engaged in equity investment. Yingke No. 1 is wholly owned by Yingke Investment Fund. Yingke Investment Fund is owned as to approximately (i) 0.9901% by its general partner, Beijing Shunchuang Industrial Venture Capital Management Co., Ltd. (北京順創產業創業投資管理有限公司), a wholly-owned subsidiary of Beijing Shunyi Tech Innovation Group Co., Ltd. (北京順義科技創新集團有限公司) (“**Beijing Shunyi Tech**”), which is further wholly owned by Beijing Shunyi SASAC; (ii) 88.8867% by Beijing Shunyi Tech as a limited partner; and (iii) 10.1232% by two other limited partners.

Hongkong High Tech

Hongkong High Tech is a limited liability company incorporated in Hong Kong and principally engaged in equity investment. Hongkong High Tech is wholly owned by Beijing Gaojingjian. Beijing Gaojingjian is owned as to (i) 1% by its general partner, Beijing Guorong Gongfa Investment Consulting Co., Ltd. (北京國融工發投資管理有限公司), which is wholly owned by Beijing Municipality Government; (ii) 50% by a limited partner, Government of Beijing Investment Fund (北京市政府投資引導基金(有限合夥)), which is ultimately controlled by Beijing SASAC and (iii) 49% by three other limited partners, each holding less than 30% partnership interest in Beijing Gaojingjian.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions (as the case may be):

- (i) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;
- (ii) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the underwriters of the Global Offering);

CORNERSTONE INVESTORS

- (iii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares (including the Offer Shares subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals, and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;
- (iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (v) the respective acknowledgements, representations, warranties, undertakings and confirmations of relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are accurate and true in all material respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the “Lock-up Period”), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

FINANCIAL INFORMATION

You should read the following discussion and analysis with our audited consolidated financial information, including the notes thereto, included in the Accountants' Report in Appendix I to this prospectus. Our consolidated financial information has been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards (“IFRSs”).

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this prospectus, including but not limited to the sections headed “Risk Factors” and “Business.”

For the purpose of this section, unless the context otherwise requires, references to 2022, 2023 and 2024 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We are committed to the research and development of HUD solutions. During the Track Record Period, we provided comprehensive solutions that are primarily centered on CyberLens, our windshield HUD (W-HUD) solution, and CyberVision, our augmented reality HUD (AR-HUD) solution, supplemented by testing solutions and other innovative visual technology initiatives. We collaborate with automotive OEMs in depth on joint development at solution definition stage, empowering new vehicle models with more immersive human-vehicle interactions and intelligent driving experience. We were among the first to launch proprietary HUD solutions in China's market. Through our innovative solution offerings, we promote the evolution and market penetration of visual presentation and human-vehicle interaction for intelligent cockpit from 2D to 3D and AR.

During the Track Record Period, we primarily generated revenue from sales of HUD solutions and testing solutions. Our revenue amounted to RMB214.1 million, RMB549.4 million, RMB577.6 million, RMB429.7 million and RMB479.9 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. We recorded loss for the year of RMB256.1 million, RMB174.6 million and RMB137.9 million in 2022, 2023 and 2024, respectively. We recorded loss for the period of RMB127.8 million and RMB343.7 million in the nine months ended September 30, 2024 and 2025, respectively. Notably, excluding the impact of fair value losses on redemption liabilities on equity shares, share-based payment expenses and listing expenses, we had adjusted net loss (non-IFRS measure) of RMB79.1 million, RMB7.1 million, RMB4.4 million and RMB17.5 million in 2022, 2024 and the nine months ended September 30, 2024 and 2025, respectively, and adjusted net profit (non-IFRS measure) of RMB13.3 million in 2023.

FINANCIAL INFORMATION

BASIS OF PREPARATION

The consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of our Group for each of the years ended December 31, 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, and the consolidated statements of financial position of our Group and the statements of financial position of our Company as of December 31, 2022, 2023 and 2024 and September 30, 2025 and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”) have been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the International Accounting Standards Board.

The Historical Financial Information has been prepared under the historical cost convention except for redemption liabilities on equity shares and certain financial instruments which have been measured at fair value at the end of each year/period of the Track Record Period.

All IFRSs effective for the accounting period commencing from January 1, 2024, together with the relevant transitional provisions, have been adopted by our Group in the preparation of the Historical Financial Information throughout the Track Record Period.

See Note 2.1 of Appendix I to this prospectus for more details.

The preparation of the Historical Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information, are disclosed in Note 3 of the Accountants’ Report in Appendix I to this prospectus.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The success and growth of our business depend on many factors. While each of these factors presents significant opportunities for our business, they also pose important challenges that we must successfully address so as to optimize our results of operations and sustain our growth. Our business and results of operations are affected by general factors affecting the development of our industry, which include but is not limited to:

- general demand for automotive vehicles;
- competitive landscape;
- seasonality in the automotive industry;
- relevant laws and regulations, governmental policies and initiatives; and
- international trade policies and environment.

FINANCIAL INFORMATION

Besides the general factors affecting our industry, our business and results of operations are also affected by certain company-specific factors, which include:

Our Ability to Develop Advanced HUD Solutions and Improve Our Market Penetration

Our ability to develop advanced HUD solutions and improve our market penetration is fundamental to maintaining our competitive edge and driving business success. As an innovator of HUD solutions, we strive to anticipate and capture the evolving demands of automotive OEMs and end users by enhancing the performance, reliability and cost-effectiveness of our solutions. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we sold 175,714 units, 534,598 units, 624,597 units, 462,969 units and 608,035 units of HUD solutions, respectively, which generated revenue of RMB171.2 million, RMB494.5 million, RMB540.6 million, RMB400.6 million and RMB448.4 million in the same periods. Meanwhile, China's automotive industry remains underpenetrated for HUD solutions. According to CIC, from 2020 to 2024, the penetration rate of HUD in Chinese passenger vehicles increased from 4.7% to 13.9%, which presents significant growth potential for us. We will continue to upgrade our existing W-HUD and AR-HUD solutions and introduce other cutting-edge solutions to stay competitive. Continuous innovation enables us to develop solutions that align with emerging trends in autonomous driving and intelligent vehicles, such as AR-HUD's augmented reality capabilities and W-HUD's adaptability to various driving conditions. Our ability to deliver better user experience to end users through continued innovations in our HUD solutions and technologies determines how much value we are able to bring to our automotive OEM customers and thereby affects their decisions to choose us, which in turn affects our results of operations and financial condition.

Our Ability to Attract New Automotive OEM Customers and Deepen Relationships with Existing Automotive OEM Customers

Our ability to attract new automotive OEM customers and deepen relationships with existing ones is critical to scaling our business and sustaining long-term growth. As of September 30, 2025, we served a total of 18 automotive OEM customers.

We have established strong relationships with a diverse base of top-tier automotive OEMs and will continue to deepen our relationships with these existing customers. By deepening such relationships, we are able to scale deployment of our solutions with mass production of our OEM customers' vehicles. As of September 30, 2025, we had 101 design-wins, covering a diverse and growing pipeline of vehicle models. Moreover, many of our customers are leading automotive OEMs with a substantial market presence. Close collaboration with them allows us to stay attuned to shifting market demands and emerging trends. By engaging early in the product development process, we work alongside our customers to align with their needs and market dynamics. This proactive approach helps accelerate our solution introduction cycles, enhances the transition from design-in to design-win, and ultimately drives higher orders, shipments and customer loyalty. For example, we collaborated in depth with a Chinese luxury automotive OEM with profound history with the shared objective of developing an immersive HUD experience tailored specifically to Chinese users' needs, aiming to set a new industry

FINANCIAL INFORMATION

standard for intelligent cockpits through deep collaboration between technology development and practical application scenarios. See “Business — Our Solutions — Head-up Display Solutions — Deep Collaboration with Automotive OEMs.” Leveraging our technology innovations and diverse solutions portfolio, we believe we will be able to continue to provide end users with competitive HUD solutions of high quality, which contributes to the success of the vehicle models which are equipped with our HUD solutions and further reinforces our cooperation with these automotive OEMs. Retaining and strengthening these customer relationships directly affect our results of operations and financial condition.

Our future growth also depends on our ability to attract new customers. The core competitiveness of our customer acquisition capabilities primarily lies in our ability to offer high-quality HUD solutions that not only meet customers’ needs but also are cost-effective and offer high value for money. Also, our proven track record of collaborating with existing automotive OEM customers enhances our brand reputation and awareness, which brings our HUD solutions to a broad customer base through the power of publicity and word-of-mouth. Moreover, we also devoted substantial effort and resources to acquiring customers, from our initial contact through to the point where they select our solutions for integration into their vehicle models. For example, we engage in a variety of events, including exhibitions, live product launches and business updates, to interact with business partners across the industry chain. Additionally, we collaborate with our business partners on research projects, which helps us connect with customers who have relevant needs. Sustaining and expanding these efforts is crucial for growing our customer base, which will influence our results of operations and financial condition.

Our Ability to Maintain Robust R&D Capabilities Effectively and Efficiently

Technological innovation and advancement have been, and will continue to be, one of the propellants to the prosperity of our industry. We always place paramount importance on our R&D efforts and continually improve our R&D capabilities to elevate the performance, reliability, durability and overall experience of our HUD solutions. We have made significant investments in our R&D activities during the Track Record Period as we believe that our R&D capabilities will be the main driving force for our long-term competitiveness and business prospects. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses amounted to RMB83.4 million, RMB54.5 million, RMB62.1 million, RMB43.6 million and RMB48.9 million, respectively, accounting for 39.0%, 9.9%, 10.7%, 10.1% and 10.2% of our revenue during same periods. During the Track Record Period, our R&D initiatives have achieved substantial progress, with several reaching mass production. We are confident that these advancements and their successful market entry will greatly enhance our long-term competitive edge over our competitors, which not only highlights our dedication to innovation but also solidifies our standing as an industry leader. Meanwhile, we intend to continually invest in attracting and retaining key talent to strengthen our technological advantages and support our business growth. As of September 30, 2025, we had a robust R&D team consisting of 158 employees, which accounted for 35.9% of the total number of our employees as of the same date. We also plan to utilize a significant portion of our net proceeds from the Global Offering to enhance our R&D capabilities. See “Future Plans

FINANCIAL INFORMATION

and Use of Proceeds.” Driven by our ongoing R&D investment and the expertise of our R&D team, we are dedicated to continuously enhancing our HUD solutions and expanding our matrix by developing other innovative initiatives, such as camera monitoring system, transparent window display and real-image suspensory display, which have not proceeded to mass production yet as of the Latest Practicable Date. See “Business — Our Solutions — Other Innovative Initiatives.” Our long-term success depends, to a significant extent, on our ability to successfully carry out our R&D initiatives and commercialize the development results in an efficient manner.

Our Ability to Continually Enhance Our Production Capabilities

Our ability to continually enhance our production capabilities is critical for us to meet the ever-growing customer demand and ensure timely delivery of our solutions. Our Yizheng Base enables us to support large-scale mass production while maintaining high quality and reliability. The production capacity of our Yizheng Base has steadily increased during the Track Record Period from 360,000 units in 2022 to 760,000 units in 2023 and 910,000 units in 2024, and increased from 670,000 units in the nine months ended September 30, 2024 to 720,000 units in the nine months ended September 30, 2025, with the utilization rate reaching 58.1%, 78.4%, 73.4%, 67.4% and 81.5% in the same respective periods. Additionally, taking into consideration various factors, we also plan to construct new production bases, expand our existing production base and build new production lines. See “Business — Production and Quality Control — Production Expansion Plan” and “Future Plans and Use of Proceeds.” If we are unable to continually enhance our production capabilities, manufacturing limitations may result in delayed delivery, which in turn would lead to reduced or canceled orders, or even the loss of customers. Meanwhile, we expect to incur a significant amount of capital expenditures for our production expansion plan, which may constrain our liquidity and capital resources and therefore impact our results of operations and financial condition. Conversely, in the event that market demand plummets, we may also face the risks of surplus production capacity if we fail to recalibrate our output in a timely manner, and our initial investment may not bear fruit immediately, particularly taking into account the prospective depreciation and amortization over time.

Our Ability to Manage Operating Costs and Improve Operational Efficiency

While we prioritize innovation and technological advancement, our future profitability also depends on our ability to manage operating costs and improve operational efficiency. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our cost of sales amounted to RMB165.7 million, RMB408.9 million, RMB419.7 million, RMB312.4 million and RMB365.0 million, respectively, accounting for 77.4%, 74.4%, 72.7%, 72.7% and 76.1% of our total revenue for the same respective periods. Our cost of sales primarily consists of raw material costs, labor costs and manufacturing overhead, among which raw material costs were the largest component, accounting for 87.0%, 87.2%, 87.0%, 86.2% and 85.5% of our total cost of sales in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. Accordingly, fluctuations in the availability and pricing of raw materials could have a significant influence on our operating costs, profit margins and results of operations. To

FINANCIAL INFORMATION

secure a stable and quality supply of raw materials amid the fluctuations in raw material prices, we have established an extensive supply chain network and adopted a comprehensive supply chain management system, which implements strict supplier selection and management mechanisms and procurement processes to ensure that we obtain high-quality raw materials and services at reasonable costs.

Our profitability is also affected by our ability to maintain efficient control over our operating expenses, which consists of selling and marketing expenses, administrative expenses and R&D expenses. During the Track Record Period, we maintained a relatively healthy level of selling and marketing expenses as a percentage of our total revenue of 7.2%, 2.4%, 4.2%, 4.1% and 3.8% in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. We also have a proven track record of optimizing our R&D expenses and administrative expenses comparable to our revenue scale during the Track Record Period. Our research and development expenses as a percentage of our total revenue were 39.0%, 9.9%, 10.7%, 10.1% and 10.2% in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, and our administrative expenses as a percentage of our total revenue were 29.5%, 13.9%, 13.9%, 14.2% and 17.7% in the same respective periods. For instance, we plan to continually optimize our solution development process to enhance our R&D efficiency and reduce the time-to-market of our solutions. We also remain vigilant in continuously evaluating and monitoring our administrative efficiency to control our administrative expenses. As we ramp up production of our existing solutions and expect to launch more solutions, we expect to benefit from economies of scale and further improve our operational efficiency.

MATERIAL ACCOUNTING POLICY INFORMATION AND ACCOUNTING JUDGMENTS AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continually evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events that are deemed to be reasonable under the circumstances. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

We set forth below those accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Our material accounting policy information, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in Note 2.3 and Note 3 of Appendix I to this prospectus.

FINANCIAL INFORMATION

Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which we will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between us and the customer at contract inception. When the contract contains a financing component which provides us with a significant financial benefit for more than one year, revenue recognized under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

Sales of HUD Solutions

We collaborate with leading automotive OEMs for the development and deployment of powerful and advanced HUD solutions that can be customized at both software and hardware levels to meet the specific needs of their vehicle models. The solution is typically integrated into automotive components such as HUD product for delivery, and revenue is recognized when we transfer the control over automotive components to customers (i.e., goods accepted by customers) or satisfy the performance obligation in the contract.

Sale of Testing Solutions

Our testing solutions, initially focused on HUDs and later expanded to whole vehicle and automotive-grade optoelectronic device testing, create synergies with HUD solutions. We typically deliver corresponding solutions through the handover of testing equipment and tooling, and revenue is recognized when we transfer the control over testing solutions to customers (i.e., goods accepted by customers) or satisfy the performance obligation in the contract.

FINANCIAL INFORMATION

Others

We sometimes provide research and development services and tooling development activities for customer as well as provide components. Our research and development services primarily involve developing customized HUD solutions for vehicle models. Our tooling development services primarily involve designing and developing molds for customized components for vehicle models. Our component sales primarily involve supplying OEMs with the optical lenses we designed and developed. Revenue of tooling is recognized when we transfer the control over tooling to customers, obtain the verification report and the consent of mass production of relevant products from customers or satisfy the performance obligation in the contract.

Property, Plant and Equipment and Depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalized in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, we recognize such parts as individual assets with specific useful lives and depreciate them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Shorter of remaining lease terms and estimated useful lives
Motor vehicles	19%-31.67%
Electronic and office equipment	19%-31.67%
Machinery and others	9.5%-31.67%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each year/period of the Track Record Period.

An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statement of profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

FINANCIAL INFORMATION

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible Assets (Other Than Goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets are amortized on the straight-line basis over the following useful economic lives:

Software	3 to 10 years

Research and Development Expenses

All research costs are charged to the statement of profit or loss as incurred.

Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the profit or loss.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Our financial liabilities include trade payables, other payables and accruals, redemption liabilities on equity share, interest-bearing bank loans and lease liabilities.

FINANCIAL INFORMATION

Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial Liabilities at Amortized Cost (Trade and Other Payables, and Borrowings)

After initial recognition, trade and other payables and interest-bearing borrowings are subsequently measured at amortized cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the statement of profit or loss.

Financial Liabilities Measured at FVTPL

Financial liabilities measured at FVTPL include redemption liabilities on equity shares.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at FVTPL are recognized in profit or loss, except for the gains or losses arising from our own credit risk which are presented in other comprehensive income with no subsequent reclassification to the profit or loss. The net fair value gain or loss recognized in the profit or loss does not include any interest charged on these financial liabilities.

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in the statement of profit or loss.

Impairment of Non-Financial Assets

We assessed whether any indication of impairment for the major non-financial assets existed at the end of each year or period during the Track Record Period in accordance with IAS 36 Impairment of Assets. Based on the assessment results, the value in use exceeds the carrying amounts of the major non-financial assets, resulting in no impairment being recognised.

FINANCIAL INFORMATION

For impairment testing purpose, the carrying amount was compared to the recoverable amount defined by value in use. Based on the assessment result, value in use is greater than carrying amounts of non-financial assets, hence, no impairment was recognized.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labor and an appropriate proportion of overhead. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Share-based Payments

We operate several share award schemes. Employees (including directors) of us receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (“equity-settled transactions”). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in Note 33 of the Appendix I to this prospectus.

The cost of equity-settled transactions is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the service condition is fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each year/period of the Track Record Period until the vesting date reflects the extent to which the vesting period has expired and our best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of our best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there is also service condition.

For awards that do not ultimately vest because service condition has not been met, no expense is recognized. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other service condition is satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is canceled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately.

FINANCIAL INFORMATION

RESULTS OF OPERATIONS

The following table sets forth selected consolidated statements of profit or loss in absolute amounts and as a percentage of our total revenue for the years/periods indicated. This information should be read together with our consolidated financial statements and related notes included in the Accountants' Report set out in Appendix I to this prospectus. The results of operations during the Track Record Period are not necessarily indicative of the results of operations that may be expected for any future period.

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amounts	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>										
<i>(Unaudited)</i>										
Revenue	214,092	100.0	549,362	100.0	577,620	100.0	429,716	100.0	479,921	100.0
Cost of sales	(165,709)	(77.4)	(408,932)	(74.4)	(419,749)	(72.7)	(312,441)	(72.7)	(365,027)	(76.1)
Gross profit	48,383	22.6	140,430	25.6	157,871	27.3	117,275	27.3	114,894	23.9
Other income and gains . . .	37,194	17.4	10,362	1.9	11,073	1.9	3,575	0.8	5,784	1.2
Selling and marketing expenses	(15,318)	(7.2)	(13,101)	(2.4)	(24,014)	(4.2)	(17,707)	(4.1)	(18,321)	(3.8)
Administrative expenses . . .	(63,239)	(29.5)	(76,597)	(13.9)	(80,334)	(13.9)	(60,951)	(14.2)	(85,191)	(17.7)
Research and development expenses	(83,425)	(39.0)	(54,523)	(9.9)	(62,085)	(10.7)	(43,554)	(10.1)	(48,880)	(10.2)
Impairment (losses)/reversal on financial and contract assets, net	(1,987)	(0.9)	(8,542)	(1.6)	(147)	(0.0)	2,306	0.5	137	0.0
Other expenses	(3,552)	(1.7)	(3,689)	(0.7)	(7,694)	(1.3)	(4,525)	(1.1)	(244)	(0.1)
Finance costs	(1,888)	(0.9)	(2,247)	(0.4)	(3,234)	(0.6)	(1,873)	(0.4)	(2,150)	(0.4)
Loss before fair value losses on redemption liabilities on equity shares	(83,832)	(39.2)	(7,907)	(1.4)	(8,564)	(1.5)	(5,454)	(1.3)	(33,971)	(7.1)
Fair value losses on redemption liabilities on equity shares	(172,312)	(80.5)	(166,656)	(30.4)	(127,992)	(22.2)	(121,371)	(28.2)	(306,975)	(63.9)
LOSS BEFORE TAX	(256,144)	(119.7)	(174,563)	(31.8)	(136,556)	(23.7)	(126,825)	(29.5)	(340,946)	(71.0)
Income tax expenses	—	—	(55)	(0.0)	(1,295)	(0.2)	(979)	(0.2)	(2,739)	(0.6)
LOSS FOR THE YEAR/PERIOD	(256,144)	(119.7)	(174,618)	(31.8)	(137,851)	(23.9)	(127,804)	(29.7)	(343,685)	(71.6)
Loss attributable to:										
Owners of the parent	(252,372)	(117.9)	(181,918)	(33.1)	(143,274)	(24.8)	(130,664)	(30.4)	(351,747)	(73.3)
Non-controlling interests . . .	(3,772)	(1.8)	7,300	1.3	5,423	0.9	2,860	0.7	8,062	1.7

FINANCIAL INFORMATION

NON-IFRS MEASURE

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted (loss)/profit for the year/period (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with IFRSs. We believe this non-IFRS measure facilitates comparisons of operating performance from year to year/period to period and company to company by eliminating potential impacts of certain items. We believe this measure provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, such non-IFRS financial measure we presented may not be directly comparable to similar measures presented by other companies. The use of this non-IFRS measure has limitations as analytical tools, and you should not consider it in isolation form or as a substitute for analysis of our results of operations or financial condition as reported under IFRSs.

We define adjusted (loss)/profit for the year/period (non-IFRS measure) as loss for the year/period adjusted by adding back (i) fair value losses on redemption liabilities on equity shares, (ii) share-based payment expenses, and (iii) listing expenses. The following table reconciles our adjusted (loss)/profit for the year/period (non-IFRS measure) presented in accordance with IFRSs, which is loss for the year/period:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
	(Unaudited)				
Reconciliation of our loss					
for the year/period to					
adjusted (loss)/profit					
for the year/period					
(non-IFRS measure)					
Loss for the year/period . . .	(256,144)	(174,618)	(137,851)	(127,804)	(343,685)
Add:					
– Fair value losses on					
redemption liabilities					
on equity shares ⁽¹⁾ . . .	172,312	166,656	127,992	121,371	306,975
– Share-based payment					
expenses ⁽²⁾	4,700	21,275	2,728	2,046	3,011
– Listing expenses	—	—	—	—	16,247
Adjusted (loss)/profit for					
the year/period (non-					
IFRS measure)	<u>(79,132)</u>	<u>13,313⁽³⁾</u>	<u>(7,131)</u>	<u>(4,387)</u>	<u>(17,452)</u>

FINANCIAL INFORMATION

Notes:

- (1) Fair value losses on redemption liabilities on equity shares represent fair value losses on our convertible preferred shares issued in our Pre-IPO financing and relates to changes in the valuation of our Company. We do not expect to record any further changes in fair value of our convertible preferred shares after the Listing as such convertible preferred shares will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing, which is expected to turn our net liabilities position into net assets position immediately following the Listing. The reconciling item is non-cash and does not result in cash outflow.
- (2) Share-based payment expenses represent the non-cash expenses in relation to our share awards to certain eligible participants under our share incentive plans. See Note 33 of Appendix I to this prospectus.
- (3) We recorded adjusted net profit (non-IFRS measure) in 2023, primarily due to our improved gross profit, mainly attributable to a surge in our sales volume of our HUD solutions, especially the CyberLens, from 2022 to 2023, which enabled us to achieve significant economies of scale.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we derived all of our revenue from direct sales or the provision of (i) HUD solutions, (ii) testing solutions and (iii) other products and services to our customers. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our revenue was RMB214.1 million, RMB549.4 million, RMB577.6 million, RMB429.7 million and RMB479.9 million, respectively. Substantially all of our revenue was derived from mainland China during the Track Record Period.

Revenue by Solution Type

The table below sets forth our revenue breakdown by solution type in absolute amounts and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Sales of HUD solutions . . .	171,186	80.0	494,541	90.0	540,574	93.6	400,635	93.2	448,355	93.4
– CyberLens	169,708	79.3	481,489	87.6	477,659	82.7	358,326	83.4	322,411	67.2
– CyberVision	1,478	0.7	13,052	2.4	62,915	10.9	42,309	9.8	125,944	26.2
Sales of testing solutions . .	8,347	3.9	15,223	2.8	32,407	5.6	24,647	5.8	15,936	3.3
Others ⁽¹⁾	34,559	16.1	39,598	7.2	4,639	0.8	4,434	1.0	15,630	3.3
Total	214,092	100.0	549,362	100.0	577,620	100.0	429,716	100.0	479,921	100.0

Note:

- (1) Others primarily represent our provision of research and development services and tooling development services for customers as well as sales of certain components.

FINANCIAL INFORMATION

Sales of HUD Solutions

During the Track Record Period, the HUD solutions we sold to automotive OEMs consisted of CyberLens, our W-HUD solution, and CyberVision, our AR-HUD solution. Revenue from sales of our HUD solutions amounted to RMB171.2 million, RMB494.5 million, RMB540.6 million, RMB400.6 million and RMB448.4 million, in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, representing 80.0%, 90.0%, 93.6 %, 93.2% and 93.4% of our total revenue for the same periods.

Sales of Testing Solutions

During the Track Record Period, the major testing solutions we provided included HUD testing as well as whole vehicle and automotive-grade optoelectronic device testing. Revenue from sales of our testing solutions amounted to RMB8.3 million, RMB15.2 million, RMB32.4 million, RMB24.6 million and RMB15.9 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, representing 3.9%, 2.8%, 5.6%, 5.8% and 3.3% of our total revenue for the same periods.

Others

In addition to sales of HUD solutions and testing solutions, we also generated an insignificant portion of revenue primarily from our provision of R&D services and tooling development services for customers, which typically occur in the development stage of our collaboration with automotive OEMs, as well as sales of certain components. Consistent with common automotive industry practice, OEMs initiating new vehicle development programs typically enter into R&D collaboration agreements with technically specialized suppliers such as our Company, according to CIC. These agreements may incorporate specific provisions stipulating that the OEMs will provide compensation for the supplier's R&D work, regardless of whether the developed products or solutions ultimately enter mass production. Revenue from this portion of our business amounted to RMB34.6 million, RMB39.6 million, RMB4.6 million, RMB4.4 million and RMB15.6 million, in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, representing 16.1%, 7.2%, 0.8%, 1.0% and 3.3% of our total revenue for the same periods.

Since 2024, we have been progressively and strategically streamlining our other innovative initiatives, as we plan to optimize our business operations and enhance our focus on core business activities in sales of HUD solutions and testing solutions. We plan to maintain the current scale of this business line and provide relevant services as needed in response to our customers' actual requirements.

FINANCIAL INFORMATION

Cost of Sales

During the Track Record Period, our cost of sales primarily consisted of (i) raw material costs, mainly including integrated circuits, inductors and resistors, (ii) labor costs, and (iii) manufacturing overhead. Our cost of sales amounted to RMB165.7 million, RMB408.9 million, RMB419.7 million, RMB312.4 million and RMB365.0 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our cost of sales by nature in absolute amounts and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Raw material costs	144,216	67.4	356,486	64.9	365,270	63.2	269,465	62.7	311,971	65.0
Labor costs	10,244	4.8	29,056	5.3	25,331	4.4	19,460	4.5	24,833	5.2
Manufacturing overhead . . .	11,249	5.2	23,390	4.2	29,148	5.1	23,516	5.5	28,223	5.9
Total	165,709	77.4	408,932	74.4	419,749	72.7	312,441	72.7	365,027	76.1

The following table sets out a breakdown of our cost of sales by solution type in absolute amounts and as a percentage of our total revenue for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Sales of HUD solutions . . .	135,656	63.4	363,350	66.1	391,405	67.8	289,883	67.5	343,023	71.6
Sales of testing solutions . .	6,267	2.9	11,519	2.1	24,122	4.2	18,529	4.3	11,264	2.3
Others ⁽¹⁾	23,786	11.1	34,063	6.2	4,222	0.7	4,029	0.9	10,740	2.2
Total	165,709	77.4	408,932	74.4	419,749	72.7	312,441	72.7	365,027	76.1

Note:

- (1) Others primarily represent our provision of research and development services and tooling development services for customers as well as sales of certain components.

FINANCIAL INFORMATION

Gross Profit and Gross Margin

As a result of the foregoing, we recorded overall gross profit of RMB48.4 million, RMB140.4 million, RMB157.9 million, RMB117.3 million and RMB114.9 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, with overall gross profit margin of 22.6%, 25.6%, 27.3%, 27.3% and 23.9% for the same periods. The following table sets forth a breakdown of our gross profit and gross margin by solution type for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Gross Profit/Loss	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)	Gross Profit	Gross Margin (%)
(RMB in thousands, except for percentages)										
(Unaudited)										
Sales of HUD solutions . . .	35,530	20.8	131,191	26.5	149,169	27.6	110,752	27.6	105,332	23.5
– CyberLens	35,835	21.1	130,440	27.1	142,800	29.9	105,889	29.6	82,063	25.5
– CyberVision ⁽¹⁾	(305)	(20.6)	751	5.8	6,369	10.1	4,863	11.5	23,269	18.5
Sales of testing solutions . .	2,080	24.9	3,704	24.3	8,285	25.6	6,118	24.8	4,672	29.3
Others ⁽²⁾	10,773	31.2	5,535	14.0	417	9.0	405	9.1	4,890	31.3
Total/Overall	48,383	22.6	140,430	25.6	157,871	27.3	117,275	27.3	114,894	23.9

Notes:

- (1) We recorded a gross loss for CyberVision in 2022 and achieved gross profit in subsequent years/periods, primarily due to the initial ramp-up phase and the gradual realization of economies of scale, supported by a robust increase in sales volume. The sales volume of CyberVision increased from 922 units in 2022 to 3,757 units in 2023, and further increased to 54,009 units in 2024. The sales volume of CyberVision also increased from 36,486 units in the nine months ended September 30, 2024 to 121,114 units in the nine months ended September 30, 2025. The continued increase in sales volumes facilitated improved operational efficiencies and stronger negotiating leverage with our suppliers, resulting in lower per-unit material and manufacturing costs. In addition, leveraging our platform-based R&D capabilities, over 65% of our CyberVision share the same foundational mechanical designs, which further greatly enhances development efficiency and cost-effectiveness corresponding with the increase in sales volume.
- (2) Others primarily represent our provision of research and development services and tooling development services for customers as well as sales of certain components.

FINANCIAL INFORMATION

Other Income and Gains

During the Track Record Period, our other income primarily consisted of (i) government grants, (ii) bank interest income, (iii) investment income from structured deposits, (iv) value-added tax (“VAT”) additional deduction primarily for “advanced manufacturing enterprises,” and (v) others; our other gains primarily consisted of (i) gains on sales of items of property, plant and equipment, (ii) net gains and losses on sales of scrap materials, and (iii) net foreign exchange gains. Our other income and gains amounted to RMB37.2 million, RMB10.4 million, RMB11.1 million, RMB3.6 million and RMB5.8 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our other income and gains in absolute amounts and as a percentage of our total other income and gains for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)									
	(Unaudited)									
Other income										
Government grants	34,958	94.0	5,234	50.5	7,601	68.6	915	25.5	2,012	34.8
Bank interest income.	795	2.1	637	6.1	364	3.3	295	8.3	346	6.0
Investment income from										
structured deposits.	394	1.1	681	6.6	649	5.9	346	9.7	983	17.0
VAT additional deduction	348	0.9	3,245	31.3	2,617	23.6	1,763	49.4	2,160	37.3
Others.	42	0.1	322	3.1	187	1.7	130	3.6	578	10.0
Total other income	36,537	98.2	10,119	97.6	11,418	103.1	3,449	96.5	6,079	105.1
Gains										
Gains on sales of items of										
property, plant and										
equipment	40	0.1	55	0.5	–	–	–	–	–	–
Gains/(losses) on sales of										
scrap materials, net	807	2.2	36	0.4	(348)	(3.1)	123	3.4	(246)	(4.3)
Foreign exchange gains, net.	(190)	(0.5)	152	1.5	3	0.0	3	0.1	(49)	(0.8)
Total gains	657	1.8	243	2.4	(345)	(3.1)	126	3.5	(295)	(5.1)
Total other income and										
gains	37,194	100.0	10,362	100.0	11,073	100.0	3,575	100.0	5,784	100.0

Selling and Marketing Expenses

During the Track Record Period, our selling and marketing expenses primarily consisted of (i) employee benefit expenses, (ii) traveling and accommodation expenses, (iii) business development expenses, (iv) promotion and exhibition expenses, (v) share-based payment expenses, and (vi) others. Our selling and marketing expenses amounted to RMB15.3 million, RMB13.1 million, RMB24.0 million, RMB17.7 million and RMB18.3 million in 2022, 2023,

FINANCIAL INFORMATION

2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our selling and marketing expenses in absolute amounts and as a percentage of our total selling and marketing expenses for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Employee benefit expenses	7,526	49.1	7,048	53.8	7,873	32.8	6,383	36.0	6,117	33.4
Traveling and accommodation expenses	4,823	31.5	3,176	24.2	6,776	28.2	3,854	21.8	4,104	22.4
Business development expenses	1,600	10.4	1,953	14.9	5,208	21.7	5,208	29.4	2,902	15.8
Promotion and exhibition expenses	559	3.6	427	3.3	1,856	7.7	1,765	10.0	3,418	18.7
Share-based payment expenses	163	1.1	182	1.4	198	0.8	148	0.8	153	0.8
Others	647	4.3	315	2.4	2,103	8.8	349	2.0	1,627	8.9
Total	15,318	100.0	13,101	100.0	24,014	100.0	17,707	100.0	18,321	100.0

Administrative Expenses

During the Track Record Period, our administrative expenses primarily consisted of (i) employee benefit expenses, (ii) office, utilities and sundry expenses, such as rental and property fees, office expenses and employee training expenses, (iii) depreciation and amortization, (iv) shared-based payment expenses, and (v) listing expenses. Our administrative expenses amounted to RMB63.2 million, RMB76.6 million, RMB80.3 million, RMB61.0 million and RMB85.2 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our administrative expenses in absolute amounts and as a percentage of our total administrative expenses for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Employee benefit expenses	37,354	59.1	33,607	43.9	42,571	53.0	32,434	53.2	34,807	40.9
Office, utilities and sundry expenses	14,938	23.6	10,740	14.0	19,501	24.3	14,909	24.5	16,824	19.7
Depreciation and amortization	4,495	7.1	4,102	5.4	10,231	12.7	8,094	13.3	8,368	9.8
Shared-based payment expenses	3,863	6.1	20,016	26.1	1,177	1.5	882	1.4	2,002	2.4
Listing expenses	—	—	—	—	—	—	—	—	16,247	19.1
Others	2,589	4.1	8,132	10.6	6,854	8.5	4,632	7.6	6,943	8.1
Total	63,239	100.0	76,597	100.0	80,334	100.0	60,951	100.0	85,191	100.0

FINANCIAL INFORMATION

Research and Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) employee benefit expenses, (ii) testing and design expenses, (iii) material costs, (iv) depreciation and amortization, (v) share-based payment expenses, and (vi) others. Our research and development expenses amounted to RMB83.4 million, RMB54.5 million, RMB62.1 million, RMB43.6 million and RMB48.9 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our research and development expenses in absolute amounts and as a percentage of our total research and development expenses for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentages)</i>										
<i>(Unaudited)</i>										
Employee benefit expenses	56,250	67.4	43,725	80.2	41,182	66.3	30,766	70.6	33,003	67.5
Testing and design expenses	11,881	14.2	2,512	4.6	6,004	9.7	3,902	9.0	5,416	11.1
Material costs	5,643	6.8	2,402	4.4	6,172	9.9	3,511	8.1	4,038	8.3
Depreciation and amortization	4,249	5.1	2,284	4.2	3,734	6.0	2,785	6.4	2,955	6.0
Share-based payment expenses	507	0.6	807	1.5	936	1.5	702	1.6	658	1.3
Others	4,895	5.9	2,793	5.1	4,057	6.6	1,888	4.3	2,810	5.8
Total	<u>83,425</u>	<u>100.0</u>	<u>54,523</u>	<u>100.0</u>	<u>62,085</u>	<u>100.0</u>	<u>43,554</u>	<u>100.0</u>	<u>48,880</u>	<u>100.0</u>

Impairment (Losses)/Reversal on Financial and Contract Assets, Net

During the Track Record Period, our net impairment losses on financial and contract assets primarily represented loss allowances for trade and bills receivable and contract assets made under the expected credit loss model. We recorded net impairment losses on financial and contract assets of RMB2.0 million, RMB8.5 million and RMB0.1 million in 2022, 2023 and 2024, respectively. We recorded net impairment reversal on financial assets of RMB2.3 million and RMB0.1 million in the nine months ended September 30, 2024 and 2025, respectively.

FINANCIAL INFORMATION

Other Expenses

During the Track Record Period, our other expenses primarily consisted of (i) net inventory impairment loss, and (ii) losses on disposal of items of property, plant and equipment. Our other expenses amounted to RMB3.6 million, RMB3.7 million, RMB7.7 million, RMB4.5 million and RMB0.2 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our other expenses in absolute amounts and as a percentage of our total other expenses for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Inventory impairment loss, net	3,518	99.0	(1,838)	(49.8)	1,988	25.8	1,736	38.4	226	92.6
Losses on disposal of items of property, plant and equipment	34	1.0	5,527	149.8	5,706	74.2	2,789	61.6	18	7.4
Total	3,552	100.0	3,689	100.0	7,694	100.0	4,525	100.0	244	100.0

Finance Costs

During the Track Record Period, our finance costs primarily consisted of (i) interest on bank borrowings, and (ii) interest on lease liabilities. Our finance costs amounted to RMB1.9 million, RMB2.2 million, RMB3.2 million, RMB1.9 million and RMB2.2 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. The following table sets forth a breakdown of our finance costs in absolute amounts and as a percentage of our total finance costs for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
(RMB in thousands, except for percentages)										
(Unaudited)										
Interest on bank borrowings	1,232	65.3	1,633	72.7	2,724	84.2	1,487	79.4	1,539	71.6
Interest on lease liabilities	656	34.7	614	27.3	510	15.8	386	20.6	611	28.4
Total	1,888	100.0	2,247	100.0	3,234	100.0	1,873	100.0	2,150	100.0

FINANCIAL INFORMATION

Income Tax Expenses

Income tax expense primarily represents income tax payable by us in accordance with the PRC CIT Law and its corresponding implementation regulations. Entities located in the PRC are subject to a statutory income tax rate of 25.0%. During the Track Record Period, our Company and certain of our subsidiaries were eligible for preferential income tax rates of 15.0% as “High and New Technology Enterprises,” and certain of our subsidiaries qualified as “Small and Micro Enterprises” to enjoy certain preferential tax treatment pursuant to the relevant tax regulations. For details, see Note 10 of Appendix I to this prospectus.

We recorded income tax expense of nil, RMB55.0 thousand, RMB1.3 million, RMB1.0 million and RMB2.7 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively.

During the Track Record Period and as of the Latest Practicable Date, we did not have any material dispute or unresolved issues with the relevant tax authorities.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Nine months ended September 30, 2025 compared with Nine months ended September 30, 2024

Revenue

Our revenue increased by 11.7% from RMB429.7 million in the nine months ended September 30, 2024 to RMB479.9 million in the nine months ended September 30, 2025, primarily driven by the increased revenue from our sales of HUD solutions.

Sales of HUD Solutions

Our revenue from sales of HUD solutions increased by 11.9% from RMB400.6 million in the nine months ended September 30, 2024 to RMB448.4 million in the nine months ended September 30, 2025, primarily attributable to an increase in the revenue from sales of CyberVision driven by the increased sales volume of our CyberVision, partially offset by a decrease in the revenue from sales of CyberLens as a result of its decreased average selling price from RMB840.2 in the nine months ended September 30, 2024 to RMB662.1 in the nine months ended September 30, 2025, though its sales volume increased from 426,483 units to 486,921 units during the same periods. The decrease in the average selling price of CyberLens was primarily due to (i) the introduction of lower-price CyberLens HUD solutions tailored for more affordable vehicle models in order to increase our market penetration and capture more market share, and (ii) our technological breakthroughs and procurement of lower-cost alternatives for critical components, such as PGU and freeform mirrors, which substantially reduced our production costs.

FINANCIAL INFORMATION

Sales of Testing Solutions

Our revenue from sales of testing solutions decreased by 35.3% from RMB24.6 million in the nine months ended September 30, 2024 to RMB15.9 million in the nine months ended September 30, 2025, primarily because certain of our 2025 testing solutions on hand are scheduled to be delivered in the fourth quarter of the year.

Others

Our revenue from others increased significantly from RMB4.4 million in the nine months ended September 30, 2024 to RMB15.6 million in the nine months ended September 30, 2025, primarily because we recognized revenue from two major projects initiated in 2023 in relation to our R&D services and tooling development services in the nine months ended September 30, 2025 in accordance with the project contracts.

Cost of Sales

Our cost of sales increased by 16.8% from RMB312.4 million in the nine months ended September 30, 2024 to RMB365.0 million in the nine months ended September 30, 2025, generally in line with our revenue growth from the nine months ended September 30, 2024 to the nine months ended September 30, 2025.

Sales of HUD Solutions

Our cost of sales for sales of HUD solutions increased by 18.3% from RMB289.9 million in the nine months ended September 30, 2024 to RMB343.0 million in the nine months ended September 30, 2025, generally in line with our revenue growth in sales of HUD solutions.

Sales of Testing Solutions

Our cost of sales for sales of testing solutions decreased by 39.2% from RMB18.5 million in the nine months ended September 30, 2024 to RMB11.3 million in the nine months ended September 30, 2025, generally in line with the decreased revenue from sales of testing solutions and attributable to our effective cost control efforts.

Others

Our cost of sales for others increased significantly from RMB4.0 million in the nine months ended September 30, 2024 to RMB10.7 million in the nine months ended September 30, 2025, generally in line with the increased revenue for the corresponding business.

FINANCIAL INFORMATION

Gross Profit and Gross Profit Margin

Sales of HUD Solutions

Our gross profit from sales of HUD solutions decreased by 4.9% from RMB110.8 million in the nine months ended September 30, 2024 to RMB105.3 million in the nine months ended September 30, 2025, primarily attributable to the increased sales volume of our HUD solutions, especially the CyberVision, in the nine months ended September 30, 2025. Our gross profit margin for sales of HUD solutions decreased from 27.6% in the nine months ended September 30, 2024 to 23.5% in the nine months ended September 30, 2025, primarily attributable to (i) the surge in sales volume of our HUD solutions with relatively lower gross profit margin to one of our major customers in the nine months ended September 30, 2025, and (ii) the price discount offered to one of our major customers for the HUD solutions used for its legacy vehicle models.

Sales of Testing Solutions

Our gross profit from sales of testing solutions decreased by 23.6% from RMB6.1 million in the nine months ended September 30, 2024 to RMB4.7 million in the nine months ended September 30, 2025, generally in line with the decrease in its revenue. The gross profit margin for sales of testing solutions increased from 24.8% in the nine months ended September 30, 2024 to 29.3% in the nine months ended September 30, 2025, primarily because the services we provided are non-standardized, whose gross profit and gross margin are largely project-based.

Others

Our gross profit from others increased significantly from RMB0.4 million in the nine months ended September 30, 2024 to RMB4.9 million in the nine months ended September 30, 2025, generally in line with its revenue growth. Our gross profit margin increased from 9.1% in the nine months ended September 30, 2024 to 31.3% in the nine months ended September 30, 2025, primarily attributable to (i) the higher gross margin generated from a research and development service project, and (ii) the enhanced R&D efficiency resulting from our improved technical capabilities.

Other Income and Gains

Our other income and gains increased by 61.8% from RMB3.6 million in the nine months ended September 30, 2024 to RMB5.8 million in the nine months ended September 30, 2025, primarily attributable to (i) an increase in government grants mainly in relation to our intelligent transformation and high-quality industrial development, and (ii) an increase in investment income from structured deposits.

FINANCIAL INFORMATION

Selling and Marketing Expenses

Our selling and marketing expenses remained relatively stable at RMB17.7 million in the nine months ended September 30, 2024 and RMB18.3 million in the nine months ended September 30, 2025.

Administrative Expenses

Our administrative expenses increased by 39.8% from RMB61.0 million in the nine months ended September 30, 2024 to RMB85.2 million in the nine months ended September 30, 2025, primarily attributable to (i) the listing expenses we incurred in the nine months ended September 30, 2025, (ii) an increase in office, utilities and sundry expenses driven by the annual service fees for a new information system and the costs associated with upgrading the office software, and (iii) an increase in employee benefit expenses as a result of the increase in the headcounts of administrative personnel and their average salaries.

Research and Development Expenses

Our research and development expenses increased by 12.2% from RMB43.6 million in the nine months ended September 30, 2024 to RMB48.9 million in the nine months ended September 30, 2025, primarily due to (i) the increase in employee benefit expenses as a result of the expansion of our R&D team, and (ii) the increase in testing and design expenses as a result of our enhanced R&D activities.

Impairment Reversal on Financial and Contract Assets, Net

Our net impairment reversal on financial and contract assets decreased from RMB2.3 million in the nine months ended September 30, 2024 to RMB0.1 million in the nine months ended September 30, 2025, primarily due to the decreased trade receivables balance resulting from our strengthened collection efforts.

Other Expenses

Our other expenses decreased by 94.6% from RMB4.5 million in the nine months ended September 30, 2024 to RMB0.2 million in the nine months ended September 30, 2025, primarily attributable to (i) a decrease in losses on disposal of items of property, plant and equipment resulting from the disposal of certain product modules following the completion of production for specific vehicle models in 2024, and (ii) a decrease in net inventory impairment loss mainly due to higher inventory impairments in 2024 stemmed from underperforming sales of certain customer vehicle models, for which the raw materials were procured.

Finance Costs

Our finance costs remained relatively stable at RMB1.9 million in the nine months ended September 30, 2024 and RMB2.2 million in the nine months ended September 30, 2025.

FINANCIAL INFORMATION

Fair Value Losses on Redemption Liabilities on Equity Shares

Our fair value losses on redemption liabilities on equity shares increased significantly from RMB121.4 million in the nine months ended September 30, 2024 to RMB307.0 million in the nine months ended September 30, 2025, reflecting the change in fair value of our preferred shares issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”

Income Tax Expenses

We recorded income tax expenses of RMB1.0 million and RMB2.7 million in the nine months ended September 30, 2024 and 2025, respectively.

Loss for the Period

As a result of the foregoing, our loss for the period increased from RMB127.8 million in the nine months ended September 30, 2024 to RMB343.7 million in the nine months ended September 30, 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by 5.1% from RMB549.4 million in 2023 to RMB577.6 million in 2024, driven by the increased revenue from our sales of HUD solutions and testing solutions, partially offset by the decreased revenue from others.

Sales of HUD Solutions

Our revenue from sales of HUD solutions increased by 9.3% from RMB494.5 million in 2023 to RMB540.6 million in 2024, primarily attributable to an increase in revenue from our sales of our CyberVision in 2024. Such revenue growth was primarily driven by the increased sales volume of our CyberVision from 2023 to 2024, partially offset by our more proactive market penetration strategy in 2024 primarily because our CyberVision solutions were newly launched, with better cost-effectiveness and value for money. Typically, the journey from securing a design-win to its actual market launch and further to its mass delivery follows a cycle, the duration of which can vary significantly due to various factors. In response to automotive market volatility in 2023, we were more focused on improving our gross profit margin and also adopted a cautious approach in that year towards competing for design-wins as compared to 2022. Some of our customers also adjusted their mass production plan of certain vehicle models for which we had obtained the design-wins. All of these factors together led to the slower revenue growth in our sales of HUD solutions in 2024 as compared to 2023. The development and approval cycle for HUD solutions typically spans 12 to 18 months, resulting in a natural lag in our revenue recognition for the HUD solutions that we provide to OEM customers. As such, our revenue growth in 2023 and 2024 was primarily driven by the

FINANCIAL INFORMATION

design-wins we secured in 2022 and 2023, respectively. Our revenue growth in 2024 slowed down in comparison to that in 2023, primarily because (i) based on their market forecasts and commercial considerations, our OEM customers allocated R&D resources to more vehicle models in 2022 than 2023, and as a result, we secured design-wins for 21 vehicle models from our OEM customers in 2022 as compared to 16 vehicle models in 2023; and (ii) certain vehicle models for which we secured design-wins in 2023 had extended development cycles, and we had not converted such design-wins to purchase orders in 2024. Nonetheless, as we actively expanded our customer bases and as our major OEM customers planned for model upgrades, we secured 21 design-wins in 2024, which is expected to boost our financial performance.

Sales of Testing Solutions

Our revenue from sales of testing solutions increased by 112.9% from RMB15.2 million in 2023 to RMB32.4 million in 2024, primarily attributable to the revenue contribution from our newly acquired customers in 2024 as compared to 2023. In addition, we also engaged in new type of business with our customers in 2024, bringing in new revenue growth opportunities.

Others

Our revenue from others decreased by 88.3% from RMB39.6 million in 2023 to RMB4.6 million in 2024, primarily due to the decrease in revenue from our provision of research and development services and tooling development services for customers, which typically occur in the development stage of our collaboration with automotive OEMs, as well as sales of certain components. Revenue from this portion of our business decreased as we validated our design-wins with OEMs and commenced the commercial sales of our HUD solutions.

Cost of Sales

Our cost of sales increased by 2.6% from RMB408.9 million in 2023 to RMB419.7 million in 2024, generally in line with our revenue growth from 2023 to 2024 and attributable to our effective cost control efforts as well.

Sales of HUD Solutions

Our cost of sales for sales of HUD solutions increased by 7.7% from RMB363.4 million in 2023 to RMB391.4 million in 2024, generally in line with our increased sales volume, partially offset by the declining unit cost of sales resulting from our enhanced production efficiency and economies of scale.

Sales of Testing Solutions

Our cost of sales for sales of testing solutions increased by 109.4% from RMB11.5 million in 2023 to RMB24.1 million in 2024, generally in line with our revenue growth in sales of testing solutions from 2023 to 2024.

FINANCIAL INFORMATION

Others

Our cost of sales for others decreased by 87.6% from RMB34.1 million in 2023 to RMB4.2 million in 2024, generally in line with the decreased revenue for the corresponding business.

Gross Profit and Gross Profit Margin

Sales of HUD Solutions

Our gross profit from sales of HUD solutions increased by 13.7% from RMB131.2 million in 2023 to RMB149.2 million in 2024, primarily attributable to the increased sales volume of our HUD solutions, especially the CyberLens, in 2024 and our effective cost control efforts as well as the impacts of economies of scale, which also led to the increased gross profit margin from 26.5% in 2023 to 27.6% in 2024.

Sales of Testing Solutions

Our gross profit from sales of testing solutions increased by 123.7% from RMB3.7 million in 2023 to RMB8.3 million in 2024, generally in line with its revenue growth, with the gross profit margin for our sales of testing solutions increasing from 24.3% in 2023 to 25.6% in 2024. The increase in the gross profit margin from sales of testing solutions from 2023 to 2024 was primarily attributable to the improvement in our level of platformization, leading to the enhanced R&D efficiency.

Others

Our gross profit from others decreased by 92.5% from RMB5.5 million in 2023 to RMB0.4 million in 2024, and our gross profit margin decreased from 14.0% in 2023 to 9.0% in 2024, primarily because we scaled down such operations and focused more on commercial sales of our core HUD solutions.

Other Income and Gains

Our other income and gains remained relatively stable at RMB10.4 million in 2023 and RMB11.1 million in 2024.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 83.3% from RMB13.1 million in 2023 to RMB24.0 million in 2024, primarily due to our continued marketing efforts to further penetrate domestic markets and expand into overseas markets.

FINANCIAL INFORMATION

Administrative Expenses

Our administrative expenses increased by 4.9% from RMB76.6 million in 2023 to RMB80.3 million in 2024, primarily due to (i) the increase in employee benefit expenses as a result of the increase in the headcounts of administrative personnel and their average salaries, (ii) an increase in office, utilities and sundry expenses, and (iii) the increase in depreciation and amortization of IT equipment and software. The impacts of such increases were partially offset by a decrease in share-based payment expenses primarily due to a relatively high level of share-based payment expenses of RMB20.0 million we incurred in 2023, reflecting certain one-off grant of share incentive awards, as compared to RMB1.2 million share-based payment expenses in 2024.

Research and Development Expenses

Our research and development expenses increased by 13.9% from RMB54.5 million in 2023 to RMB62.1 million in 2024, primarily due to (i) the increase in material costs for R&D purposes, and (ii) the increase in testing and design expenses as a result of our enhanced R&D activities.

Impairment Losses on Financial and Contract Assets, Net

Our net impairment losses on financial and contract assets decreased by 98.3% from RMB8.5 million in 2023 to RMB0.1 million in 2024, primarily because our balances of trade receivable remained relatively stable during such period due to the increased scale of our trade receivables driven by our revenue growth from 2022 to 2023, whereas trade receivable balance remained relatively stable in 2024.

Other Expenses

Our other expenses increased by 108.6% from RMB3.7 million in 2023 to RMB7.7 million in 2024, primarily due to a change from a reversal of inventory impairment loss of RMB1.8 million in 2023 to an inventory impairment loss of RMB2.0 million in 2024.

Finance Costs

Our finance costs increased by 43.9% from RMB2.2 million in 2023 to RMB3.2 million in 2024, primarily due to an increase in interest on bank borrowings as a result of our enlarged scale of bank borrowings in 2024 to support our day-to-day operation and anticipated business growth.

FINANCIAL INFORMATION

Fair Value Losses on Redemption Liabilities on Equity Shares

Our fair value losses on redemption liabilities on equity shares decreased by 23.2% from RMB166.7 million in 2023 to RMB128.0 million in 2024, reflecting the increase in the fair value of our preferred shares issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”

Income Tax Expenses

We recorded income tax expenses of RMB55.0 thousand and RMB1.3 million in 2023 and 2024, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 21.1% from RMB174.6 million in 2023 to RMB137.9 million in 2024.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2022

Revenue

Our revenue significantly increased by 156.6% from RMB214.1 million in 2022 to RMB549.4 million in 2023, primarily attributable to the revenue growth from our sales of HUD solutions.

Sales of HUD Solutions

Our revenue from sales of HUD solutions significantly increased by 188.9% from RMB171.2 million in 2022 to RMB494.5 million in 2023, primarily attributable to an increase in revenue from sales of our CyberLens solutions, which was mainly driven by the mass production of vehicle models on which our CyberLens solutions were used by certain major customers. Building on our technological strength, product performance and mass production capabilities, we established ourselves as a qualified supplier for various OEMs by 2021. From 2021 to 2023, we successfully secured design-wins for 56 vehicle models, 27 of which entered mass production for the first time in 2023 compared to nine in 2022. The strong market performance of these vehicle models drove significant growth in the sales of our HUD solutions, with the sales volume increasing from 175,714 units in 2022 to 534,598 units in 2023, resulting in substantial revenue growth in 2023.

Sales of Testing Solutions

Our revenue from sales of testing solutions significantly increased by 82.4% from RMB8.3 million in 2022 to RMB15.2 million in 2023, primarily attributable to the revenue contribution from our newly acquired customers in 2023 as compared to 2022.

FINANCIAL INFORMATION

Others

Our revenue from others increased by 14.6% from RMB34.6 million in 2022 to RMB39.6 million in 2023, primarily attributable to the expansion of our provision of HUD solution development services.

Cost of Sales

Our cost of sales significantly increased by 146.8% from RMB165.7 million in 2022 to RMB408.9 million in 2023, generally in line with our revenue growth from 2022 to 2023, attributable to our effective cost control efforts as well.

Sales of HUD Solutions

Our cost of sales for sales of HUD solutions significantly increased by 167.8% from RMB135.7 million in 2022 to RMB363.4 million in 2023, primarily due to the increased sales volume of our HUD solutions from 2022 to 2023, partially offset by the declining unit cost of sales resulting from our enhanced production efficiency and economies of scale.

Sales of Testing Solutions

Our cost of sales for sales of testing solutions significantly increased by 83.8% from RMB6.3 million in 2022 to RMB11.5 million in 2023, generally in line with our revenue growth from sales of testing solutions from 2022 to 2023.

Others

Our cost of sales for others significantly increased by 43.2% from RMB23.8 million in 2022 to RMB34.1 million in 2023, primarily driven by the expansion of our provision of HUD solution development services for automotive OEMs.

Gross Profit and Gross Profit Margin

Sales of HUD Solutions

Our gross profit of sales of HUD solutions increased by 269.2% from RMB35.5 million in 2022 to RMB131.2 million in 2023, primarily attributable to a surge in our sales volume of our HUD solutions, especially the CyberLens, from 2022 to 2023, which enabled us to achieve significant economies of scale and therefore led to an increase in our gross profit margin for sales of HUD solutions from 20.8% in 2022 to 26.5% in 2023.

FINANCIAL INFORMATION

Sales of Testing Solutions

Our gross profit of sales of testing solutions increased by 78.1% from RMB2.1 million in 2022 to RMB3.7 million in 2023, generally in line with its revenue growth, with the gross profit margin for sales of testing solutions remaining relatively stable at 24.9% in 2022 and 24.3% in 2023.

Others

Our gross profit from others decreased by 48.6% from RMB10.8 million in 2022 to RMB5.5 million in 2023, and our gross profit margin for others decreased from 31.2% in 2022 to 14.0% in 2023, primarily because the services we provided are non-standardized, whose gross profit and gross margin are largely project-based.

Other Income and Gains

Our other income and gains decreased by 72.1% from RMB37.2 million in 2022 to RMB10.4 million in 2023, primarily because the government grants we received significantly decreased from 2022 to 2023 as most of those government grants we received in 2022 are one-off and non-recurring.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 14.5% from RMB15.3 million in 2022 to RMB13.1 million in 2023, primarily due to (i) the decrease in traveling and accommodation expenses, and (ii) the decrease in employee benefit expenses as a result of our improved sales efficiency, achieved by prioritizing design-wins from existing customers as part of our refined sales strategy.

Administrative Expenses

Our administrative expenses increased by 21.1% from RMB63.2 million in 2022 to RMB76.6 million in 2023, primarily due to the one-off share incentive awards we granted in 2023, partially offset by the decrease in employee benefit expenses as a result of our improved administrative efficiency, achieved by (i) streamlining the administrative structure, and (ii) optimizing budget management system to eliminate unnecessary expenditures.

Research and Development Expenses

Our research and development expenses decreased by 34.6% from RMB83.4 million in 2022 to RMB54.5 million in 2023, primarily due to the decreases in employee benefit expenses, testing and design expenses and material costs as a result of (i) streamlining the R&D employee structure, (ii) establishing our own laboratory to decrease the raw material waste, and (iii) the improvement in the level of platformization to enhance our standardized and automated R&D capabilities, leading to our enhanced R&D efficiency.

FINANCIAL INFORMATION

Impairment Losses on Financial and Contract Assets, Net

Our net impairment losses on financial and contract assets significantly increased by 329.9% from RMB2.0 million in 2022 to RMB8.5 million in 2023, primarily due to the increased scale of our trade receivables driven by our revenue growth from 2022 to 2023.

Other Expenses

Our other expenses remained relatively stable at RMB3.6 million in 2022 and RMB3.7 million in 2023, respectively.

Finance Costs

Our finance costs increased by 19.0% from RMB1.9 million in 2022 to RMB2.2 million in 2023, primarily due to an increase in interest on bank borrowings as a result of our enlarged scale of bank borrowings in 2023 to support our day-to-day operation and anticipated business growth.

Fair Value Losses on Redemption Liabilities on Equity Shares

Our fair value losses on redemption liabilities on equity shares remained relatively stable at RMB172.3 million in 2022 and RMB166.7 million in 2023, reflecting the change in fair value of our preferred shares issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”

Income Tax Expenses

We recorded income tax expenses of nil and RMB55.0 thousand in 2022 and 2023, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 31.8% from RMB256.1 million in 2022 to RMB174.6 million in 2023.

FINANCIAL INFORMATION

DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	September 30,
				2025
	<i>(RMB in thousands)</i>			
Non-current assets				
Property, plant and equipment	59,686	64,879	65,450	105,329
Right-of-use assets	13,245	11,219	10,886	28,571
Intangible assets	3,631	22,567	19,491	17,675
Other non-current assets . . .	701	5,208	20	436
Contract assets	—	1,199	4,421	5,876
Financial assets at fair value through profit and loss . .	—	—	—	12,000
Total non-current assets . .	77,263	105,072	100,268	169,887
Current assets				
Inventories	66,264	78,171	89,310	116,968
Trade and bills receivables .	124,023	285,823	295,697	277,681
Contract assets	3,083	11,269	1,968	7,347
Prepayments, other receivables and other assets	6,541	11,271	12,427	20,219
Financial assets at fair value through profit and loss . .	26,228	10,172	45,086	65,028
Restricted cash	—	—	945	1,628
Cash and cash equivalents . .	29,923	63,971	230,435	104,764
Total current assets	256,062	460,677	675,868	593,635
Current liabilities				
Trade payables	49,069	104,970	127,913	125,417
Other payables and accruals	42,443	46,334	52,537	57,712
Contract liabilities	15,493	10,505	5,681	13,770
Interest-bearing bank and other borrowings	46,667	40,037	89,104	103,075
Lease liabilities	3,124	3,456	3,217	5,523
Redemption liabilities on equity shares	651,260	994,282	1,360,927	1,667,902
Warranty provision	428	1,099	1,155	1,280
Tax payable	—	55	1,295	1,795
Total current liabilities . . .	808,484	1,200,738	1,641,829	1,976,474
Net current liabilities.	(552,422)	(740,061)	(965,961)	(1,382,839)
Total assets less current liabilities	(475,159)	(634,989)	(865,693)	(1,212,952)

FINANCIAL INFORMATION

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Non-current liabilities				
Interest-bearing bank and other borrowings	–	–	23,000	–
Lease liabilities	11,371	8,737	8,697	21,759
Deferred income	–	–	–	1,279
Total non-current liabilities	11,371	8,737	31,697	23,038
Net liabilities	(486,530)	(643,726)	(897,390)	(1,235,990)
Equity				
Equity attributable to owners of the parent				
Share capital	42,282	50,990	53,584	53,584
Reserves	(526,485)	(699,615)	(962,037)	(1,311,784)
	(484,203)	(648,625)	(908,453)	(1,258,200)
Non-controlling interests . . .	(2,327)	4,899	11,063	22,210
Total deficits	(486,530)	(643,726)	(897,390)	(1,235,990)

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of (i) leasehold improvements, (ii) motor vehicles, (iii) electronic and office equipment, (iv) machinery and others, and (v) construction in progress. The following table sets forth a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Leasehold improvements . . .	13,437	13,956	10,936	9,893
Motor vehicles.	1,433	1,084	1,495	2,022
Electronic and office equipment	4,824	5,187	4,922	4,869
Machinery and others	29,275	40,902	44,526	40,532
Construction in progress . . .	10,717	3,750	3,571	48,013
Total	59,686	64,879	65,450	105,329

FINANCIAL INFORMATION

Our property, plant and equipment remained relatively stable at RMB59.7 million as of December 31, 2022, RMB64.9 million as of December 31, 2023 and RMB65.5 million as of December 31, 2024, with slight increasing trends in line with our business growth. Our property, plant and equipment increased by 60.9% from RMB65.5 million as of December 31, 2024 to RMB105.3 million as of September 30, 2025, primarily due to the increase in construction in progress driven by the increase in machinery, equipment and modules under construction in line with our business expansion.

Right-of-use Assets

Our right-of-use assets primarily represent our leased properties. Our right-of-use assets decreased by 15.3% from RMB13.2 million as of December 31, 2022 to RMB11.2 million as of December 31, 2023, and further decreased by 3.0% to RMB10.9 million as of December 31, 2024, primarily due to the depreciation of relevant leased properties over time. Our right-of-use assets increased significantly from RMB10.9 million as of December 31, 2024 to RMB28.6 million as of September 30, 2025, primarily because we entered into new lease contracts in Xi'an for our R&D activities and in Yizheng for the production capacity expansion, both in line with our business growth.

Intangible Assets

Our intangible assets primarily represented licensed computer software and IT systems. Our intangible assets increased by 521.5% from RMB3.6 million as of December 31, 2022 to RMB22.6 million as of December 31, 2023, primarily driven by our continuous digitalization efforts and technical updates to support our business growth. Our intangible assets decreased by 13.6% from RMB22.6 million as of December 31, 2023 to RMB19.5 million as of December 31, 2024, primarily due to the amortization of our new financial information system during the year, which was put in use in 2024. Our intangible assets decreased by 9.3% from RMB19.5 million as of December 31, 2024 to RMB17.7 million as of September 30, 2025, primarily due to the amortization of our computer software and IT systems.

Inventories

Our inventories primarily consist of (i) raw materials, (ii) work in progress, (iii) finished goods, and (iv) contract costs. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	September 30,
				2025
	<i>(RMB in thousands)</i>			
Raw materials	25,408	33,172	21,873	41,303
Work in progress	3,148	1,370	6,624	7,165
Finished goods	17,156	31,610	48,825	40,421
Contract costs	20,552	12,019	11,988	28,079
Total	66,264	78,171	89,310	116,968

FINANCIAL INFORMATION

Our inventories increased by 18.0% from RMB66.3 million as of December 31, 2022 to RMB78.2 million as of December 31, 2023, and further increased by 14.2% to RMB89.3 million as of December 31, 2024, generally consistent with our business growth. Our inventories increased by 31.0% from RMB89.3 million as of December 31, 2024 to RMB117.0 million as of September 30, 2025, primarily due to (i) an increase in raw materials in anticipation of higher product demand, (ii) an increase in contract costs driven by new orders for our testing solutions, partially offset by a decrease in finished goods in line with our increased sales volume.

The following table sets forth the turnover days of our inventories for the dates indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
	<i>(days)</i>			
Inventory turnover days ⁽¹⁾ . . .	112.7	66.7	75.0	79.0

Note:

- (1) Inventory turnover days for a year/period equal the average of the inventories of the opening and closing gross inventory balance for the relevant year/period divided by the cost of sales for the relevant year/period and multiplied by 365 days or 270 days.

Our inventory turnover days decreased from 112.7 days in 2022 to 66.7 days in 2023, primarily because we built up the inventory stock at the end of 2022 in response to the anticipated increase in production and market demand. Our inventory turnover days slightly increased from 66.7 days in 2023 to 75.0 days in 2024 and 79.0 days in the nine months ended September 30, 2025, primarily due to the increase in the inventory in anticipation of higher product demand, generally in line with our business growth.

The following table sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Within one year	66,107	75,647	88,679	113,738
One to two years	157	2,524	631	3,230
Total	66,264	78,171	89,310	116,968

FINANCIAL INFORMATION

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labor and an appropriate proportion of overhead. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. We made inventory write-downs of RMB3.4 million, RMB1.6 million, RMB3.5 million and RMB3.8 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively.

As of January 31, 2026, RMB87.4 million, or 72.4% of inventories as of September 30, 2025, had been utilized or sold subsequent to September 30, 2025.

Trade and Bills Receivables and Contract Assets

Our trade and bills receivables and contract assets primarily consisted of (i) trade receivables, mainly representing the receivables due from our customers, (ii) bills receivables, primarily representing bank acceptance bills from customers as means of payment, and (iii) contract assets. The following table sets forth a breakdown of our non-current and current portion of trade and bills receivables and contract assets as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	September 30,
				2025
	<i>(RMB in thousands)</i>			
Non-current:				
Contract assets	–	1,499	5,829	6,729
Less: Impairment losses. . . .	–	(300)	(1,408)	(853)
Subtotal	–	1,199	4,421	5,876
Current:				
Trade receivables.	79,633	231,844	212,728	206,283
Bills receivables	48,480	65,930	94,440	82,639
Contract assets	3,245	11,862	2,072	8,088
	131,358	309,636	309,240	297,010
Less: Impairment losses. . . .	(4,252)	(12,544)	(11,575)	(11,982)
Subtotal	127,106	297,092	297,665	285,028
Total	127,106	298,291	302,086	290,904

Our trade and bills receivables and contract assets increased by 134.7% from RMB127.1 million as of December 31, 2022, to RMB298.3 million as of December 31, 2023, generally in line with our significant sales growth in 2023. Our trade and bills receivables and contract assets remained relatively stable at RMB298.3 million as of December 31, 2023, RMB302.1 million as of December 31, 2024 and RMB290.9 million as of September 30, 2025.

FINANCIAL INFORMATION

The following table sets forth our trade receivables turnover days for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
	<i>(days)</i>			
Trade receivables turnover days ⁽¹⁾	102.2	103.5	140.5	117.9

Note:

- (1) Trade receivables turnover days for a year/period equal the average of the opening and closing balances of trade receivables for the relevant year/period divided by total revenue for the relevant year/period and multiplied by 365 days or 270 days.

Our trade receivables turnover days remained relatively stable at 102.2 days in 2022 and 103.5 days in 2023. Our trade receivables turnover days increased from 103.5 days in 2023 to 140.5 days in 2024, primarily due to (i) the relatively longer payment cycle of certain customers upon the negotiations given the market volatility and their strong market presence, and (ii) the delay of payment from certain customers. Our trade receivables turnover days decreased from 140.5 days in 2024 to 117.9 days in the nine months ended September 30, 2025, primarily due to our enhanced trade receivables management and accelerated collection efforts. To mitigate the extended trade receivable cycle from our OEM customers, we have adopted or plan to adopt certain strategies, including (i) standardizing credit terms to a shortened period across all existing or new customers through active negotiations, (ii) implementing weekly reviews of settlements, invoicing and collections to strengthen financial controls, and (iii) deploying an automated tiered credit management system with real-time monitoring of credit limits and payment deadlines.

The following table sets forth an aging analysis of our trade and bills receivables and contract assets based on the invoice date and net of loss allowance as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Within one year	126,818	296,409	297,077	287,657
One to two years	288	1,702	4,517	2,802
Two to three years	—	180	492	445
Total	127,106	298,291	302,086	290,904

FINANCIAL INFORMATION

We seek to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by our management. As of December 31, 2022, 2023 and 2024 and September 30, 2025, substantially all of our trade and bills receivables and contract assets were aged within one year primarily because the credit term we generally grant our customers ranges from 60 to 120 days. Our bills receivables are generally due within six month.

As of January 31, 2026, RMB197.8 million, or 95.9% of our trade receivables as of September 30, 2025, had been settled subsequent to September 30, 2025.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consisted of (i) advances to suppliers, (ii) deposits and other receivables, (iii) listing expenditures, and (iv) VAT recoverable. Our prepayments, other receivables and other assets increased by 72.3% from RMB6.5 million as of December 31, 2022 to RMB11.3 million as of December 31, 2023, primarily due to the increase in VAT recoverable. Our prepayments, other receivables and other assets remained relatively stable at RMB11.3 million as of December 31, 2023 and RMB12.4 million as of December 31, 2024. Our prepayments, other receivables and other assets increased by 62.7% from RMB12.4 million as of December 31, 2024 to RMB20.2 million as of September 30, 2025, primarily due to (i) an increase in listing expenditures, and (ii) an increase in deposits and other receivables mainly in relation to rental deposits we have paid and the quality guarantee deposits temporarily withheld by our customers, partially offset by the decrease in prepayments to suppliers in line with our increased bargaining power.

As of January 31, 2026, RMB10.2 million, or 50.4% of our prepayments, other receivables and other assets as of September 30, 2025, had been settled subsequent to September 30, 2025.

Financial Assets at Fair Value through Profit and Loss

Our financial assets at fair value through profit or loss primarily represented our structured deposits. Our financial assets at fair value through profit or loss decreased by 61.2% from RMB26.2 million as of December 31, 2022 to RMB10.2 million as of December 31, 2023, primarily due to the maturity of certain of our structured deposits. Our financial assets at fair value through profit or loss increased by 343.2% from RMB10.2 million as of December 31, 2023 to RMB45.1 million as of December 31, 2024, primarily due to our purchase of structured deposits to optimize our fund management and enhance our fund utilization efficiency. Our financial assets at fair value through profit or loss increase from RMB45.1 million as of December 31, 2024 to RMB77.0 million as of September 30, 2025, primarily due to our purchase of structured deposits and investments in equity instruments at fair value through profit or loss to optimize our fund management and enhance our fund utilization efficiency.

FINANCIAL INFORMATION

We have implemented internal control policies to ensure reasonable liquidity while achieving investment returns to support our operational and strategic investment needs. To control our risk exposure, we only invest in low-risk structured deposits products while ensuring sufficient working capital to meet business needs, operating activities, R&D and capital expenditures, taking into account a number of factors including the general market conditions, risk control, credit of the issuing financial institution, our own working capital conditions, duration of the investment and the expected return from the investment. Our financial department is responsible for, among other things, (i) formulating structured deposits strategies and proposals of structured deposits products, (ii) regularly monitoring the structured deposits products, and (iii) performing internal audits and reporting to our financial director. Our finance department has extensive experience in managing the financial aspects of an enterprise's operations. Our financial director, Mr. Bu Yingqi, has more than 10 years of experience in financial management. Prior to making investments in structured deposits products, the investment shall be reviewed and approved by our financial director. Upon the Listing, we intend to continue our investments in financial products strictly in accordance with our internal policies, guidelines, and Articles of Association, and to the extent that an investment in financial products is a notifiable transaction under Chapter 14 of the Listing Rules, we will comply with the relevant requirements under Chapter 14 of the Listing Rules, including the announcement, circular, reporting and/or approval requirements (if applicable).

Cash and Cash Equivalents

We had cash and cash equivalents of RMB29.9 million, RMB64.0 million, RMB230.4 million and RMB104.8 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. See “— Liquidity and Capital Resources — Cash Flow.”

Trade Payables

Our trade payables primarily represent amounts payable to our suppliers. Our trade payables increased by 113.9% from RMB49.1 million as of December 31, 2022 to RMB105.0 million as of December 31, 2023, and further increased by 21.9% to RMB127.9 million as of December 31, 2024, generally consistent with our business growth during these periods. Our trade payables remained relatively stable at RMB127.9 million as of December 31, 2024 and RMB125.4 million as of September 30, 2025.

FINANCIAL INFORMATION

The following table sets forth an aging analysis of our trade payables based on the invoice date as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Within one year	48,698	104,424	127,556	124,423
One to two years	371	191	103	994
Two to three years	—	355	189	—
Over 3 years	—	—	65	—
Total	49,069	104,970	127,913	125,417

As of December 31, 2022, 2023 and 2024 and September 30, 2025, substantially all of our trade payables were aged within one year as our suppliers normally grant us the credit terms ranging from 30 to 90 days upon receipt of the VAT invoice.

The following table sets forth the turnover days of our trade payables for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
	<i>(days)</i>			
Trade payables turnover days ⁽¹⁾	87.7	68.7	101.3	93.7

Note:

- (1) Trade payables turnover days for a year/period equal the average of the opening and closing balance of trade payables for the relevant year/period divided by the cost of sales for the relevant year/period and multiplied by 365 days or 270 days.

Our trade payables turnover days decreased from 87.7 days in 2022 to 68.7 days in 2023, primarily due to shorter procurement cycle in preparation for the mass production plan. Our trade payables turnover days increased from 68.7 days in 2023 to 101.3 days in 2024, primarily we were generally granted relatively longer credit terms from our suppliers reflecting our enhanced bargaining power. Our trade payables turnover days decreased from 101.3 days in 2024 to 93.7 days in the nine months ended September 30, 2025, primarily due to shorter procurement cycle in preparation for the mass production plan.

As of January 31, 2026, RMB124.3 million, or 99.1% of our trade payables as of September 30, 2025, had been settled subsequent to September 30, 2025.

FINANCIAL INFORMATION

Other Payables and Accruals

Our other payables and accruals primarily consisted of (i) payroll and welfare payables, (ii) other tax payables, and (iii) other payables. The following table sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	September 30,
				2025
	<i>(RMB in thousands)</i>			
Payroll and welfare payable. .	21,462	17,895	21,527	14,390
Other tax payables.	3,617	8,432	8,209	5,347
Listing expenditures payable .	—	—	—	4,363
Other payables.	17,364	20,007	22,801	33,612
Total	<u>42,443</u>	<u>46,334</u>	<u>52,537</u>	<u>57,712</u>

Our other payables and accruals remained relatively stable at RMB42.4 million as of December 31, 2022 and RMB46.3 million as of December 31, 2023. Our other payables and accruals further increased by 13.4% from RMB46.3 million as of December 31, 2023 to RMB52.5 million as of December 31, 2024, primarily due to (i) the increase in payroll and welfare payables as a result of the increase in the headcounts and their average salaries, and (ii) the increase in other payables. Our other payables and accruals increased by 9.9% from RMB52.5 million as of December 31, 2024 to RMB57.7 million as of September 30, 2025, primarily due to (i) the increase in other payables, and (ii) the increase in listing expenditures payable, partially offset by (i) the decrease in payroll and welfare payable as the annual bonus of 2024 had been paid in the first quarter in 2025, and (ii) the decrease in other tax payables.

As of January 31, 2026, RMB45.9 million, or 79.5% of our other payables and accruals as of September 30, 2025, had been settled subsequent to September 30, 2025.

Contract Liabilities

Our contract liabilities mainly included advances received from customers for sales of testing solutions. Our contract liabilities decreased by 32.2% from RMB15.5 million as of December 31, 2022 to RMB10.5 million as of December 31, 2023, and further decreased by 45.9% to RMB5.7 million as of December 31, 2024, primarily due to our enhanced efficiency in fulfilling relevant contractual obligations, which outpaced the advance payments from new projects. Our contract liabilities increased significantly from RMB5.7 million as of December 31, 2024 to RMB13.8 million as of September 30, 2025, primarily due to an increase in customers' advance payments for purchase of our offerings as a result of rising customer demand.

As of January 31, 2026, RMB5.0 million, or 36.4% of contract liabilities as of September 30, 2025, had been recognized as revenue subsequent to September 30, 2025.

FINANCIAL INFORMATION

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

During the Track Record Period, we primarily funded our working capital and other capital expenditure requirements through cash from operating cash flow, cash on hand, bank loans and capital contributions. The following table sets forth a summary of our cash flows for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	<i>(RMB in thousands)</i>				
	<i>(Unaudited)</i>				
Net cash flows (used in)/					
from operating activities.	(139,891)	(124,499)	29,189	14,536	(48,969)
Net cash flows from/(used					
in) investing activities . .	789	(1,579)	(55,962)	(52,061)	(74,325)
Net cash flows from/(used					
in) financing activities . .	<u>93,472</u>	<u>159,974</u>	<u>193,234</u>	<u>45,719</u>	<u>(2,328)</u>
Net (decrease)/increase in					
cash and cash					
equivalents	(45,630)	33,896	166,461	8,194	(125,622)
Cash and cash equivalents					
at beginning of					
year/period	75,743	29,923	63,971	63,971	230,435
Effect of foreign exchange					
differences, net.	<u>(190)</u>	<u>152</u>	<u>3</u>	<u>3</u>	<u>(49)</u>
Cash and cash					
equivalents at end of					
year/period	<u>29,923</u>	<u>63,971</u>	<u>230,435</u>	<u>72,168</u>	<u>104,764</u>

Net Cash Flows (Used in)/from Operating Activities

Net cash flows used in operating activities in the nine months ended September 30, 2025 was RMB49.0 million. The difference between net cash flows used in operating activities and the loss before tax of RMB340.9 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consist of fair value losses on redemption liabilities on equity shares of RMB307.0 million, and (ii) changes in working capital, which primarily consist of an increase in inventories of RMB27.9 million, a decrease in other payables and accruals of RMB9.0 million, an increase in contract assets of RMB6.9 million, partially offset by an increase in contract liabilities of RMB8.1 million.

FINANCIAL INFORMATION

Net cash flows from operating activities in 2024 was RMB29.2 million. The difference between net cash flows from operating activities and the loss before tax of RMB136.6 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consist of fair value losses on redemption liabilities on equity shares of RMB128.0 million and depreciation of property, plant and equipment of RMB23.5 million, and (ii) changes in working capital, which primarily consist of an increase in trade payables of RMB22.9 million, a decrease in contract assets of RMB5.5 million and a decrease in other non-current assets of RMB5.2 million, partially offset by an increase in trade and bills receivables of RMB17.5 million and an increase in inventories of RMB13.1 million.

Net cash flows used in operating activities in 2023 was RMB124.5 million. The difference between net cash flows used in operating activities and the loss before tax of RMB174.6 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consist of fair value losses on redemption liabilities on equity shares of RMB166.7 million, share-based payments expense of RMB21.3 million and depreciation of property, plant and equipment of RMB14.9 million, and (ii) changes in working capital, which primarily consist of an increase in trade payables of RMB55.9 million, offset by an increase in trade and bills receivables of RMB169.8 million, a decrease in other payables and accruals of RMB23.1 million, an increase in contract assets of RMB10.1 million and an increase in inventories of RMB10.1 million.

Net cash flows used in operating activities in 2022 was RMB139.9 million. The difference between net cash flows used in operating activities and the loss before tax of RMB256.1 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consist of fair value losses on redemption liabilities on equity shares of RMB172.3 million and depreciation of property, plant and equipment of RMB8.9 million, and (ii) changes in working capital, which primarily consist of an increase in other payables and accruals of RMB19.7 million and an increase in trade payables of RMB18.7 million, offset by an increase in trade and bills receivables of RMB84.0 million and an increase in inventories of RMB38.5 million.

Measures to improve net operating cash flows

We have implemented and will continue to improve our net operating cash flow positions through the following measures:

- (i) Improving the management of our trade and bills receivables by:
 - (a) proactively and promptly communicating with customers regarding outstanding amounts to shorten our collection period;
 - (b) mitigating the extended trade receivable cycle from our OEM customers. For details, see “— Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and Bills Receivables and Contract Assets.”

FINANCIAL INFORMATION

- (ii) Optimizing our inventory management by:
 - (a) adopting an enhanced inventory management model based on inventory categories and raw material types;
 - (b) improving our digital inventory management system to optimize our inventory level, such as inputting reasonable material preparation plans based on customer order forecasts, optimizing inventory parameters, and setting alerts for abnormal inventory turnover levels;
 - (c) regularly reviewing the effectiveness of our inventory management system and making adjustments.

We expect that the above measures would help us to manage our working capital and liquidity more effectively in the future.

Net Cash Flows from/(Used in) Investing Activities

Net cash flows used in investing activities in the nine months ended September 30, 2025 was RMB74.3 million, primarily due to (i) purchases of financial assets at fair value through profit and loss of RMB197.9 million, (ii) purchases of items of property, plant and equipment of RMB41.1 million, partially offset by the proceeds from maturity of financial assets through profit and loss of RMB167.0 million.

Net cash used in investing activities in 2024 was RMB56.0 million, primarily due to (i) purchases of financial assets at fair value through profit and loss of RMB84.4 million, (ii) purchases of items of property, plant and equipment of RMB12.2 million, and (iii) purchases of intangible assets of RMB9.5 million, partially offset by proceeds from maturity of financial assets through profit and loss of RMB50.1 million.

Net cash used in investing activities in 2023 was RMB1.6 million, primarily due to (i) purchases of financial assets at fair value through profit or loss of RMB76.8 million, (ii) purchases of items of property, plant and equipment of RMB11.2 million, and (iii) purchases of intangible assets of RMB7.2 million, partially offset by proceeds from maturity of financial assets through profit and loss of RMB93.5 million.

Net cash from investing activities in 2022 was RMB0.8 million, primarily due to proceeds from maturity of financial assets through profit and loss of RMB101.8 million, partially offset by (i) purchases of financial assets at fair value through profit or loss of RMB72.6 million, (ii) purchases of items of property, plant and equipment of RMB25.9 million, and (iii) purchases of intangible assets of RMB2.5 million.

FINANCIAL INFORMATION

Net Cash Flows from/(Used in) Financing Activities

In the nine months ended September 30, 2025, our net cash flows used in financing activities were RMB2.3 million, primarily attributable to (i) repayment of interest-bearing bank loans of RMB60.0 million, (ii) lease payments of RMB7.8 million, and (iii) payments on listing expenditures of RMB5.2 million, partially offset by new interest-bearing bank loans and other borrowings of RMB69.9 million.

In 2024, our net cash flows from financing activities were RMB193.2 million, primarily attributable to (i) new interest-bearing bank loans and other borrowings of RMB138.5 million, and (ii) net proceeds from capital contribution by shareholders of RMB119.9 million, partially offset by repayment of interest-bearing bank loans of RMB58.2 million.

In 2023, our net cash flows from financing activities were RMB160.0 million, primarily attributable to (i) net proceeds from capital contribution by shareholders of RMB172.7 million, and (ii) new interest-bearing bank loans and other borrowings of RMB41.3 million, partially offset by repayment of interest-bearing bank loans of RMB47.2 million.

In 2022, our net cash flows from financing activities were RMB93.5 million, primarily attributable to (i) net proceeds from capital contribution by shareholders of RMB67.6 million, and (ii) additions of new interest-bearing bank loans and other borrowings of RMB52.7 million, partially offset by repayment of interest-bearing bank loans of RMB25.2 million.

FINANCIAL INFORMATION

Current Assets/Liabilities

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of September 30,	As of January 31,
	2022	2023	2024	2025	2026
	<i>(RMB in thousands)</i>				<i>(unaudited)</i>
Current assets					
Inventories	66,264	78,171	89,310	116,968	92,776
Trade and bills receivables	124,023	285,823	295,697	277,681	288,450
Contract assets	3,083	11,269	1,968	7,347	6,709
Prepayments, other receivables and other assets	6,541	11,271	12,427	20,219	17,417
Financial assets at fair value through profit and loss	26,228	10,172	45,086	65,028	60,106
Restricted cash	—	—	945	1,628	—
Cash and cash equivalents	29,923	63,971	230,435	104,764	147,658
Total current assets . .	256,062	460,677	675,868	593,635	613,116
Current liabilities					
Trade payables	49,069	104,970	127,913	125,417	132,426
Other payables and accruals	42,443	46,334	52,537	57,712	77,862
Contract liabilities . . .	15,493	10,505	5,681	13,770	15,751
Interest-bearing bank and other borrowings	46,667	40,037	89,104	103,075	133,107
Lease liabilities	3,124	3,456	3,217	5,523	5,522
Redemption liabilities on equity shares . . .	651,260	994,282	1,360,927	1,667,902	1,970,301
Warranty provision . . .	428	1,099	1,155	1,280	1,172
Tax payable	—	55	1,295	1,795	544
Total current liabilities	808,484	1,200,738	1,641,829	1,976,474	2,336,685
Net current liabilities	(552,422)	(740,061)	(965,961)	(1,382,839)	(1,723,569)

FINANCIAL INFORMATION

We recorded net current liabilities of RMB552.4 million, RMB740.1 million, RMB966.0 million, RMB1,382.8 million and RMB1,723.6 million as of December 31, 2022, 2023 and 2024, September 30, 2025 and January 31, 2026, respectively, primarily due to the redemption liabilities arising from the preferred shares that we issued during Pre-IPO financing. Such redemption liabilities reflect the increasing valuation of our Company during the Track Record Period as the redemption amount is linked to our fair value. Upon the Listing, such redemption liabilities will be converted into ordinary shares and reclassified as equity, thereby eliminating the liabilities. Therefore, our net current liabilities position is expected to turn into net current assets position immediately following the Listing.

Our net current liabilities increased by 24.6% from RMB1,382.8 million as of September 30, 2025 to RMB1,723.6 million as of January 31, 2026, primarily due to (i) an increase in redemption liabilities on equity shares of RMB302.4 million, which represents change in fair value of the preferred shares and (ii) an increase in interest-bearing bank and other borrowings of RMB30.0 million, primarily to fund our daily operations and anticipated business growth, partially offset by a RMB42.9 million increase in cash and cash equivalents.

Our net current liabilities increased by 43.2% from RMB966.0 million as of December 31, 2024 to RMB1,382.8 million as of September 30, 2025, primarily due to (i) an increase in redemption liabilities on equity shares of RMB307.0 million, which represents change in fair value of the preferred shares, (ii) a decrease in cash and cash equivalents of RMB125.7 million, and (iii) a decrease in trade and bill receivables of RMB18.0 million, partially offset by (i) an increase in inventories of RMB27.7 million, and (ii) an increase in current financial assets at fair value through profit and loss of RMB19.9 million.

Our net current liabilities increased by 30.5% from RMB740.1 million as of December 31, 2023 to RMB966.0 million as of December 31, 2024, primarily due to (i) an increase in redemption liabilities on equity shares of RMB366.6 million, which represents the preferred shares issued in our Pre-IPO financing, (ii) an increase in interest-bearing bank and other borrowings of RMB49.1 million, primarily to support our day-to-day operations and anticipated business growth, and (iii) an increase in trade payables of RMB22.9 million, generally in line with our business growth during such period, partially offset by (i) an increase in cash and cash equivalents of RMB166.5 million, (ii) an increase in financial assets at fair value through profit and loss of RMB34.9 million, primarily due to our purchase of structured deposits to optimize our fund management and enhance our fund utilization efficiency, and (iii) an increase in inventories of RMB11.1 million, generally in line with our business growth.

Our net current liabilities increased by 34.0% from RMB552.4 million as of December 31, 2022 to RMB740.1 million as of December 31, 2023, primarily due to (i) an increase in redemption liabilities on equity shares of RMB343.0 million, which represents the preferred shares issued in our Pre-IPO financing, (ii) an increase in trade payables of RMB55.9 million, generally in line with our business growth during such period, and (iii) a decrease in financial assets at fair value through profit and loss of RMB16.1 million, primarily due to the maturity of certain of our structured deposits, partially offset by (i) an increase in trade and bills

FINANCIAL INFORMATION

receivables of RMB161.8 million, generally in line with our significant sales growth in 2023, (ii) an increase in cash and cash equivalents of RMB34.0 million, and (iii) an increase in inventories of RMB11.9 million, generally in line with our business growth.

KEY FINANCIAL RATIOS

The table sets forth our key financial ratio for the years/periods indicated:

	As of or for the Year ended December 31,			As of or for the nine months ended September 30,	
	2022	2023	2024	2024	2025
			(%)		
				(Unaudited)	
Debt-to-Asset Ratio ⁽¹⁾ . . .	246.0	213.8	215.6	241.8	261.9
Gross Profit Margin ⁽²⁾ . . .	22.6	25.6	27.3	27.3	23.9
Current Ratio ⁽³⁾	31.7	38.4	41.2	34.9	30.0
Quick Ratio ⁽⁴⁾	23.5	31.9	35.7	30.0	24.1
Net Loss Margin ⁽⁵⁾	(119.6)	(31.8)	(23.9)	(29.7)	(71.6)
Adjusted Net (loss)/profit Margin (non-IFRS measure) ⁽⁶⁾	(37.0)	2.4	(1.2)	(1.0)	(3.6)

Notes:

- (1) Debt-to-asset ratio equals total liabilities as of the dates indicated divided by total assets as of the same date, multiplied by 100%. As of December 31, 2022, 2023 and 2024 and September 30, 2025, we had total liabilities of RMB819.9 million, RMB1,209.5 million, RMB1,673.5 million and RMB1,999.5 million respectively, among which we recorded redemption liabilities on equity shares of RMB651.3 million, RMB994.3 million, RMB1,360.9 million and RMB1,667.9 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Our redemption liabilities on equity shares primarily represent the preferred shares we issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”
- (2) Gross profit margin equals gross profit for the year/period divided by revenue for the same year/period, multiplied by 100%.
- (3) Current ratio equals total current assets as of the end of the year/period divided by total current liabilities as of the same date, multiplied by 100%.
- (4) Quick ratio equals current assets as of the end of the year/period less inventories as of the same date divided by current liabilities as of the same date, multiplied by 100%.
- (5) Net loss margin equals loss for the year/period divided by revenue for the same year/period, multiplied by 100%.
- (6) Adjusted net (loss)/profit margin equals adjusted (loss)/profit for the year/period (a non-IFRS measure) divided by revenue for the same year/period, multiplied by 100%. We define adjusted (loss)/profit for the year/period (non-IFRS measure) as loss for the year/period adjusted by adding back (i) fair value losses on redemption liabilities on equity shares, (ii) share-based payment expenses, and (iii) listing expenses. See “Financial Information — Non-IFRS Measure.”

FINANCIAL INFORMATION

INDEBTEDNESS

As of December 31, 2022, 2023 and 2024, September 30, 2025 and January 31, 2026, our indebtedness consisted of lease liabilities, interest-bearing bank and other borrowings and redemption liabilities on equity shares. As of January 31, 2026, we had a total indebtedness of RMB2,126.9 million. Save for the disclosed indebtedness, we currently do not have material external financing plans. The following table sets forth the details of our indebtedness as of December 31, 2022, 2023, 2024, September 30, 2025 and January 31, 2026:

	As of December 31,			As of September 30,	As of January 31,
	2022	2023	2024	2025	2026
	<i>(RMB in thousands)</i>				<i>(unaudited)</i>
Lease liabilities	14,495	12,193	11,914	27,282	23,519
Interest-bearing bank and other borrowings	46,667	40,037	112,104	103,075	133,107
Redemption liabilities on equity shares . . .	651,260	994,282	1,360,927	1,667,902	1,970,301
Total	<u>712,422</u>	<u>1,046,512</u>	<u>1,484,945</u>	<u>1,798,259</u>	<u>2,126,927</u>

Lease Liabilities

Our lease liabilities are in relation to properties that we lease primarily for our offices and manufacturing facilities. As of December 31, 2022, 2023 and 2024, September 30, 2025 and January 31, 2026, our total lease liabilities (including current and non-current portions) amounted to RMB14.5 million, RMB12.2 million, RMB11.9 million, RMB27.3 million and RMB23.5 million, respectively. The following table sets forth our lease liabilities in absolute amounts as of the dates indicated:

	As of December 31,			As of September 30,	As of January 31,
	2022	2023	2024	2025	2026
	<i>(RMB in thousands)</i>				<i>(unaudited)</i>
Current lease liabilities	3,124	3,456	3,217	5,523	5,522
Non-current lease liabilities	11,371	8,737	8,697	21,759	17,997
Total	<u>14,495</u>	<u>12,193</u>	<u>11,914</u>	<u>27,282</u>	<u>23,519</u>

FINANCIAL INFORMATION

Our lease liabilities decreased by 15.9% from RMB14.5 million as of December 31, 2022 to RMB12.2 million as of December 31, 2023, primarily due to the expiry of certain leases that remain to be renewed. Our lease liabilities remained relatively stable at RMB12.2 million as of December 31, 2023 and RMB11.9 million as of December 31, 2024. Our lease liabilities increased significantly from RMB11.9 million as of December 31, 2024 to RMB27.3 million as of September 30, 2025, primarily because we leased two production bases and certain equipment to expand our production capacity. Our lease liabilities decreased by 13.8% from RMB27.3 million as of September 30, 2025 to RMB23.5 million as of January 31, 2026, primarily due to the expiry of certain of our leases.

For maturity analysis of our lease liabilities and other financial liabilities, see Note 40 of Appendix I to this prospectus.

Interest-bearing Bank and Other Borrowings

As of December 31, 2022, 2023 and 2024 and September 30, 2025, our total interest-bearing bank and other borrowings (including current and non-current portions) amounted to RMB46.7 million, RMB40.0 million, RMB112.1 million and RMB103.1 million, respectively. The following table sets forth our interest-bearing bank and other borrowings in absolute amounts as of the dates indicated:

	As of December 31,			As of September 30,	As of January 31,
	2022	2023	2024	2025	2026
	<i>(RMB in thousands)</i>				<i>(unaudited)</i>
Current interest-bearing bank and other borrowings . . .	46,667	40,037	89,104	103,075	133,107
Non-current interest-bearing bank and other borrowings . . .	—	—	23,000	—	—
Total	<u>46,667</u>	<u>40,037</u>	<u>112,104</u>	<u>103,075</u>	<u>133,107</u>

Our interest-bearing bank and other borrowings decreased by 14.2% from RMB46.7 million as of December 31, 2022 to RMB40.0 million as of December 31, 2023, primarily due to our repayment of certain of these borrowings in 2023. Our interest-bearing bank and other borrowings significantly increased by 180.0% from RMB40.0 million as of December 31, 2023 to RMB112.1 million as of December 31, 2024, primarily to support our day-to-day operations and anticipated business growth. Our interest-bearing bank and other borrowings decreased by 8.1% from RMB112.1 million as of December 31, 2024 to RMB103.1 million as of September 30, 2025, primarily due to our repayment of certain borrowings. Our interest-bearing bank and other borrowings increased by 29.1% from RMB103.1 million as of September 30, 2025 to RMB133.1 million as of January 31, 2026, primarily to support our daily operations and anticipated business growth.

FINANCIAL INFORMATION

All of our interest-bearing bank and other borrowings during the Track Record Period were unsecured. Our exposure of borrowings and their ranges of effective interest rates are as follows:

As of December 31,						As of September 30,		As of January 31,	
2022		2023		2024		2025		2026	
Amount	Effective Interest Rate (%)	Amount	Effective Interest Rate (%)	Amount	Effective Interest Rate (%)	Amount	Effective Interest Rate (%)	Amount	Effective Interest Rate (%)
(RMB in thousands, except for percentages)									
(Unaudited)									

Current portion:

Bank loans – unsecured . . .	46,036	3.20-4.20	40,037	3.00-4.20	70,075	2.60-3.25	103,075	2.55-2.80	133,107	2.15-2.80
Other borrowings –										
unsecured	631	0.95-1.18	–	–	19,029	0.80-1.00	–	–	–	–

Non-current portion:

Bank loans – unsecured . . .	–	–	–	–	23,000	2.80	–	–	–	–

As of January 31, 2026, we had banking facilities of RMB350.0 million, of which RMB217.0 million were committed unutilized banking facilities.

Redemption Liabilities on Equity Shares

Our redemption liabilities on equity shares primarily represent the preferred shares we issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.” As of December 31, 2022, 2023 and 2024, September 30, 2025 and January 31, 2026, our redemption liabilities on equity shares amounted to RMB651.3 million, RMB994.3 million, RMB1,360.9 million, RMB1,667.9 million and RMB1,970.3 million, respectively.

Our Directors confirm that there was no material covenant on any of our outstanding debt as of the Latest Practicable Date, and there was no breach of any covenants during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that we did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Except as disclosed above, as of January 31, 2026, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), or acceptance credits, which were either guaranteed or unguaranteed, secured or unsecured. Our Directors confirm that there has not been any material change in our indebtedness since January 31, 2026 and up to the date of this prospectus.

FINANCIAL INFORMATION

CONTINGENT LIABILITIES

As of December 31, 2022, 2023 and 2024 and September 30, 2025, and up to the date of this prospectus, we did not have any material contingent liabilities.

CAPITAL COMMITMENTS

As of December 31, 2022, 2023 and 2024 and September 30, 2025, our capital commitments were RMB13.4 million, RMB4.8 million, RMB4.0 million and RMB16.9 million, respectively, which were the capital expenditures in respect of the acquisition of property, plant and equipment that were contracted for but not provided in the financial statements.

CAPITAL EXPENDITURES

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our capital expenditures were RMB28.4 million, RMB18.4 million, RMB21.7 million, RMB17.5 million and RMB43.4 million, respectively, primarily representing cash used in purchase of items of property, plant and equipment and intangible assets. We funded our capital expenditure requirements during the Track Record Period mainly from cash from our operating cash flow, bank loans and facilities as well as debt and equity financing. We intend to fund our future capital expenditures and long-term investments with a combination of cash from operating cash flow, existing cash and cash equivalents on hand, bank loans and net proceeds from the Global Offering. See “Future Plans and Use of Proceeds.” We may adjust our capital expenditures for any given year/period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details about our related party transactions during the Track Record Period, see Note 36 of Appendix I to this prospectus.

Our Directors believe that our transactions with related parties during the Track Record Period were conducted on an arm’s-length basis and they did not distort our results of operations or make our historical results not reflective of our future performance.

FINANCIAL INFORMATION

FINANCIAL RISK DISCLOSURE

Our principal financial instruments comprise interest-bearing bank and other borrowings and redemption liabilities on equity shares. The main purpose of these financial instruments is to raise funds for our operations. We have various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from our operations. The main risks arising from our financial instruments are foreign currency risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. See Note 40 of Appendix I to this prospectus for a detailed description of our financial risk management.

Foreign Currency Risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. As our major businesses are in Chinese Mainland, the majority of the transactions are conducted in RMB. Most of our assets and liabilities are denominated in RMB. The Group was not exposed to material foreign currency risk during the Track Record Period.

Credit Risk

We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, we do not offer credit terms without the specific approval. For more details of our credit quality and the maximum exposure to credit risk, see Note 40 of Appendix I to this prospectus.

Liquidity Risk

We monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance the operations and mitigate the effects of fluctuations in cash flows. Our objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, lease liabilities and other interest-bearing loans. For more details on the maturity analysis of our financial liabilities, see Note 40 of Appendix I to this prospectus.

DIVIDENDS

No dividends have been paid or declared by our Company during the Track Record Period. Currently, we do not have a formal dividend policy or a fixed dividend distribution ratio. Any future declarations and payments of dividends will be at the discretion of our Directors and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual

FINANCIAL INFORMATION

restrictions, and other factors which our Directors consider relevant. As advised by our PRC Legal Advisor, any future net profit that we make shall be used to pay or declare dividends after our Board has formulated a profit distribution plan and approved by our Shareholders in a general meeting. However, such net profit must be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such statutory common reserve fund has reached more than 50% of our registered capital.

WORKING CAPITAL CONFIRMATION

Taking into account the financial resources available to us, including but not limited to cash generated from operations, existing cash and cash equivalents on hand, bank loans and the estimated net proceeds from the Global Offering, our Directors are of the view that we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this prospectus. Our Directors confirm that we had no material defaults on trade and non-trade payables and borrowings, nor did we breach any covenants during the Track Record Period and up to the date of this prospectus.

Our Directors are of the view that we will have adequate working capital and sufficient cash balance to support our business growth, without taking account of the estimated proceeds from the Global Offering, on the following grounds: (i) we had cash and cash equivalents, restricted cash and financial assets at fair value through profit and loss of RMB171.4 million, which are all highly liquid assets, as of September 30, 2025; (ii) we have implemented and will in the future continue to implement a wide array of initiatives to improve our ability to generate profit and operating cash inflow and increase operational leverages, all of which are expected to help us generate continued cash flows from our operations. For more details regarding our initiatives to improve our ability to generate profit and operating cash inflow, see “— Business Sustainability and Profitability;” (iii) we will continue to enhance our operating efficiencies by leveraging economies of scale, optimizing production processes, negotiating favorable supply agreements, and continuously seeking opportunities to reduce overhead; and (iv) we had committed unutilized banking facilities of RMB190.4 million as of September 30, 2025, and we may seek additional funding through public or private offerings, debt financing or other sources, if needed.

DISTRIBUTABLE RESERVES

As of September 30, 2025, we had no distributable reserves available for distribution to our Shareholders.

LISTING EXPENSES

Listing expenses consist of professional fees, underwriting commissions and other fees incurred in connection with the Listing and the Global Offering. During the Track Record Period, we incurred listing expenses of RMB22.2 million, of which RMB16.2 million was charged to our consolidated statements of profit or loss for the nine months ended September 30, 2025, while the listing expenses directly attributable to the issue of shares of

FINANCIAL INFORMATION

RMB6.0 million was recognized in the consolidated statement of financial position as of September 30, 2025 and is expected to be accounted for as a deduction in equity upon completion of the Global Offering. We expect to incur listing expenses of approximately HK\$68.1 million (based on the mid-point of the indicative Offer Price range), which accounts for approximately 9.3% of the gross proceeds from the Global Offering. We estimate the listing expenses to consist of approximately HK\$29.3 million in underwriting fees and HK\$38.8 million in non-underwriting fees (which consist of fees and expenses of legal advisors and our Reporting Accountant of approximately HK\$25.2 million and other fees and expenses of approximately HK\$13.6 million). Among the total listing expenses, approximately a total amount of HK\$34.6 million is expected to be directly attributable to the issue of our Shares, which will be deducted from equity upon the completion of the Global Offering, and a total amount of HK\$33.5 million is expected to be expensed, of which HK\$16.2 million has been reflected in our consolidated statements of profit or loss.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix IIA — Unaudited Pro Forma Financial Information.”

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our business, financial condition and results of operations since September 30, 2025, which is the end date of the years/periods reported on in the Accountants’ Report in Appendix I to this prospectus, and there has been no event since September 30, 2025 which would materially affect the information as set out in the Accountants’ Report in Appendix I to this prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See “Business — Our Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the net proceeds which we will receive, assuming an Offer Price of HK\$45.00 per H Share (being the mid-point of the indicative Offer Price range of HK\$42.00 and HK\$48.00 stated in this prospectus), will be approximately HK\$662.1 million, after deduction of underwriting fees and estimated commissions and other estimated offering expenses paid and payable by us in connection with the Listing and the Global Offering.

In line with our strategies, we intend to use our proceeds from the Global Offering for the following purposes in the amounts set forth below:

- approximately 46.7% of the net proceeds, or HK\$309.1 million, is expected to be used for production line expansion and automation and intelligentization upgrades. Specifically:
 - approximately 22.2% of the net proceeds, or HK\$146.9 million, is expected to be used for the expansion and upgrade of our HUD product assembly line and SMT process. We plan to establish 10 HUD product assembly lines and five SMT process lines in the following six years since 2025 in the newly built facility at our Yizheng Base as well as in the planned leased production bases in China and overseas, such as in Hungary and Asia-Pacific region outside Mainland China. We intend to establish a global network of production facilities to better serve our high-value customers, by introducing advanced intelligent and automated production processes in our production facilities to further improve and optimize our production capabilities and efficiency. Also, we plan to enhance our capabilities in the in-house production of certain key components and spare parts, such as PCBA, to improve the management of our production process and quality control.
 - approximately 21.1% of the net proceeds, or HK\$139.6 million, is expected to be used for land parcel acquisition, fitting-out and other related costs, including, (i) approximately 11.9% of the net proceeds, or HK\$79.1 million is expected to be used for the expansion of our Yizheng Base through the acquisition of a land parcel of approximately 26,700 square meters, construction and renovation to further scale up our production capabilities, and (ii) approximately 9.2% of the net proceeds, or HK\$60.5 million is expected to be used for the renovation of the planned leased production bases in China and overseas (we plan to use our own funds to lease these production bases) to broaden our customer coverage and strengthen our capabilities to serve global customers. Specifically, the planned leased production bases in China and overseas and the corresponding net proceeds allocations include: (i) approximately 1.3% of the net proceeds, or HK\$8.5 million is expected to be used for a production base of approximately 5,000 square meter in East China to better serve regional customers; (ii) approximately 2.7% of the net proceeds,

FUTURE PLANS AND USE OF PROCEEDS

or HK\$18.1 million is expected to be used for an European production base of approximately 8,000 square meters in Hungary to serve the European customers; (iii) approximately 1.7% of the net proceeds, or HK\$11.3 million is expected to be used for an Asia-Pacific manufacturing base (outside Mainland China) of approximately 5,000 square meters; and (iv) approximately 3.4% of the net proceeds, or HK\$22.6 million is expected to be used for two domestic production bases totaling 20,000 square meters to enhance support capabilities for customers across key regions including North China, Central China, and South China. As of the Latest Practicable Date, the location for the Asia-Pacific manufacturing base (outside Mainland China) remained undetermined and was still under negotiation. Nevertheless, the countries/jurisdictions where we plan to lease and renovate our two overseas production bases will represent our strategic new footholds in our global operational footprint. See “Risk Factors — Risks Relating to Our Industry and Business – Our expansion into international markets outside of China exposes us to operational, financial and regulatory risks.”

- approximately 3.4% of the net proceeds, or HK\$22.6 million, is expected to be used for upgrading our IT and technological systems so as to be compatible with the intelligent and automated production processes to be introduced into our global network of production facilities and to improve our operational efficiency. Specifically, aligned with our global expansion progress, we plan to establish overseas data connectivity and deploy an overseas ERP system. Through enhanced data middleware and AI-driven decision-making capabilities, we aim to achieve global data interoperability and increase AI application coverage across business scenarios. Additionally, we intend to elevate automation levels in overseas production bases by implementing a global closed-loop data management system to enable low-carbon intelligent operations.

While utilization rates at our Yizheng Base experienced fluctuations during the Track Record Period, we plan to expand and upgrade production lines based on the below strategic considerations:

Industry development. Driven by favorable policies in China for intelligent vehicles, ongoing iterations and updates in intelligent vehicle technologies and increasing consumer acceptance of intelligent driving, China’s intelligent vehicle industry is thriving and expected to maintain growth. It is expected that the sales of intelligent vehicles in China will reach 30.7 million units by 2029. In addition, with the trends of full cockpit intelligence and the increasing penetration rate of automotive HUD solutions, it is estimated that by 2029, the number of automotive HUD solution in China will increase to 12.7 million units, with a CAGR of 27.9% from 2025 to 2029. Therefore, we plan to expand and upgrade our production lines to meet the potential market demand.

FUTURE PLANS AND USE OF PROCEEDS

Competitive landscape. In 2024, based on sales volume, the top five automotive HUD solution suppliers in China collectively accounted for 66.5% of the market. We ranked second among all automotive HUD solution suppliers in China in terms of sales volume, capturing approximately 16.2% of the market. In 2024, our W-HUD solution sales volume ranked second in China with an approximate market share of 17.8%. Therefore, we intend to sustain our competitive advantage by continuously leveraging our technological strength and mass production capabilities, which serve as a key differentiator for potential customers during supplier evaluation.

Cost optimization. By introducing advanced intelligent and automated production processes in our production facilities, we expect to drive cost optimization through, such as, labor productivity gains, material waste reduction and energy efficiency improvements. These technological upgrades may collectively enhance our gross margin while ensuring consistent quality output, which is critical for meeting OEM cost-down targets without compromising our profitability.

- approximately 32.4% of the net proceeds, or HK\$214.7 million, is expected to be used to enhance our research and development and technological capabilities as well as upgrade our existing solutions and develop new products based on homologous technologies. Specifically:
 - approximately 17.1% of the net proceeds, or HK\$113.0 million, is expected to be used for our continued research and development and technological investments in our existing HUD solutions. To that end, we intend to (i) retain and attract approximately 54 engineers with three to five years of industry expertise in fields including systems, optics, HMI, algorithms, hardware and testing to enhance our technological and innovation capabilities, (ii) develop in-vehicle visual solutions based on multiple technology routes, such as TFT, LCoS, DLP and optical waveguide, and (iii) improve the level of platformization of our hardware and software to enable better integration and collaboration, making solutions and technologies modular, extendable, interoperable and scalable and thereby continuously improving the efficiency and scalability of technology and product research and the development process.
 - approximately 9.4% of the net proceeds, or HK\$62.2 million, is expected to be used for the development and upgrade of next-generation smart cockpit visual interaction solutions, including windshield panoramic imaging displays (which project critical driving information, such as navigation and speed, across the vehicle windshield), side window projection systems (which transforms the side windows into interactive displays, where passengers can access information about vehicle data or points of interest, enriching the travel experience) and in-cabin real-image suspensory display (which creates a 3D and touch-sensitive interface that appears to float in mid-air within the cabin

FUTURE PLANS AND USE OF PROCEEDS

and provides intuitive control over vehicle functions such as climate and entertainment, offering a user experience without the need for physical buttons or screens) in line with the evolving market demand and distinct customer requirement, based on homologous technologies. Our customers routinely provide vehicle-specific customization requests including technical specifications and functional requirements. Leveraging our technologies, we conduct tailored R&D to fulfill each customer's demands. Consequently, all delivered products constitute customized innovations derived from our standardized product portfolio, each possessing unique differentiating attributes. To that end, we intend to (i) retain and attract approximately 54 engineers with three to five years of relevant technological expertise, such as optics, algorithms and HMI, (ii) procure research and development equipment and materials (including design and simulation software, testing software and tools, prototype processing equipment, measurement and inspection equipment, as well as materials and consumables required for design and processing) required for different basic optics technologies, such as geometric optics and motion optics, and (iii) leverage our proprietary technological architecture to develop next-generation display technologies and explore more application scenarios.

- approximately 4.3% of the net proceeds, or HK\$28.3 million, is expected to be used for the development of AI productivity tools. We intend to attract more AI application development engineers (specifically, we plan to recruit four to six experts with over eight years of experience in fields such as machine learning, cutting-edge algorithms and optical design. Additionally, we aim to recruit eight to ten engineers with expertise in AI algorithm development or software engineering, capable of independently handling data processing, model training, optimization and deployment) and increase our investment in the research and development of AI productivity tools, aiming to enhance efficiency on various dimensions, including optical system design and optimization, simulation and testing efficiency and interdisciplinary toolchain integration. We plan to develop the following AI-powered productivity tools: (i) AI-assisted optical design platform integrating AI optimization algorithms and simulation modules to enable rapid generation, evaluation and optimization of optical design solutions; (ii) intelligent simulation testing system capable of automated test case generation, accelerated simulation processes, anomaly diagnosis and rapid virtual testing environment setup; (iii) cross-disciplinary collaborative development platform facilitating data interoperability and workflow automation across design, simulation, testing and manufacturing to enhance overall R&D efficiency; and (iv) AI-driven quality inspection tools for production lines and testing phases to improve automation and intelligence in product quality control.

FUTURE PLANS AND USE OF PROCEEDS

- approximately 1.7% of the net proceeds, or HK\$11.2 million, is expected to be used for establishing new laboratories. We intend to establish one advanced optical testing laboratory and one CNAS-certified laboratory for automotive-grade in-vehicle visual interaction solutions, aiming to continuously consolidate and enhance our technology capabilities, as well as improve product testing and development efficiency. Specifically, for our optical testing laboratory, we plan to establish an optical darkroom environment and facility, purchase optical imaging performance testing equipment, stray light testing equipment, solar simulation environment, luminous flux testing equipment and lighting performance testing systems, among others. For our CNAS-certified laboratory, we plan to purchase various testing equipment, including a temperature and humidity test chamber, thermal shock test chamber, solar radiation test chamber, cold and heat shock test chamber, rapid temperature change test chamber, rain test chamber, dust and sand test chamber, salt spray test chamber, four-quadrant battery simulator and DC power supply, automotive power fault simulator, automotive waveform generator and recorder, withstand voltage tester and other related devices.
- approximately 10.9% of the net proceeds, or HK\$72.1 million, is expected to be used in potential strategic collaborations with participants across the industry value chain that are focused on optical imaging, near-eye display, wearable products and other related fields, aiming to consolidate and enhance our leading market position and technological capabilities. When assessing the strategic collaboration opportunities, we focus on extending our HUD core competencies, such as optical design, core component precision manufacturing and smart human-machine interaction, into broader applications including automotive lighting and consumer electronics such as AR smart glasses. For example, our advanced optical display, sensor fusion and intelligent data processing technologies can be effectively integrated into AR smart glasses to deliver a clearer, safer and more personalized mobility experience for users. In addition, we are also exploring new application scenarios, such as medical imaging displays, industrial operation guidance and HMI in public transport cockpits. Specifically, our criteria for potential strategic collaboration opportunities will focus on: (i) their ability to create technological synergies with us, (ii) their technical expertise to bolster our technological capabilities, and (iii) their potential to broaden the application scenarios of our products. According to CIC, as of the Latest Practicable Date, there were approximately 300 to 500 such potential targets. We plan to establish strategic collaborations with the target companies through the acquisition of a minority equity interest. We do not plan to be actively involved in the day-to-day operations of the target company. Our primary focus will be on the joint R&D and commercialization of new products and solutions. As of the Latest Practicable Date, we were exploring such potential strategic collaboration.

FUTURE PLANS AND USE OF PROCEEDS

- approximately 10.0% of the net proceeds, or HK\$66.2 million, is expected to be used for working capital and general corporate purposes.

In the event that the Offer Price is set at the maximum offer price or the minimum offer price of the indicative Offer Price range, the net proceeds of the Global Offering will increase or decrease by approximately HK\$46.7 million, respectively. If we make an upward or downward offer price adjustment to set the final Offer Price to be above or below the mid-point of the Offer Price range, we will increase or decrease the allocation of the net proceeds to the above purposes on a pro rata basis.

To the extent that the net proceeds from the Global Offering are either more or less than expected, we may adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

We will only place the net proceeds of the Global Offering that are not immediately used for the above purposes in short-term interest-bearing accounts at licensed commercial banks and/or authorized financial institutions as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

UNDERWRITING

HONG KONG UNDERWRITERS

Haitong International Securities Company Limited
CLSA Limited
BOCI Asia Limited
Futu Securities International (Hong Kong) Limited
Patrons Securities Limited

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 1,622,650 Hong Kong Offer Shares and the International Offering of initially 14,603,850 International Offer Shares, subject, in each case, to reallocation on the basis as described in the section headed “Structure of the Global Offering”.

UNDERWRITING ARRANGEMENTS AND EXPENSES

The Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this Prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including the H Shares to be converted from Domestic Unlisted Shares) as mentioned herein on the Main Board of the Stock Exchange and such approval not subsequently having been revoked prior to the commencement of trading of the H Shares on the Stock Exchange and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this Prospectus and the Hong Kong Underwriting Agreement.

UNDERWRITING

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

If any of the events set out below occur at any time prior to 8:00 a.m. on the Listing Date, the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate the Hong Kong Underwriting Agreement with immediate effect:

- (1) there develops, occurs, exists or comes into force:
 - (a) any new law or regulation or any change or development involving a prospective or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing law or regulation, or the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore or other jurisdictions relevant to our Group or the Global Offering (each a “**Relevant Jurisdiction**” and collectively, the “**Relevant Jurisdictions**”); or
 - (b) any change or development involving a prospective change or amendment, or any event or series of events likely to result in a change or prospective change or amendment, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies), or the implementation of any exchange control, in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or
 - (c) any event or series of events in the nature of force majeure (including, without limitation, acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, acts of God, epidemic, pandemic, outbreak or escalation, mutation or aggravation of

UNDERWRITING

disease, (including without limitation COVID-19, SARS, MERS, H5N1, H1N1, swine or avian influenza or such related/mutated forms), accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), or other state of emergency or calamity or crisis) in or affecting any of the Relevant Jurisdictions; or

- (d) the imposition or declaration of (a) any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; (b) any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market or (c) any moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or
- (e) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against any member of our Group or any Director or Supervisor or a senior management member of our Company named in this Prospectus or an announcement by any authority or regulatory or political body or organization that it intends to take any such action; or
- (f) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of our Group or any of the Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or
- (g) any change or development or event involving a prospective change, or any event or series of events likely to result in a change or prospective change, in our Group's assets, liabilities, profits, losses, performance, condition, business, financial position, earnings, trading position or prospects, or any change in capital stock or long-term debt of our Group, or any loss or interference with the assets, operations or business of our Group, which (in any such case) is not set out in this Prospectus; or

UNDERWRITING

- (h) any non-compliance of this Prospectus, the CSRC filings or any other documents used in connection with the contemplated offering, allotment, issue, subscription and sale of the Offer Shares or any aspect of the Global Offering with any applicable laws (including, without limitation, the Listing Rules, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and the CSRC Rules); or
- (i) any valid demand by creditors for repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or
- (j) any litigation, claim, regulatory or disciplinary proceeding, legal action or dispute or regulatory or administrative investigation being instigated, threatened or announced against any member of our Group, any of the Controlling Shareholders, any Director, any Supervisor or any member of senior management of our Company named in this Prospectus; or
- (k) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this Prospectus; or
- (l) any Director, Supervisor or member of senior management of our Company as named in this Prospectus seeks to retire, or is removed from office or vacating his/her office; or
- (m) any Director, Supervisor or member of senior management of our Company as named in this Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of our Company; or
- (n) an order or petition is presented for the winding-up or liquidation of any member of our Group (other than our Company), or any member of our Group (other than our Company) makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group (other than our Company) or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group (other than our Company) or anything analogous thereto occurs in respect of any member of our Group (other than our Company).

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (A) has or will or may or is likely or could be reasonably expected to have a material adverse effect on or affecting the financial or trading position, profits, losses, assets, liabilities, general affairs, business, management, performance, prospects, shareholders’ equity, position or condition

UNDERWRITING

(financial, trading or otherwise), or results of operations of our Group or the ability of our Company and the other members of our Group, taken as a whole, to perform its obligations under the Underwriting Agreements or any Operative Documents (as defined in the Hong Kong Underwriting Agreement); (B) has or will or may or is likely or could be reasonably expected to have a material adverse effect on the success of the Global Offering; (C) makes or will make or may make or is likely or could be reasonably expected to make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged; or (D) has or will or may or is likely or could be reasonably expected to have a material adverse effect on the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering or anticipated dealings in the H Shares in the secondary market; or (E) make, will or may make or is likely or could be reasonably expected to make it impracticable, inadvisable, inexpedient, incapable or not commercially viable to proceed with the Hong Kong Public Offering and/or the Global Offering, or, to market the Global Offering or the delivery or distribution of H Shares on the terms and in the manner contemplated by this Prospectus, the formal notice, the disclosure package, the preliminary offering circular, the offering circular and any other announcement, document, materials, communications or information made, issued, given, released, arising out of or used in connection with or in relation to the contemplated offering and sale of the Offer Shares or otherwise in connection with the Global Offering (the **“Offering Documents”**); or (F) has or will or may or is likely or could be reasonably expected to have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

- (2) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:
- (a) that any statement contained in any of the Offering Documents, the CSRC filings and/or any notices, announcements, advertisements, communications or other documents issued or used by, for or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the **“Global Offering Documents”**) was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or
 - (b) that any estimate, forecast, expression of opinion, intention or expectation contained in any of the Global Offering Document was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

UNDERWRITING

- (c) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this Prospectus, constitute a material omission or misstatement in any Global Offering Document; or
- (d) the issue or requirement to issue by our Company of a supplement or amendment to this Prospectus (or to any other documents used in connection with the Global Offering) pursuant to the Companies Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or any requirement or request of the Stock Exchange and/or the SFC; or
- (e) any breach of, or any event or circumstances rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company and the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (f) any breach of any of the obligations of or undertakings imposed upon any party (other than the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters or the Capital Market Intermediaries) to the Hong Kong Underwriting Agreement, the Cornerstone Investment Agreements or the International Underwriting Agreement; or
- (g) any change or development involving a prospective change, constituting or having a material adverse effect; or
- (h) our Company withdraws this Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or
- (i) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

UNDERWRITING

- (j) any of the experts named in this Prospectus (other than the Joint Sponsors) has withdrawn its consent to the issue of this Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or
- (k) any prohibition on our Company or the Overall Coordinators for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or
- (l) an order or petition is presented for the winding-up or liquidation of our Company, or our Company makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of our Company or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of our Company or anything analogous thereto occurs in respect of our Company; or
- (m) (A) the notice of acceptance of the CSRC filings issued by the CSRC and/or the results of the CSRC filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to the CSRC filings pursuant to the CSRC Rules or upon any requirement or request of the CSRC; or
- (n) that a material portion of the orders placed or confirmed in the bookbuilding process have been withdrawn, terminated or cancelled, or the payment of the relevant orders has not been received or settled in the stipulated time and manner or otherwise; or
- (o) any of the investment commitments made by any cornerstone investor under the Cornerstone Investment Agreements signed with such cornerstone investor, has been withdrawn, terminated or cancelled, or the payment of the relevant investment commitment has not been received or settled in the stipulated time and manner or otherwise; or
- (p) any contravention by our Company, the Controlling Shareholders, any Director, any Supervisor or any member of senior management of our Company named in this Prospectus of the Listing Rules or applicable Laws; or
- (q) any event, act or omission which gives rise or is likely to give rise to any liability of our Company or the Controlling Shareholders pursuant to the indemnities in the Hong Kong Underwriting Agreement.

UNDERWRITING

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that it will not issue any further H Shares, or securities convertible into equity securities of our Company (whether or not of a class already listed) or enter into any agreement to such an issue within six months from the Listing Date (whether or not such issue of H Shares or securities will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and to our Company that, he/it shall not and shall procure that the relevant registered holder(s) shall not, except in compliance with the requirements of the Listing Rules:

- (i) in the period commencing on the date by reference to which disclosure of his/its shareholding in our Company is made in this Prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities in respect of which he/it is shown by this Prospectus to be the beneficial owner(s); and
- (ii) in the period of six months commencing on the date on which the period referred to in paragraph (i) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests, or encumbrances in respect of, any of the securities referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it would cease to be the Controlling Shareholder of our Company.

Pursuant to Note (3) to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has further undertaken to the Stock Exchange and to our Company that within the period commencing on the date by reference to which disclosure of his/its shareholding in our Company is made in this Prospectus and ending on the date which is twelve months from the Listing Date, he/it shall:

- (i) when he/it pledges or charges any securities of our Company beneficially owned by him in favor of an authorized institution pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge/charge together with the number of securities so pledged/charged; and

UNDERWRITING

- (ii) when he/it receives indications, either verbal or written, from the pledgee/chargee that any of the pledged/charged securities of our Company will be disposed of, immediately inform our Company of such indications.

Our Company will inform the Stock Exchange as soon as we have been informed of the matters referred to in paragraph (i) and (ii) above (if any) by our Controlling Shareholders and subject to the then requirements of the Listing Rules disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Pursuant to the Hong Kong Underwriting Agreement, our Company has undertaken to each of the Joint Sponsors, the Overall Coordinators, the Hong Kong Underwriters and the Capital Market Intermediaries not to (save for the issue, offer or sale of the Offer Shares by our Company pursuant to the Global Offering), without the prior written consent of the Joint Sponsors and Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules, at any time during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the “**First Six-Month Period**”):

- (i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, assign, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any shares or other securities of such other member of our Group, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company or any shares or other securities of such other member of our Group, as applicable, or any interest in any of the

UNDERWRITING

foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any shares of such other member of our Group, as applicable); or

(iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to effect any transaction specified in paragraphs (i), (ii) or (iii) above,

in each case, whether any such transaction described in paragraphs (i), (ii) or (iii) above is to be settled by delivery of share capital or other securities of our Company, in cash or otherwise (whether or not the issue of such Shares or other securities of our Company will be completed within the First Six-Month Period).

In the event that, during the period of six months immediately following the First Six-Month Period (the “**Second Six-Month Period**”), our Company enters into any such transactions or offers or agrees or announces any intention to effect any such transactions, our Company will take all reasonable steps to ensure that it will not create a disorderly or false market for any Shares or other securities of our Company or any shares or other securities of such other member of our Group, as applicable.

The Controlling Shareholders have undertaken to each of the Joint Sponsors, the Overall Coordinators, the Hong Kong Underwriters and the Capital Market Intermediaries to procure our Company to comply with the above undertakings.

Undertaking by our Controlling Shareholders

Each of the Controlling Shareholders has undertaken to each of the Joint Sponsors, the Overall Coordinators, the Hong Kong Underwriters and the Capital Market Intermediaries that without the prior written consent of the Joint Sponsors and Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules:

- (a) during the First Six-Month Period and the Second Six-Month Period, he/she/it will, and he/she/it will procure that the relevant registered holder(s) will not:
 - (i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without

UNDERWRITING

limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts; or

- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing); or
- (iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (i) or (ii) above; or
- (iv) offer to or agree to or announce any intention to effect any transaction described in paragraphs (i), (ii) or (iii) above,

in each case, whether any such transaction described in paragraphs (a)(i), (a)(ii) or (a)(iii) above is to be settled by delivery of Shares or other securities of our Company, in cash or otherwise (whether or not the transactions will be completed within the First Six-Month Period or the Second Six-Month Period);

- (b) until the expiry of the Second Six-Month Period, in the event that it/he/she enters into any of the transactions specified in paragraphs (a)(i), (a)(ii) or (a)(iii) above, or offers to or agrees to or contract to or announces any intention to effect any such transaction, it/he/she will take all reasonable steps to ensure that such transaction will not create a disorderly or false market in the securities of our Company; and
- (c) at any time during the First Six-Month Period and the Second Six-Month Period, it/he/she will (i) if and when he/she/it or the relevant registered holder(s) affiliated with it/him/her pledges or charges any Shares or other securities of our Company beneficially owned by it/him/her, immediately inform our Company, the Joint Sponsors and the Overall Coordinators in writing of such pledge or charge together with the number of Shares or other securities of our Company so pledged or charged; and (ii) if and when it/him/her or the relevant registered holder(s) affiliated with it/him/her receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or other securities of our Company will be disposed of, immediately inform our Company, the Joint Sponsors and the Overall Coordinators in writing of such indications.

UNDERWRITING

Our Company has undertaken to each of the Joint Sponsors, the Overall Coordinators, the Hong Kong Underwriters and the Capital Market Intermediaries that upon receiving such information in writing from any of the Controlling Shareholders, it will, as soon as practicable and if required pursuant to the Listing Rules, notify the Stock Exchange and make a public disclosure in relation to such information by way of an announcement.

Hong Kong Underwriters' Interests in our Company

Save for their respective obligations under the Hong Kong Underwriting Agreement or as otherwise disclosed in the Prospectus, as of the Latest Practicable Date, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any H Shares or any securities of our Company or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any H Shares or any securities of our Company.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their respective obligations under the Underwriting Agreements.

The International Offering

International Underwriting Agreement

In connection with the International Offering, our Company and each of our Controlling Shareholders expect to enter into the International Underwriting Agreement with the Overall Coordinators and the International Underwriters on or around the Price Determination Date. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offer Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds to the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into or terminated, the Global Offering will not proceed. See “Structure of the Global Offering — The International Offering”.

Commissions and Expenses

The Capital Market Intermediaries participating in the Global Offering will receive an underwriting commission of 3.0% of the aggregate Offer Price of all the Offer Shares (the “**Fixed Fee**”), out of which they will pay any sub-underwriting commissions and other fees. Our Company may, at our sole and absolute discretion, pay to the Capital Market Intermediaries an incentive fee of up to 1.0% of the aggregate Offer Price of all the Offer Shares (the “**Discretionary Fee**”). Assuming the Discretionary Fee is paid in full, the ratio of the Fixed Fee and the Discretionary Fee payable to all Capital Market Intermediaries is therefore 50:50.

UNDERWRITING

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

The aggregate underwriting commissions payable by our Company to the Underwriters in relation to the Global Offering (assuming an Offer Price of HK\$45.00 per Offer Share (which is the mid-point of the Offer Price range) and the full payment of the discretionary incentive fee) will be approximately HK\$29.2 million.

The aggregate underwriting commissions and incentive fees together with the Stock Exchange listing fees, the AFRC transaction levy, the SFC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be approximately HK\$68.06 million (assuming an Offer Price of HK\$45.00 per Offer Share (which is the mid-point of the Offer Price range) and the full payment of the discretionary incentive fee) and will be paid by our Company.

Joint Sponsors' Fee

An amount of US\$800,000 is payable by our Company as sponsor fee to the Joint Sponsors.

Indemnity

Each of our Company and our Controlling Shareholders has agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by any of our Company and our Controlling Shareholders of the Hong Kong Underwriting Agreement.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, loan financing, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities, co-investments and/or instruments

UNDERWRITING

of or with our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Company's loans and other debt.

In relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

All such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

UNDERWRITING

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking, loan financing and other services to our Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

JOINT SPONSORS' INDEPENDENCE

The Joint Sponsors satisfy the independence criteria set out in Rule 3A.07 of the Listing Rules.

STRUCTURE OF THE GLOBAL OFFERING

THE GLOBAL OFFERING

This Prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The Listing of the H Shares on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the H Shares to be issued as mentioned in this Prospectus.

16,226,500 Offer Shares (subject to reallocation) will initially be made available under the Global Offering comprising:

- (a) the Hong Kong Public Offering of initially 1,622,650 H Shares (subject to reallocation) in Hong Kong as described in “— The Hong Kong Public Offering” in this section below; and
- (b) the International Offering of initially 14,603,850 H Shares (subject to reallocation) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in “— The International Offering” in this section below.

Investors may either:

- (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or
- (ii) apply for or indicate an interest for International Offer Shares under the International Offering,

but may not do both.

The Offer Shares will represent approximately 13.15% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering.

References in this Prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

STRUCTURE OF THE GLOBAL OFFERING

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

Subject to reallocation as mentioned below, our Company is initially offering 1,622,650 H Shares (subject to reallocation) for subscription by the public in Hong Kong at the Offer Price, representing 10% of the total number of Offer Shares initially available under the Global Offering. Subject to reallocation as mentioned below, the number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 1.3% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in “— Conditions of the Global Offering” in this section below.

Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally (to the nearest board lot) into two pools: pool A and pool B (with any odd lot being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the AFRC transaction levy, the SFC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the AFRC transaction levy, the SFC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

STRUCTURE OF THE GLOBAL OFFERING

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the “price” for Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 811,300 Hong Kong Offer Shares (being approximately 50% of the total number of Offer Shares initially available under the Hong Kong Public Offering) is liable to be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate. In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 811,300 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 2,433,950 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering and the final Offer Price shall be fixed at the bottom end of the indicative price range (i.e. HK\$42.00 per Offer Share) in accordance with Chapter 4.14 of the Guide. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of H Shares to the Hong Kong Public Offering.

STRUCTURE OF THE GLOBAL OFFERING

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this Prospectus and the Underwriting Agreements.

Details of any reallocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement which is expected to be published on Monday, March 23, 2026.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or taken up, or indicated an interest for, any International Offer Shares under the International Offering. Such applicant's application under International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$48.00 per Offer Share in addition to the brokerage, the AFRC transaction levy, the SFC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK\$2,424.20 for one board lot of 50 Shares. If the Offer Price, as finally determined in the manner described in the paragraph headed “— Pricing and Allocation” in this section below, is less than the maximum Offer Price of HK\$48.00 per Offer Share, appropriate refund payments (including the brokerage, the AFRC transaction levy, the SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. See “How to Apply for Hong Kong Offer Shares” for further details.

STRUCTURE OF THE GLOBAL OFFERING

THE INTERNATIONAL OFFERING

Number of International Offer Shares initially offered

The International Offering will consist of an offering of initially 14,603,850 H Shares being offered by our Company and representing 90% of the total number of Offer Shares initially available under the Global Offering (subject to reallocation). The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 11.8% of the total Shares in issue immediately following the completion of the Global Offering.

Allocation

The International Offering will include selective marketing of H Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in the paragraph headed “— Pricing and Allocation” in this section below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further H Shares and/or hold or sell its H Shares after the Listing. Such allocation is intended to result in a distribution of the H Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and the Shareholders as a whole.

The Overall Coordinators (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the arrangement described in the paragraph headed “— The Hong Kong Public Offering — Reallocation” in this section above and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

STRUCTURE OF THE GLOBAL OFFERING

PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Friday, March 20, 2026 and, in any event, no later than 12:00 noon on Friday, March 20, 2026, by agreement between the Overall Coordinators (on behalf of the Underwriters), our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK\$48.00 per Offer Share and is expected to be not less than HK\$42.00 per Offer Share, unless otherwise announced, as further explained below. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$48.00 per Offer Share plus brokerage of 1.0%, AFRC transaction levy of 0.00015%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$2,424.20 for one board lot of 50 Shares. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the low-end of the indicative Offer Price range stated in this Prospectus.**

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building”, is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The Overall Coordinators (on behalf of the Underwriters) may, where it deems appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of our Company, reduce the number of Offer Shares offered and/or the indicative Offer Price range as stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of our Company and the Hong Kong Stock Exchange at www.zjautomotive.com and www.hkexnews.hk, respectively, notices of the reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range. Upon the issue of such a notice, the revised number of Offer Shares and/or the Offer Price range will be final and conclusive and the Offer Price, if agreed upon by the Overall Coordinators (on behalf of the Underwriters) and our Company, will be fixed within such revised Offer Price range.

STRUCTURE OF THE GLOBAL OFFERING

Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus or a new prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price, and giving investors at least three Business Days to consider the new information. The supplemental or new prospectus should include at least the following: updated (i) Offer Price and market capitalization; (ii) listing timetable and underwriting obligations; (iii) price/earning multiple, unaudited pro forma and adjusted net tangible assets; and (iv) use of proceeds and working capital adequacy confirmation based on revised proceeds. The Global Offering must first be canceled and subsequently relaunched on the FINI platform pursuant to the supplemental or new prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price range may not be made until the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this Prospectus, and any other financial information which may change as a result of any such reduction. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Overall Coordinators (on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price range as stated in this Prospectus.

In the event of a reduction in the number of Offer Shares, the Hong Kong Offer Shares and the International Offer Shares may be reallocated as between the Hong Kong Public Offering and International Offering at the discretion of the Overall Coordinators, provided that the number of the initial Hong Kong Offer Shares shall not be less than 10% of the total number of Offer Shares in the Global Offering. The Offer Shares to be offered in the International Offering and the Offer Shares to be offered in the Hong Kong Public Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators.

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in “How to Apply for Hong Kong Offer Shares — B. Publication of Results”.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to, among other things, the Overall Coordinators (on behalf of the Underwriters) and our Company agreeing on the Offer Price.

STRUCTURE OF THE GLOBAL OFFERING

Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in “Underwriting”.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

- (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including the H Shares to be converted from Domestic Unlisted Shares) as mentioned herein on the Main Board of the Stock Exchange and such approval not subsequently having been revoked prior to the commencement of trading of the H Shares on the Stock Exchange;
- (b) the Offer Price having been agreed between the Overall Coordinators (on behalf of the Underwriters) and our Company on or about the Price Determination Date;
- (c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- (d) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

If, for any reason, the Offer Price is not agreed between the Overall Coordinators (on behalf of the Underwriters) and our Company at or before 12:00 noon on Friday, March 20, 2026, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the websites of our Company and the Stock Exchange at www.zjautomotive.com and www.hkexnews.hk,

STRUCTURE OF THE GLOBAL OFFERING

respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in the section headed “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies”. In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

H Share certificates for the Offer Shares will only become valid at 8:00 a.m. on Tuesday, March 24, 2026, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, March 24, 2026, it is expected that dealings in the H Shares on the Hong Kong Stock Exchange will commence at 9:00 a.m. on Tuesday, March 24, 2026.

The H Shares will be traded in board lots of 50 Shares each and the stock code of the H Shares will be 2632.

HOW TO APPLY FOR HONG KONG OFFER SHARES

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “*HKEXnews > New Listings > New Listing Information*” section, and our website at www.zjautomotive.com.

The contents of this Prospectus are identical to the Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address (*for the **HK eIPO White Form** service only*).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or a Supervisor or chief executive of our Company or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Monday, March 16, 2026 and end at 12:00 noon on Thursday, March 19, 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER SHARES

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service .	www.hkeipo.hk	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, March 16, 2026 to 11:30 a.m. on Thursday, March 19, 2026 (Hong Kong time). The latest time for completing full payment of application monies will be 12:00 noon on Thursday, March 19, 2026 (Hong Kong time).
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Applicants who would <u>not</u> like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

HOW TO APPLY FOR HONG KONG OFFER SHARES

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this Prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this Prospectus.

HOW TO APPLY FOR HONG KONG OFFER SHARES

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. HKID card; or ii. National identification document; or iii. Passport; and • Identity document number	• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and • Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong Address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card.
2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for Hong Kong Offer Shares. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data ("CID") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.
4. The maximum number of joint account holders on FINI is capped at 4⁽¹⁾ in accordance with market practice.

HOW TO APPLY FOR HONG KONG OFFER SHARES

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of our Company;
- control more than half of the voting power of our Company; or
- hold more than half of the issued share capital of our Company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

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- (1) Subject to change, if the Articles of Association and applicable company law prescribe a lower cap.

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size : 50 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The maximum Offer Price is HK\$48.00 per Share.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such prefunding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

HOW TO APPLY FOR HONG KONG OFFER SHARES

By instructing your **broker** or **custodian** to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC eIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the designated bank for your **broker** or **custodian**.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment
	HK\$		HK\$		HK\$		HK\$
50	2,424.20	800	38,787.27	7,000	339,388.55	100,000	4,848,408.00
100	4,848.41	900	43,635.67	8,000	387,872.65	200,000	9,696,816.00
150	7,272.61	1,000	48,484.08	9,000	436,356.72	300,000	14,545,224.00
200	9,696.81	1,500	72,726.12	10,000	484,840.80	400,000	19,393,632.00
250	12,121.02	2,000	96,968.15	20,000	969,681.60	500,000	24,242,040.00
300	14,545.22	2,500	121,210.20	30,000	1,454,522.40	600,000	29,090,448.00
350	16,969.43	3,000	145,452.25	40,000	1,939,363.20	700,000	33,938,856.00
400	19,393.63	3,500	169,694.28	50,000	2,424,204.00	811,300 ⁽¹⁾	39,335,134.10
450	21,817.83	4,000	193,936.32	60,000	2,909,044.80		
500	24,242.05	4,500	218,178.35	70,000	3,393,885.60		
600	29,090.45	5,000	242,420.40	80,000	3,878,726.40		
700	33,938.86	6,000	290,904.48	90,000	4,363,567.20		

- (1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.
- (2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed “— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply” in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications (“**Best Practice Note**”) issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of an Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

- (i) undertake to execute all relevant documents and instruct and authorise us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant’s stock account on your behalf;
- (ii) confirm that you have read and understand the terms and conditions and application procedures set out in this Prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;
- (iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this Prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;
- (v) confirm that you have read this Prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;
- (vi) agree that our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, supervisors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (the “**Relevant Persons**”), the H Share Registrar and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;
- (vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed “— G. Personal Data — 3. Purposes and 4. Transfer of personal data” in this section;
- (viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees’ application) has been accepted) that you will not rescind it because of an innocent misrepresentation;
- (ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed “— B. Publication of Results” in this section;
- (x) confirm that you are aware of the situations specified in the paragraph headed “— C. Circumstances in which you will not be allocated Hong Kong Offer Shares” in this section;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;
- (xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;
- (xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by our Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of our Company or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from our Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;
- (xiv) warrant that the information you have provided is true and accurate;
- (xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;
- (xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;
- (xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;
- (xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and
- (xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

HOW TO APPLY FOR HONG KONG OFFER SHARES

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform	Date/Time

Applying through the **HK eIPO White Form** service or **HKSCC EIPO channel**:

Website	The “Allotment Results” page on the designated results of allocations website at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult with a “search by ID” function.	24 hours, from 11:00 p.m. on Monday, March 23, 2026 to 12:00 midnight on Sunday, March 29, 2026 (Hong Kong time)

The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at www.tricor.com.hk/ipo/result or www.hkeipo.hk/IPOResult.

The Stock Exchange’s website at www.hkexnews.hk and our website at www.zjautomotive.com which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, March 23, 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER SHARES

Platform

Date/Time

Telephone . . . +852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., from Tuesday, March 24, 2026 to Friday, March 27, 2026 (Hong Kong time) on a Business Day

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, March 20, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, March 20, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at www.hkexnews.hk and our website at www.zjautomotive.com by no later than 11:00 p.m. on Monday, March 23, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

HOW TO APPLY FOR HONG KONG OFFER SHARES

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed “— A. Applications for Hong Kong Offer Shares — 5. *Multiple Application Prohibited*” in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their designated bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant’s actual Hong Kong Offer Share allotment from their designated bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its designated bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its designated bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

HOW TO APPLY FOR HONG KONG OFFER SHARES

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid at 8:00 a.m. on Tuesday, March 24, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting” has not been exercised. Investors who trade Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	<u>HK eIPO White Form service</u>	<u>HKSCC EIPO channel</u>
Despatch/collection of H Share certificate		
For application of 500,000 Hong Kong Offer Shares or more .	Collection in person at Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant’s stock account
	Time: from 9:00 a.m. to 1:00 p.m. on Tuesday, March 24, 2026 (Hong Kong time)	No action by you is required

HOW TO APPLY FOR HONG KONG OFFER SHARES

HK eIPO White Form service

HKSCC EIPO channel

If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop.

Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar.

Note: If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk

For application of less than 500,000 Hong Kong Offer Shares

Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk

Date: Monday, March 23, 2026

HOW TO APPLY FOR HONG KONG OFFER SHARES

HK eIPO White Form service

HKSCC EIPO channel

Refund mechanism for surplus application monies paid by you

Date	Tuesday, March 24, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	H Share Registrar	Your broker or custodian
Application monies paid through single bank account . .	HK eIPO White Form e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

Except in the event of any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on the Business Day before the Listing Date rendering it impossible for the relevant H Share certificates to be despatched to HKSCC in a timely manner, our Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to “— E. Severe Weather Arrangements” in this section.

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, March 19, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, “**Severe Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, March 19, 2026.

HOW TO APPLY FOR HONG KONG OFFER SHARES

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next Business Day which does not have **Severe** Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed “Expected Timetable” in this Prospectus, an announcement will be made and published on the Stock Exchange’s website at www.hkexnews.hk and our website at www.zjautomotive.com of the revised timetable.

If a **Severe** Weather Signal is hoisted on Monday, March 23, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository’s service counter so that they would be available for trading on Tuesday, March 24, 2026.

If a **Severe** Weather Signal is hoisted on Monday, March 23, 2026, for application of less than 500,000 Hong Kong Offer Shares, the dispatch of physical H Share certificates will be made by ordinary post when the post office re-opens after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Monday, March 23, 2026 or on Tuesday, March 24, 2026).

If a **Severe** Weather Signal is hoisted on Tuesday, March 24, 2026, for application of 500,000 Hong Kong Offer Shares or more, the physical H Share certificates will be available for collection in person at the H Share Registrar’s office after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Tuesday, March 24, 2026 or on Wednesday, March 25, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

HOW TO APPLY FOR HONG KONG OFFER SHARES

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by our Company, the H Share Registrar, the receiving bank(s) and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of our Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to our Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of our Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform our Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

HOW TO APPLY FOR HONG KONG OFFER SHARES

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of our Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from our Group;
- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable our Company and the H Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

4. Transfer of personal data

Personal data held by our Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but our Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- our Company's appointed agents such as financial advisers, receiving bank(s) and overseas principal share registrar;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to our Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

Our Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether our Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. Our Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to our Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate Information" in this Prospectus or as notified from time to time, for the attention of our Company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report, prepared for inclusion in this document, received from the independent reporting accountants of the Group, Ernst & Young, Certified Public Accountants, Hong Kong.



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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF JIANGSU NEW VISION AUTOMOTIVE ELECTRONICS CO., LTD., HAITONG INTERNATIONAL CAPITAL LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Jiangsu New Vision Automotive Electronics Co., Ltd. (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-83, which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025 (the “Relevant Periods”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025 and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-4 to I-83 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 16 March 2026 (the “Prospectus”) in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the nine months ended 30 September 2024 and other explanatory information (the "Interim Comparative Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the*

Entity issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Ernst & Young

Certified Public Accountants

Hong Kong

16 March 2026

I HISTORICAL FINANCIAL INFORMATION**Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	<i>Notes</i>	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
					<i>(Unaudited)</i>	
REVENUE	5	214,092	549,362	577,620	429,716	479,921
Cost of sales		(165,709)	(408,932)	(419,749)	(312,441)	(365,027)
Gross profit		<u>48,383</u>	<u>140,430</u>	<u>157,871</u>	<u>117,275</u>	<u>114,894</u>
Other income and gains	5	37,194	10,362	11,073	3,575	5,784
Selling and marketing expenses		(15,318)	(13,101)	(24,014)	(17,707)	(18,321)
Administrative expenses		(63,239)	(76,597)	(80,334)	(60,951)	(85,191)
Research and development expenses		(83,425)	(54,523)	(62,085)	(43,554)	(48,880)
Impairment (losses)/reversal on financial and contract assets, net		(1,987)	(8,542)	(147)	2,306	137
Other expenses		(3,552)	(3,689)	(7,694)	(4,525)	(244)
Finance costs	7	(1,888)	(2,247)	(3,234)	(1,873)	(2,150)
Loss before fair value losses on redemption liabilities on equity shares		<u>(83,832)</u>	<u>(7,907)</u>	<u>(8,564)</u>	<u>(5,454)</u>	<u>(33,971)</u>
Fair value losses on redemption liabilities on equity shares		(172,312)	(166,656)	(127,992)	(121,371)	(306,975)
LOSS BEFORE TAX	6	<u>(256,144)</u>	<u>(174,563)</u>	<u>(136,556)</u>	<u>(126,825)</u>	<u>(340,946)</u>
Income tax expense	10	–	(55)	(1,295)	(979)	(2,739)
LOSS FOR THE YEAR/PERIOD		<u>(256,144)</u>	<u>(174,618)</u>	<u>(137,851)</u>	<u>(127,804)</u>	<u>(343,685)</u>
Loss attributable to:						
Owners of the parent		(252,372)	(181,918)	(143,274)	(130,664)	(351,747)
Non-controlling interests		(3,772)	7,300	5,423	2,860	8,062
		<u>(256,144)</u>	<u>(174,618)</u>	<u>(137,851)</u>	<u>(127,804)</u>	<u>(343,685)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted (RMB)		<u>(6.17)</u>	<u>(3.99)</u>	<u>(2.80)</u>	<u>(2.56)</u>	<u>(6.56)</u>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
LOSS FOR THE YEAR/PERIOD . . .	<u>(256,144)</u>	<u>(174,618)</u>	<u>(137,851)</u>	<u>(127,804)</u>	<u>(343,685)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)					
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:					
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax . .	<u>(230)</u>	<u>(138)</u>	<u>169</u>	<u>7</u>	<u>(146)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD.	<u>(256,374)</u>	<u>(174,756)</u>	<u>(137,682)</u>	<u>(127,797)</u>	<u>(343,831)</u>
Attributable to:					
Owners of the parent	(252,600)	(181,982)	(143,153)	(130,733)	(351,903)
Non-controlling interests	<u>(3,774)</u>	<u>7,226</u>	<u>5,471</u>	<u>2,936</u>	<u>8,072</u>
	<u>(256,374)</u>	<u>(174,756)</u>	<u>(137,682)</u>	<u>(127,797)</u>	<u>(343,831)</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	59,686	64,879	65,450	105,329
Right-of-use assets	14(a)	13,245	11,219	10,886	28,571
Intangible assets	15	3,631	22,567	19,491	17,675
Other non-current assets	16	701	5,208	20	436
Contract assets	19	—	1,199	4,421	5,876
Financial assets at fair value through profit and loss	21	—	—	—	12,000
Total non-current assets		77,263	105,072	100,268	169,887
CURRENT ASSETS					
Inventories	18	66,264	78,171	89,310	116,968
Trade and bills receivables	19	124,023	285,823	295,697	277,681
Contract assets	19	3,083	11,269	1,968	7,347
Prepayments, other receivables and other assets	20	6,541	11,271	12,427	20,219
Financial assets at fair value through profit and loss	21	26,228	10,172	45,086	65,028
Restricted cash	22	—	—	945	1,628
Cash and cash equivalents	22	29,923	63,971	230,435	104,764
Total current assets		256,062	460,677	675,868	593,635
CURRENT LIABILITIES					
Trade payables	23	49,069	104,970	127,913	125,417
Other payables and accruals	24	42,443	46,334	52,537	57,712
Contract liabilities	25	15,493	10,505	5,681	13,770
Interest-bearing bank and other borrowings	26	46,667	40,037	89,104	103,075
Lease liabilities	14(b)	3,124	3,456	3,217	5,523
Redemption liabilities on equity shares	27	651,260	994,282	1,360,927	1,667,902
Warranty provision	29	428	1,099	1,155	1,280
Tax payable		—	55	1,295	1,795
Total current liabilities		808,484	1,200,738	1,641,829	1,976,474
NET CURRENT					
LIABILITIES		(552,422)	(740,061)	(965,961)	(1,382,839)
TOTAL ASSETS LESS					
CURRENT LIABILITIES		(475,159)	(634,989)	(865,693)	(1,212,952)
NON-CURRENT					
LIABILITIES					
Interest-bearing bank and other borrowings	26	—	—	23,000	—
Lease liabilities	14(b)	11,371	8,737	8,697	21,759
Deferred income	30	—	—	—	1,279
Total non-current liabilities		11,371	8,737	31,697	23,038
NET LIABILITIES		(486,530)	(643,726)	(897,390)	(1,235,990)

		As at 31 December			As at 30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
EQUITY					
Equity attributable to owners of					
the parent					
Share capital.	31	42,282	50,990	53,584	53,584
Reserves	32	(526,485)	(699,615)	(962,037)	(1,311,784)
		(484,203)	(648,625)	(908,453)	(1,258,200)
Non-controlling interests		(2,327)	4,899	11,063	22,210
Total deficits		(486,530)	(643,726)	(897,390)	(1,235,990)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2022

	Attributable to owners of the parent								
	Share capital	Share premium*	Other reserves*	Share-based payment reserve*	Fair value change of financial assets at fair value through other comprehensive income*	Accumulated deficits*	Total	Non-controlling interests	Total deficits
	RMB'000	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000	RMB'000	RMB'000
At 1 January 2022	40,288	291,799	(290,526)	28,068	(55)	(194,259)	(124,685)	(83)	(124,768)
Loss for the year	-	-	-	-	-	(252,372)	(252,372)	(3,772)	(256,144)
Other comprehensive loss for the year:									
Changes in fair value of financial assets									
at fair value through other comprehensive income, net of tax	-	-	-	-	(228)	-	(228)	(2)	(230)
Total comprehensive loss for the year	-	-	-	-	(228)	(252,372)	(252,600)	(3,774)	(256,374)
Capital injection from shareholders	1,994	65,627	-	-	-	-	67,621	-	67,621
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	1,530	1,530
Recognition of redemption liabilities on equity shares	-	-	(179,239)	-	-	-	(179,239)	-	(179,239)
Share-based payment	-	-	-	4,700	-	-	4,700	-	4,700
At 31 December 2022	42,282	357,426	(469,765)	32,768	(283)	(446,631)	(484,203)	(2,327)	(486,530)

Year ended 31 December 2023

	Attributable to owners of the parent								
	Share capital	Share premium*	Other reserves*	Share-based payment reserve*	Fair value change of financial assets at fair value through other comprehensive income*		Accumulated deficits*	Non-controlling interests	Total deficits
					RMB'000	RMB'000			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note 32)	(note 32)	(note 32)	(note 32)	(note 32)	(note 32)			
At 1 January 2023	42,282	357,426	(469,765)	32,768	(283)	(446,631)	(484,203)	(2,327)	(486,530)
Loss for the year	–	–	–	–	–	(181,918)	(181,918)	7,300	(174,618)
Other comprehensive loss for the year:									
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	(64)	–	(64)	(74)	(138)
Total comprehensive loss for the year	–	–	–	–	(64)	(181,918)	(181,982)	7,226	(174,756)
Capital injection from shareholders	8,708	163,943	–	–	–	–	172,651	–	172,651
Recognition of redemption liabilities on equity shares	–	–	(176,366)	–	–	–	(176,366)	–	(176,366)
Share-based payment	–	–	–	21,275	–	–	21,275	–	21,275
At 31 December 2023	50,990	521,369	(646,131)	54,043	(347)	(628,549)	(648,625)	4,899	(643,726)

Year ended 31 December 2024

	Attributable to owners of the parent						
	Share capital	Share premium*	Other reserves*	Share-based payment reserve*	Fair value change of financial assets at fair value through other comprehensive income*	Accumulated deficits*	Total
						RMB'000	RMB'000
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	50,990	521,369	(646,131)	54,043	(347)	(628,549)	(648,625)
Loss for the year	–	–	–	–	–	(143,274)	4,899
Other comprehensive income for the year:							5,423
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	121	–	121
Total comprehensive loss for the year	–	–	–	–	121	(143,274)	(143,153)
Capital injection from shareholders	2,594	117,349	–	–	–	–	119,943
Recognition of redemption liabilities on equity shares	–	–	(238,653)	–	–	–	–
Share-based payment	–	–	–	2,035	–	–	693
At 31 December 2024	53,584	638,718	(884,784)	56,078	(226)	(771,823)	11,063
		</					

Nine months ended 30 September 2024 (unaudited)

	Attributable to owners of the parent						
	Share capital	Share premium*	Other reserves*	Share-based payment reserve*	Fair value change of financial assets at fair value through other comprehensive income*	Accumulated deficits*	Total
	RMB'000	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000 (note 32)	RMB'000
							Non-controlling interests
							RMB'000
							Total deficits
							RMB'000
At 1 January 2024	50,990	521,369	(646,131)	54,043	(347)	(628,549)	(648,625)
Loss for the period	-	-	-	-	-	(130,664)	(130,664)
Other comprehensive income for the period:							
Changes in fair value of financial assets							
at fair value through other comprehensive							
income, net of tax	-	-	-	-	(69)	-	(69)
Total comprehensive loss for the period ...	-	-	-	-	(69)	(130,664)	(130,733)
Capital injection from shareholders	314	14,380	-	-	-	-	14,694
Recognition of redemption liabilities on							
equity shares	-	-	(128,046)	-	-	-	(128,046)
Share-based payment	-	-	-	1,526	-	-	1,526
At 30 September 2024	51,304	535,749	(774,177)	55,569	(416)	(759,213)	(891,184)
							8,355
							(882,829)

Nine months ended 30 September 2025

Attributable to owners of the parent												
	Fair value change of financial assets at fair value through other comprehensive income*					Share-based payment reserve*		Other reserves*		Share premium*		Share capital

* The reserve accounts comprise the consolidated reserves of RMB(526,485,000), RMB(699,615,000), RMB(962,037,000), RMB(942,488,000) and RMB(1,311,784,000) in the consolidated statements of financial position as at 31 December 2022, 2023, 2024 and 30 September 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Notes	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		(256,144)	(174,563)	(136,556)	(126,825)
Adjustments for:					(340,946)
Finance costs	7	1,888	2,247	3,234	1,873
Bank interest income	5	(795)	(637)	(364)	(295)
Investment income from structured deposits	5	(394)	(681)	(649)	(346)
Losses on disposal of items of property, plant and equipment	6	34	4,475	5,053	(346)
Losses on disposal of intangible assets		–	642	60	(983)
Depreciation of property, plant and equipment	13	8,925	14,906	23,474	1,834
Depreciation of right-of-use assets	14(a)	2,613	3,525	3,866	25
Amortisation of intangible assets	15	2,627	1,144	4,146	1,834
Loss/(reversal) of impairment on inventories		3,518	(1,838)	1,988	60
Loss of impairment on financial and contract assets	6	1,987	8,542	147	60
Fair value losses on redemption liabilities on equity shares	27	172,312	166,656	127,992	1,736
Share-based payment expense	6	4,700	21,275	2,728	226
Effect of foreign exchange differences, net	5	190	(152)	(3)	(2,306)
(Increase)/decrease in inventories		(38,533)	(10,069)	(13,127)	3,894
Increase in trade and bills receivables		(83,997)	(169,800)	(17,495)	(26,156)
(Increase)/decrease in contract assets		(2,982)	(10,116)	5,460	3,013
(Increase)/decrease in prepayments, other receivables and other assets		1,929	(4,680)	(1,164)	(2,609)
Increase in restricted cash		–	–	(945)	(190)
(Increase)/decrease in other non-current assets		(5,761)	(4,507)	5,188	3,660
Increase/(decrease) in trade payables		18,658	55,901	22,943	1,200
Increase/(decrease) in other payables and accruals		19,733	(23,089)	(2,328)	6,838
Increase/(decrease) in contract liabilities		8,607	(4,988)	(4,824)	3,341
Increase in warranty provision		199	671	56	47
Increase in deferred income		–	–	–	–
Cash (used in)/generated from operations		(140,686)	(125,136)	28,880	14,296
Interest received		795	637	364	295
Income tax paid		–	–	(55)	(55)
Net cash flows (used in)/from operating activities		(139,891)	(124,499)	29,189	14,536
					(48,969)

		Year ended 31 December			Nine months ended 30 September	
	Notes	2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(25,892)	(11,208)	(12,214)	(10,718)	(41,057)
Purchases of intangible assets		(2,525)	(7,163)	(9,482)	(6,774)	(2,312)
Proceeds from disposal of items of property, plant and equipment.		40	55	—	—	—
Purchases of financial assets at fair value through profit and loss		(72,606)	(76,756)	(84,351)	(69,654)	(197,915)
Proceeds from maturity of financial assets through profit and loss		101,772	93,493	50,085	35,085	166,959
Net cash flows from/(used in) investing activities		<u>789</u>	<u>(1,579)</u>	<u>(55,962)</u>	<u>(52,061)</u>	<u>(74,325)</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Net proceeds of capital injection from shareholders		67,621	172,652	119,943	14,694	—
Capital injection from non-controlling shareholders		1,530	—	—	—	2,220
New interest-bearing bank loans and other borrowings.		52,735	41,250	138,520	66,326	69,928
Repayment of interest-bearing bank loans		(25,220)	(47,240)	(58,220)	(30,000)	(60,000)
Lease payments		(2,613)	(4,415)	(4,322)	(3,873)	(7,815)
Interest paid		(581)	(2,273)	(2,687)	(1,428)	(1,467)
Payments on listing expenditures		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(5,194)</u>
Net cash flows from/(used in) financing activities		<u>93,472</u>	<u>159,974</u>	<u>193,234</u>	<u>45,719</u>	<u>(2,328)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS.						
Cash and cash equivalents at beginning of year/period		(45,630)	33,896	166,461	8,194	(125,622)
Effect of foreign exchange differences, net.		<u>75,743</u>	<u>29,923</u>	<u>63,971</u>	<u>63,971</u>	<u>230,435</u>
		<u>(190)</u>	<u>152</u>	<u>3</u>	<u>3</u>	<u>(49)</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		<u><u>29,923</u></u>	<u><u>63,971</u></u>	<u><u>230,435</u></u>	<u><u>72,168</u></u>	<u><u>104,764</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	22	29,923	63,971	231,380	72,358	106,392
Less: Restricted cash	22	<u>—</u>	<u>—</u>	<u>945</u>	<u>190</u>	<u>1,628</u>
Cash and cash equivalents as stated in the consolidated statements of financial position and the consolidated statements of cash flows		<u><u>29,923</u></u>	<u><u>63,971</u></u>	<u><u>230,435</u></u>	<u><u>72,168</u></u>	<u><u>104,764</u></u>

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	55,369	63,201	64,987	109,448
Right-of-use assets	14(a)	11,137	9,266	8,540	24,086
Intangible assets	15	2,832	21,662	17,912	16,351
Other non-current assets	16	201	—	20	176
Investments in subsidiaries	17	13,414	13,862	153,136	155,745
Contract assets	19	—	1,199	1,165	200
Financial assets at fair value through profit and loss	21	—	—	—	12,000
Total non-current assets		82,953	109,190	245,760	318,006
CURRENT ASSETS					
Inventories	18	59,701	83,729	116,248	147,120
Trade and bills receivables	19	72,146	159,206	211,309	182,654
Contract assets	19	3,083	2,660	—	638
Due from subsidiaries	36	143,462	275,725	210,617	239,239
Prepayments, other receivables and other assets	20	1,929	1,751	4,686	8,655
Financial assets at fair value through profit and loss	21	21,220	10,172	45,086	15,013
Restricted cash	22	—	—	945	1,628
Cash and cash equivalents	22	16,294	47,016	87,334	57,146
Total current assets		317,835	580,259	676,225	652,093
CURRENT LIABILITIES					
Trade payables	23	48,618	103,265	123,333	118,356
Due to subsidiaries	36	2,310	43,158	49,772	130,068
Other payables and accruals	24	24,631	31,160	40,402	37,762
Contract liabilities	25	12,240	9,666	5,620	10,515
Interest-bearing bank and other borrowings	26	46,667	38,035	89,104	103,075
Lease liabilities	14(b)	1,734	1,870	2,099	3,388
Redemption liabilities on equity shares	27	651,260	994,282	1,360,927	1,667,902
Warranty provision	29	432	1,006	1,070	1,121
Total current liabilities		787,892	1,222,442	1,672,327	2,072,187
NET CURRENT LIABILITIES					
		(470,057)	(642,183)	(996,102)	(1,420,094)
TOTAL ASSETS LESS CURRENT LIABILITIES					
		(387,104)	(532,993)	(750,342)	(1,102,088)
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	26	—	—	23,000	—
Lease liabilities	14(b)	10,502	8,633	7,687	20,216
Deferred income	30	—	—	—	1,279
Total non-current liabilities		10,502	8,633	30,687	21,495
NET LIABILITIES					
		(397,606)	(541,626)	(781,029)	(1,123,583)
EQUITY					
Share capital	31	42,282	50,990	53,584	53,584
Reserves	32	(439,888)	(592,616)	(834,613)	(1,177,167)
Total deficits		(397,606)	(541,626)	(781,029)	(1,123,583)

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 CORPORATE INFORMATION

Jiangsu New Vision Automotive Electronics Co., Ltd. (the “Company”) was registered in the People’s Republic of China (the “PRC”) on 29 May, 2015 as a joint stock limited liability company under the Company Law of the PRC. The registered office address of the Company is located at Building 1, Automobile Electronics Industrial Park, No. 3 Tianyue Road, Automobile Industry Park, Yizheng, Yangzhou City, Jiangsu Province, the PRC.

During the Relevant Periods, the Company and its subsidiaries (together, the “Group”) were principally engaged in research and development and production and sale of head-up display (“HUD”) solutions, testing solutions and other innovative initiatives.

At the end of the Relevant Periods, the Company had direct interests in all subsidiaries, all of which are private limited liability companies. The particulars of which are set out below:

Name	Notes	Place and date of registration and place of operations	Issued share capital/registered capital	Percentage of equity attributable to the Company		Principal activities
				Direct	Indirect	
New Vision (Xi'an) Automotive Electronics Co., Ltd. .	(a), (b)	PRC/ Chinese Mainland 13 May, 2021	RMB10,000,000	100%	–	Research and development of automotive components
New Vision (Chongqing) Automotive Electronics Co., Ltd. .	(a), (c)	PRC/ Chinese Mainland 30 September, 2021	RMB10,000,000	100%	–	Sale of automotive components
Jilin New Vision Automotive Electronics Co., Ltd. .	(a), (d)	PRC/ Chinese Mainland 29 September, 2021	RMB10,000,000	51%	–	Sale of automotive components
New Vision (Ningbo) Automotive Electronics Co., Ltd. .	(f)	PRC/ Chinese Mainland 22 August, 2024	RMB125,000,000	100%	–	Sale of automotive components
Shanghai Sirius Testing Technology Co., Ltd. .	(a), (e)	PRC/ Chinese Mainland 20 October, 2021	RMB5,000,000	85%	–	Manufacture, research and sale of testing solutions
NEOVISION (Hong Kong) Limited	(f)	Hong Kong 25 March, 2025	HKD1	100%	–	Sale of automotive components
GIRAFFEVISION PTE. LTD.	(f)	Singapore 28 April, 2025	SGD 10,000	100%	–	Sale of automotive components
GIRAFFEVISION KFT .	(f)	Hungary 28 August, 2025	HUF5,000,000	–	100%	Manufacture and sale of automotive components

Notes:

- (a) The statutory financial statements of these entities for the year ended 31 December 2022 prepared in accordance with Chinese Mainland’s Accounting Standards for Business Enterprises and regulations have been audited by Yangzhou Branch, Gongzheng Tianye Certified Public Accountants, a certified public accounting firm registered in the PRC.

- (b) The statutory financial statements of entity for the year ended 31 December 2023 prepared in accordance with Chinese Mainland's Accounting Standards for Business Enterprises and regulations have been audited by Yangzhou Xinyang Certified Public Accountants Co., Ltd., a certified public accounting firm registered in the PRC.
- (c) The statutory financial statements of entity for the year ended 31 December 2023 prepared in accordance with Chinese Mainland's Accounting Standards for Business Enterprises and regulations have been audited by Yangzhou Branch, Gongzheng Tianye Certified Public Accountants, a certified public accounting firm registered in the PRC.
- (d) The statutory financial statements of entity for the year ended 31 December 2023 prepared in accordance with Chinese Mainland's Accounting Standards for Business Enterprises and regulations have been audited by Shenzhen Jintian Certified Public Accountants (Common Cooperate), a certified public accounting firm registered in the PRC.
- (e) The statutory financial statements of entity for the year ended 31 December 2023 prepared in accordance with Chinese Mainland's Accounting Standards for Business Enterprises and regulations have been audited by Hua Jian Certified Public Accountants (Shenzhen) Co., Ltd., a certified public accounting firm registered in the PRC.
- (f) No audited financial statements have been prepared for these entities since their dates of incorporation.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and Interpretations approved by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The financial statements have been prepared under the historical cost convention except for Redemption liabilities on equity shares and certain financial instruments which have been measured at fair value at the end of each of the Relevant Periods.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, as at 30 September 2025, the Group recorded net current liabilities and net liabilities amounting to RMB1,382,839,000 and RMB1,235,990,000, respectively. The net current liabilities and net liabilities primarily arose from the redemption liabilities on equity shares amounting to RMB1,667,902,000 as at 30 September 2025. As set out in the paragraph headed "Special rights of the Pre-IPO Investors — HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE" to this document, pursuant to a supplemental agreement entered into by the Company with, among others, the then shareholders of the Company, the redemption feature has ceased to be effective prior to the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable if:

- (i) the listing application of the Company is not accepted or voluntarily withdrawn;
- (ii) the listing application fails to pass the filing with CSRC, or fails to pass the review, approval, or registration with the Stock Exchange;
- (iii) the Joint Sponsors withdraw sponsorship, resulting in terminating of listing application;
- (iv) the listing application is advised to be withdrawn, resulting in terminating of listing application;
- (v) the Listing does not take place prior to 31 December 2027; or
- (vi) the Listing does not take place within 24 months of the Listing approval from Stock Exchange.

Based on the Group's historical performance and management's operating and financing plans, the directors of the Company believe the cash and cash equivalents and the operating and financing cash flows are sufficient to meet the cash requirements to fund the Group's planned operations, capital expenditures and other obligations for at least the next twelve months after 30 September 2025. Therefore, the Historical Financial Information has been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

Basis of consolidation

The Historical Financial Information include the financial statements of the Group for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial information of the subsidiaries is prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and recognizes the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognized in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
<i>Annual Improvements to IFRS Accounting Standards – Volume II</i>	<i>Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7¹</i>

- 1 Effective for annual periods beginning on or after 1 January 2026
- 2 Effective for annual periods beginning on or after 1 January 2027
- 3 No mandatory effective date yet determined but available for adoption

The application of IFRS 18 will have no impact on the consolidated statement of financial position of the Group, but will have impact on the presentation of the consolidated statement of profit or loss and the consolidated statement of comprehensive income and consolidated statements of cash flows. Except for IFRS 18, the directors of the Company anticipate that the application of these amendments to IFRS Accounting Standards will have no material impact on the Group's financial performance and financial position in the foreseeable future.

2.3 MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Group measures its certain financial instruments at fair value at the end of each of the reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	–	based on quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	–	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
Level 3	–	based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the reporting period as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognized for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	Shorter of remaining lease terms and estimated useful lives
Motor vehicles	19% to 31.67%
Electronic and office equipment	19% to 31.67%
Machinery and others	9.5% to 31.67%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each of the reporting period.

An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statement of profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each of the reporting period.

Intangible assets are amortised on the straight-line basis over the following useful economic lives:

Software	3 to 10 years

Research and development expenses

All research costs are charged to the statement of profit or loss as incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	3 to 10 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Investments and other financial assets***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1	–	Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
Stage 2	–	Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
Stage 3	–	Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals, redemption liabilities on equity share, interest-bearing bank loans and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include redemption liabilities on equity shares.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognized in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to profit or loss. The net fair value gain or loss recognized in profit or loss does not include any interest charged on these financial liabilities.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in the statement of profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognized when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognized for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

The Group provides for warranties in relation to the sale of HUD solutions and test solutions during the warranty period. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The warranty-related cost is revised annually.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognized outside profit or loss is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognized under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Sale of HUD solutions

The Group collaborates with leading automotive OEMs (original equipment manufacturer) for the development and deployment of powerful and advanced HUD solutions that can be customised at both software and hardware levels to meet the specific needs of their vehicle models. The solution is typically integrated into automotive components such as HUD products for delivery, and revenue is recognized when the Group transfers the control over automotive components to customer (i.e. goods accepted by customer) or satisfies the performance obligation in the contract.

(b) *Sale of test solutions*

The Group's testing solutions, focused on HUDs and whole vehicle and automotive-grade optoelectronic device testing, create synergies with HUD solutions. The Group typically delivers corresponding solutions through the handover of testing equipment and tooling, and revenue is recognized when the Group transfers the control over test solutions to customer (i.e. goods accepted by customer) or satisfies the performance obligation in the contract.

(c) *Others*

The Group provide research and development services and tooling development activities for customer as well as provide components. Revenue from tooling is recognized when the Group transfers the control over products to customers, obtains the verification report and the consent of mass production of relevant products from customer or satisfies the performance obligation in the contract.

Other income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognized for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognized when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify; and
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Group operates several share award schemes. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 33 to the Historical Financial Information.

The cost of equity-settled transactions is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the service condition is fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each of the Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there is also service condition.

For awards that do not ultimately vest because service condition has not been met, no expense is recognized. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other service condition is satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately.

Other employee benefits

Pension schemes

The employees of the Group which operates in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries operating in Chinese Mainland are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Historical Financial Information:

Classification of financial assets

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets. In determining the business model, the Group considers how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel, the risks that affect the performance of the business model (and the financial assets held within) and, in particular, the way those risks are managed. In determining whether cash flows are going to be realised by collecting the financial assets' contractual cash flows, it is necessary for the Group to consider the reason, timing, frequency, and value of sales prior to the maturity date.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letter of credit and other form of credit insurance).

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the Historical Financial Information.

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each of the Relevant Periods. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Share-based payments

Several employee incentive schemes are operated for the purpose of providing incentives to the Company's directors and the Group's employees. The grant date fair values of the shares of the employee incentive schemes are determined based on independent valuation. The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. However, this estimate may be revised if the number of equity instruments that will ultimately vest changes in the future. Further details are contained in note 33 to the Historical Financial Information.

Fair value of redemption liabilities on equity shares

The instruments issued to investors are not traded in an active market and the respective fair value is determined by using valuation techniques, including the back-solve method, discounted cash flow method, option pricing method and Black-Scholes model. Such valuation is based on key parameters about discount rate, risk-free interest rate, discounts for lack of marketability and volatility, which are subject to uncertainty and might materially differ from the actual results. Further details are included in note 27 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION AND REVENUE

For management purposes, the Group is not organised into business units based on their services and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

Almost all the non-current assets of the Group are physically located in Chinese Mainland. The geographical location of customers is based on the location at which the customers operate, and almost all of the revenue of the Group was derived from operations in Chinese Mainland during the Relevant Periods.

Information about major customers

Information about external customers from which the revenue amounted to over 10% of the total revenue of the Group during the Relevant Periods is set out below:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Customer A	*	143,482	134,004	99,887	77,148
Customer B	101,896	93,777	126,758	91,101	87,456
Customer C	*	106,480	80,487	64,931	82,399
Customer D	*	*	75,188	47,521	87,623
Customer E	46,936	121,918	*	*	*
Customer F	23,387	*	*	*	*
Customer G	*	*	*	*	64,060
Customer H	*	*	*	*	50,546
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

* Less than 10% of the Group's revenue

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue from contracts with customers	<u>214,092</u>	<u>549,362</u>	<u>577,620</u>	<u>429,716</u>	<u>479,921</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Types of goods					
Sales of HUD solutions . .	171,186	494,541	540,574	400,635	448,355
Sales of testing solutions .	8,347	15,223	32,407	24,647	15,936
Others	34,559	39,598	4,639	4,434	15,630
Total	<u>214,092</u>	<u>549,362</u>	<u>577,620</u>	<u>429,716</u>	<u>479,921</u>
Timing of revenue recognition					
Goods transferred at a point in time	<u>214,092</u>	<u>549,362</u>	<u>577,620</u>	<u>429,716</u>	<u>479,921</u>

Since almost all of the revenue of the Group was derived from operations in Chinese Mainland during the Relevant Periods, revenue from the overseas markets of the Group was assessed as not material.

The following table shows the amounts of revenue recognized in the Relevant Periods that were included in the contract liabilities at the beginning of each of the Relevant Periods and recognized from performance obligations satisfied in previous periods:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue recognized that was included in contract liabilities at beginning of the reporting period:					
Sale of products	<u>6,885</u>	<u>15,493</u>	<u>10,505</u>	<u>6,821</u>	<u>2,457</u>

(b) Performance obligations

Information about the Group's performance obligations is summarized below:

Sale of HUD solutions

The performance obligation is satisfied after the customer completes the inspection and confirms the receipt and payment generally varies from 60 days to 120 days after issuing the invoice.

Sale of testing solutions

The performance obligation is satisfied upon acknowledgement of completion of testing solutions from the customer and payment generally varies from 60 days to 90 days after issuing the invoice. Partial upfront payment is made in advance.

Others

Others mainly represent provision of research and development services and tooling development services for the customer as well as sale of certain components. The performance obligation is satisfied upon acknowledgement of receipt from the customer and payment generally varies from 30 days to 120 days after issuing the invoice.

As the original expected duration of the contracts from customers of the Group are within one year or less, the Group applies the practical expedient of not disclosing the transaction prices allocated to the remaining performance obligation.

Other income and gains

An analysis of other income and gains is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
<u>Other income</u>					
Government grants	34,958	5,234	7,601	915	2,012
Bank interest income	795	637	364	295	346
Investment income from structured deposits	394	681	649	346	983
Value-added tax ("VAT") additional deduction	348	3,245	2,617	1,763	2,160
Others	42	322	187	130	578
Total other income	<u>36,537</u>	<u>10,119</u>	<u>11,418</u>	<u>3,449</u>	<u>6,079</u>
<u>Gains</u>					
Gain on sales of items of property, plant and equipment	40	55	—	—	—
Gain/(loss) on sales of scrap materials, net	807	36	(348)	123	(246)
Foreign exchange differences, net	(190)	152	3	3	(49)
Total gains	<u>657</u>	<u>243</u>	<u>(345)</u>	<u>126</u>	<u>(295)</u>
Total other income and gains, net	<u>37,194</u>	<u>10,362</u>	<u>11,073</u>	<u>3,575</u>	<u>5,784</u>

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of inventories and services sold		165,709	408,932	419,749	312,441	365,027
Depreciation of property, plant and equipment*	13	8,925	14,906	23,474	16,493	14,407
Depreciation of right- of-use assets*	14	2,613	3,525	3,866	2,867	4,887
Amortisation of intangible assets*	15	2,627	1,144	4,146	2,753	3,878
Lease payments not included in the measurement of lease liabilities		1,312	597	—	—	724
Research and development expenses		83,425	54,523	62,085	43,554	48,880
Fair value losses on redemption liabilities on equity shares		172,312	166,656	127,992	121,371	306,975
Foreign exchange differences, net	5	190	(152)	(3)	(3)	49
Bank interest income	5	(795)	(637)	(364)	(295)	(346)

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Investment income from structured deposits . .	5	(394)	(681)	(649)	(346)	(983)
Impairment loss on financial assets and contract assets		1,987	8,542	147	(2,306)	(137)
Losses on disposal of items of property, plant and equipment .		34	4,475	5,053	1,834	25
Gain on sales of items of property, plant and equipment	5	(40)	(55)	—	—	—
Listing expenses		—	—	—	—	16,247
Employee benefit expenses (including directors' and chief executive's remuneration (note 8))*						
Wages and salaries . .		91,014	96,925	102,846	78,151	87,339
Pension scheme contributions and social welfare		20,193	16,241	13,694	10,579	11,223
Share-based payments		4,700	21,275	2,728	2,046	3,011

* The depreciation of property, plant and equipment, amortisation of intangible assets, and depreciation of right-of-use assets and employee benefit expenses are included in “Cost of sales”, “Selling and marketing expenses”, “Administrative expenses”, and “Research and development expenses” in profit or loss.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on bank and other borrowings	1,232	1,633	2,724	1,487	1,539
Interest on lease liabilities .	656	614	510	386	611
Total	1,888	2,247	3,234	1,873	2,150

8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors', supervisors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i>
Fees	—	708	500	375	375
Other emoluments:					
Salaries, allowances and benefits in kind	3,201	2,740	3,380	2,533	2,776
Performance related bonuses	666	25	1,670	1,252	1,359
Pension scheme contributions	208	242	184	140	128
Share-based payments . . .	659	19,207	41	32	32
Total	4,734	22,922	5,775	4,332	4,670

During the Relevant Periods, certain directors were granted restricted shares, in respect of their services to the Group, under the Share Incentive Schemes of the Company, further details of which are set out in note 33 to the Historical Financial Information. The difference between the fair value of the shares granted and the subscription price was recorded in the share-based payment reserve within equity with the corresponding “share-based payment expenses” in profit or loss over the vesting period. The amounts of the share-based payment expenses during the Relevant Periods are included in the above directors' and chief executive's remuneration disclosures.

(a) Directors, chief executive and supervisors

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share-based payments	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2022						
Executive directors:						
Mr. Zhang Tao (i)	—	666	31	63	—	760
Mr. Zhang Bo (ii)	—	564	45	38	—	647
Mr. Fan Xin (iii)	—	1,278	295	66	—	1,639
Non-executive directors:						
Mr. Ma Jun (i)	—	—	—	—	616	616
Mr. Hu Bin (iv)	—	—	—	—	—	—
Mr. Hu Zhejun (ii)	—	—	—	—	—	—
Mr. Koh Tuck Lye (v)	—	—	—	—	—	—
Mr. Shen Wenchun (vi)	—	—	—	—	—	—
Supervisors:						
Mr. Zhang Ningbo (viii)	—	693	295	41	43	1,072
Ms. Guo Hui (ii)	—	—	—	—	—	—
Ms. Guo Huijun (ii)	—	—	—	—	—	—
Ms. Xiao Jiangyu (x)	—	—	—	—	—	—
Total	—	3,201	666	208	659	4,734
Year ended 31 December 2023						
Executive directors:						
Mr. Zhang Tao (i)	—	518	—	68	18,889	19,475
Mr. Zhang Bo (ii)	—	442	—	40	262	744
Mr. Fan Xin (iii)	—	1,062	—	74	—	1,136
Non-executive directors:						
Mr. Ma Jun (i)	708	—	—	—	—	708
Mr. Hu Bin (iv)	—	—	—	—	—	—
Mr. Hu Zhejun (ii)	—	—	—	—	—	—
Mr. Koh Tuck Lye (v)	—	—	—	—	—	—
Mr. Shen Wenchun (vi)	—	—	—	—	—	—
Mr. You Tianyu (xi)	—	—	—	—	—	—
Supervisors:						
Mr. Zhang Ningbo (viii)	—	718	25	60	56	859
Ms. Guo Hui (ii)	—	—	—	—	—	—
Ms. Xiao Jiangyu (x)	—	—	—	—	—	—
Total	708	2,740	25	242	19,207	22,922
Year ended 31 December 2024						
Executive directors:						
Mr. Zhang Tao (i)	—	676	144	71	—	891
Mr. Zhang Bo (ii)	—	572	660	17	—	1,249
Mr. Fan Xin (iii)	—	1,288	660	71	—	2,019
Non-executive directors:						
Mr. Ma Jun (i)	500	—	—	—	—	500
Mr. Hu Bin (iv)	—	—	—	—	—	—
Mr. Hu Zhejun (ii)	—	—	—	—	—	—
Mr. Chen Gushen (vi)	—	—	—	—	—	—
Mr. You Tianyu (xi)	—	—	—	—	—	—
Ms. Zheng Shiyang (vii)	—	—	—	—	—	—
Supervisors:						
Mr. Zhang Ningbo (viii)	—	844	206	25	41	1,116
Ms. Guo Hui (ii)	—	—	—	—	—	—
Mr. Shan Chao (ix)	—	—	—	—	—	—
Ms. Xiao Jiangyu (x)	—	—	—	—	—	—
Total	500	3,380	1,670	184	41	5,775

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share-based payments	Total remuneration
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Nine months ended 30 September 2024 (Unaudited)						
Executive directors:						
Mr. Zhang Tao (i)	–	507	108	53	–	668
Mr. Zhang Bo (ii)	–	430	495	13	–	938
Mr. Fan Xin (iii)	–	959	495	53	–	1,507
Non-executive directors:						
Mr. Ma Jun (i)	375	–	–	–	–	375
Mr. Hu Bin (iv)	–	–	–	–	–	–
Mr. Hu Zhejun (ii)	–	–	–	–	–	–
Mr. Chen Gushen (vi)	–	–	–	–	–	–
Mr. You Tianyu (xi)	–	–	–	–	–	–
Ms. Zheng Shiyang (vii)	–	–	–	–	–	–
Supervisors:						
Mr. Zhang Ningbo (viii)	–	637	154	21	32	844
Ms. Guo Hui (ii)	–	–	–	–	–	–
Mr. Shan Chao (ix)	–	–	–	–	–	–
Ms. Xiao Jiangyu (x)	–	–	–	–	–	–
Total	<u>375</u>	<u>2,533</u>	<u>1,252</u>	<u>140</u>	<u>32</u>	<u>4,332</u>
Nine months ended 30 September 2025						
Executive directors:						
Mr. Zhang Tao (i)	–	591	119	53	–	763
Mr. Zhang Bo (ii)	–	514	520	11	–	1,045
Mr. Fan Xin (iii)	–	1,048	535	53	–	1,636
Non-executive directors:						
Mr. Ma Jun (i)	375	–	–	–	–	375
Mr. Hu Bin (iv)	–	–	–	–	–	–
Mr. Hu Zhejun (ii)	–	–	–	–	–	–
Mr. Chen Gushen (vi)	–	–	–	–	–	–
Mr. You Tianyu (xi)	–	–	–	–	–	–
Ms. Zheng Shiyang (vii)	–	–	–	–	–	–
Ms. Young Meng Ying (xii)	–	–	–	–	–	–
Ms. Sun Hui (xii)	–	–	–	–	–	–
Prof. Bai Jian (xii)	–	–	–	–	–	–
Supervisors:						
Mr. Zhang Ningbo (viii)	–	623	185	11	32	851
Ms. Guo Hui (ii)	–	–	–	–	–	–
Mr. Shan Chao (ix)	–	–	–	–	–	–
Ms. Xiao Jiangyu (x)	–	–	–	–	–	–
Total	<u>375</u>	<u>2,776</u>	<u>1,359</u>	<u>128</u>	<u>32</u>	<u>4,670</u>

- (i) On 17 April 2020, Mr. Zhang Tao was appointed as the chairman of the board. Mr. Ma Jun was appointed as a non-executive director of the Group, and he resigned on 25 March 2025.
- (ii) On 20 November 2017, Mr. Zhang Bo was appointed as an executive director of the Group. Mr. Hu Zhejun was appointed as a non-executive director of the Group. Ms. Guo Huijun and Ms. Guo Hui were appointed as supervisors of the Group. Mr. Hu Zhejun resigned on 12 July 2024, Ms. Guo Huijun resigned on 8 September 2022 and Ms. Guo Hui resigned on 22 November 2024.
- (iii) On 10 October 2021, Mr. Fan Xin was appointed as an executive director of the Group.
- (iv) On 13 January 2019, Mr. Hu Bin was appointed as a non-executive director of the Group.
- (v) On 30 June 2021, Mr. Koh Tuck Lye was appointed as a non-executive director of the Group, and he resigned on 14 December 2023.
- (vi) On 1 February 2021, Mr. Shen Wenchun and Mr. Chen Gushen were appointed as non-executive directors of the Group. Mr. Shen Wenchun resigned on 8 December 2023.
- (vii) On 12 July 2024, Ms. Zheng Shiyang was appointed as a non-executive director of the Group.
- (viii) On 4 May 2015, Mr. Zhang Ningbo was appointed as a supervisor of the Group.
- (ix) On 22 November 2024, Mr. Shan Chao was appointed as a supervisor of the Group.
- (x) On 8 September 2022, Ms. Xiao Jiangyu was appointed as a supervisor of the Group.
- (xi) On 28 December 2023, Mr. You Tianyu was as a non-executive director of the Group.
- (xii) On 18 April 2025, Ms. Young Meng Ying, Ms. Sun Hui and Prof. Bai Jian were appointed as independent non-executive directors of the Group.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods, respectively year ended 2022, 2023, 2024 and nine months ended 2024, 2025, included 1, 1, 2, 2 and 2 directors, details of whose remuneration are set out in note 8 above. Details of the remuneration for the remaining 4, 4, 3, 3 and 3 highest paid employees, respectively, who are neither a director nor chief executive of the Company during the Relevant Periods are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Salaries, allowances and benefits in kind	3,625	4,285	3,138	2,440	2,136
Performance related bonuses	5,313	667	1,045	738	992
Pension scheme contributions	206	233	213	159	117
Share-based payments	3,116	152	150	119	173
Total	<u>12,260</u>	<u>5,337</u>	<u>4,546</u>	<u>3,456</u>	<u>3,418</u>

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Number of employees				
	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
Below RMB1,000,000 . . .	—	—	—	—	1
RMB1,000,000 to					
RMB2,000,000	2	4	3	3	2
RMB2,000,000 to					
RMB3,000,000	—	—	—	—	—
RMB3,000,000 to					
RMB4,000,000	—	—	—	—	—
RMB4,000,000 to					
RMB5,000,000	1	—	—	—	—
Over RMB5,000,000	1	—	—	—	—
	—	—	—	—	—
Total	4	4	3	3	3
	=	=	=	=	=

During the Relevant Periods, restricted shares were granted to non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 8 to the Historical Financial Information. The fair value of such shares, which has been recognized in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/jurisdictions in which members of the Group are domiciled or operate.

Chinese Mainland

The subsidiaries registered in Chinese Mainland are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for certain members of the Group which are subject to tax preferential policy set out below:

The Company obtained its "High and New Technology Enterprises" ("HNTE") qualification in 2021 and renewed the qualification in 2024, so it was entitled to the preferential tax rate of 15% during the Relevant Periods. In addition, New Vision (Xi'an) Automotive Electronics Co., Ltd. obtained its HNTE qualification in 2023, and Jilin New Vision Automotive Electronics Co., Ltd., Shanghai Sirius Testing Technology Co., Ltd. were granted with the qualification of HNTE in 2024. Accordingly, the subsidiaries were entitled to a preferential corporate income tax rate of 15% during corresponding periods.

Certain subsidiaries of the Group have applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC's Ministry of Finance and the State Administration of Taxation. Pursuant to the Announcement [2021] No. 8 of the State Taxation Administration, the portion of annual taxable income of small and micro enterprises not exceeding RMB1,000,000 shall be deducted to 12.5% of the taxable income and subject to income tax at a rate of 20% for the period from 1 January 2021 to 31 December 2022. Pursuant to the Cai Shui [2023] No. 6, the portion of annual taxable income of small and micro enterprises not exceeding RMB1,000,000 shall be deducted to 25% of the taxable income and subject to income tax at a rate of 20% for the period from 1 January 2023 to 31 December 2024. Pursuant to the Cai Shui [2022] No. 13, the portion of annual taxable income of small and micro enterprises exceeding RMB1,000,000 but not exceeding RMB3,000,000 shall be deducted to 25% of the taxable income and subject to income tax at a rate of 20% for the period from 1 January 2022 to 31 December 2024. Pursuant to Cai Shui [2023] No. 12, the policy of reducing the taxable income of small and micro enterprises to 25% and entitling them to a corporate income tax rate of 20% will be extended until 31 December 2027.

The income tax expense of the Group for the Relevant Periods is analysed as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current income tax	—	55	1,295	979	2,739
Deferred income tax	—	—	—	—	—
Total tax charge for the year	—	55	1,295	979	2,739

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the countries/ jurisdictions in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Loss before tax	(256,144)	(174,563)	(136,556)	(126,825)	(340,946)
Tax at the statutory tax rate (15%)	(38,422)	(26,184)	(20,483)	(19,024)	(51,142)
Effect of preferential tax rates	(6,235)	(1,946)	75	(634)	341
Expenses not deductible for tax	26,774	25,588	21,100	18,874	47,222
Additional deductible allowance for qualified research and development costs (a) . .	(8,673)	(6,022)	(8,716)	(6,085)	(6,777)
Tax losses utilised from previous periods	—	(4,182)	(173)	—	(455)
Temporary differences and tax losses not recognized (b)	26,556	12,801	9,492	7,848	13,550
Tax charge at the Group's effective tax rate	—	55	1,295	979	2,739

(a) Based on Public Notice 2022 No. 28 issued by the State Tax Bureau of the PRC on 22 September 2022, the enterprises originally eligible for an additional 75% deduction of eligible research and development expenses can further enjoy an increased super deduction ratio of 100% from 1 October 2022 to 31 December 2022. Furthermore, based on Public Notice 2023 No. 7 issued by the State Tax Bureau of the PRC on 26 March 2023, the enterprises were eligible for a 100% deduction of eligible research and development expenses from 1 January 2023. The Group has claimed such additional super deduction during the Relevant Periods.

(b) Deferred tax assets have not been recognized in respect of these losses and deductible temporary differences as the Company and its subsidiaries have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

11. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods.

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares of 40,929,047, 45,611,756, 51,180,440, 51,042,749 and 53,584,383 during the Relevant Periods, respectively year ended 2022, 2023, 2024 and nine months ended 2024, 2025.

The calculation of basic loss per share is based on:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>(Unaudited)</i>				
Loss					
Loss attributable to ordinary equity holders of the parent					
(RMB'000)	<u>(252,372)</u>	<u>(181,918)</u>	<u>(143,274)</u>	<u>(130,664)</u>	<u>(351,747)</u>
Shares					
Weighted average number ('000) of ordinary shares during the year/period . .	<u>40,929</u>	<u>45,612</u>	<u>51,180</u>	<u>51,043</u>	<u>53,584</u>

The Group had no potentially dilutive ordinary shares in issue during the Relevant Periods.

No adjustment has been made to the basic loss per share amounts during the Relevant Periods in respect of a dilution as the impact of the redemption liabilities on equity shares had an anti-dilutive effect on the basic loss per share amounts presented.

13. PROPERTY, PLANT AND EQUIPMENT**The Group**

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2022						
At 1 January 2022:						
Cost	11,080	1,050	2,203	14,925	8,129	37,387
Accumulated depreciation	<u>(1,942)</u>	<u>(214)</u>	<u>(916)</u>	<u>(2,523)</u>	<u>—</u>	<u>(5,595)</u>
Net carrying amount . .	<u>9,138</u>	<u>836</u>	<u>1,287</u>	<u>12,402</u>	<u>8,129</u>	<u>31,792</u>
At 1 January 2022, net of accumulated depreciation	9,138	836	1,287	12,402	8,129	31,792
Additions	7,148	900	5,425	20,279	3,141	36,893
Disposals	—	—	(28)	(46)	—	(74)
Depreciation provided during the year (note 6)	<u>(2,849)</u>	<u>(303)</u>	<u>(2,005)</u>	<u>(3,768)</u>	<u>—</u>	<u>(8,925)</u>
Transfer	<u>—</u>	<u>—</u>	<u>145</u>	<u>408</u>	<u>(553)</u>	<u>—</u>
At 31 December 2022, net of accumulated depreciation	<u>13,437</u>	<u>1,433</u>	<u>4,824</u>	<u>29,275</u>	<u>10,717</u>	<u>59,686</u>

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 31 December 2022:						
Cost	17,733	1,950	7,497	33,395	10,717	71,292
Accumulated depreciation	(4,296)	(517)	(2,673)	(4,120)	—	(11,606)
Net carrying amount . .	<u>13,437</u>	<u>1,433</u>	<u>4,824</u>	<u>29,275</u>	<u>10,717</u>	<u>59,686</u>

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023						
At 1 January 2023:						
Cost	17,733	1,950	7,497	33,395	10,717	71,292
Accumulated depreciation	(4,296)	(517)	(2,673)	(4,120)	—	(11,606)
Net carrying amount . .	<u>13,437</u>	<u>1,433</u>	<u>4,824</u>	<u>29,275</u>	<u>10,717</u>	<u>59,686</u>
At 1 January 2023, net of accumulated depreciation	13,437	1,433	4,824	29,275	10,717	59,686
Additions	3,260	65	6,775	11,637	2,892	24,629
Disposals	—	(15)	(1,759)	(2,756)	—	(4,530)
Depreciation provided during the year (note 6)	(2,741)	(508)	(4,679)	(6,978)	—	(14,906)
Transfer	—	109	26	9,724	(9,859)	—
At 31 December 2023, net of accumulated depreciation	<u>13,956</u>	<u>1,084</u>	<u>5,187</u>	<u>40,902</u>	<u>3,750</u>	<u>64,879</u>
At 31 December 2023:						
Cost	20,993	1,833	9,521	50,822	3,750	86,919
Accumulated depreciation	(7,037)	(749)	(4,334)	(9,920)	—	(22,040)
Net carrying amount . .	<u>13,956</u>	<u>1,084</u>	<u>5,187</u>	<u>40,902</u>	<u>3,750</u>	<u>64,879</u>

APPENDIX I

ACCOUNTANTS' REPORT

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024						
At 1 January 2024:						
Cost	20,993	1,833	9,521	50,822	3,750	86,919
Accumulated depreciation	(7,037)	(749)	(4,334)	(9,920)	—	(22,040)
Net carrying amount . .	<u>13,956</u>	<u>1,084</u>	<u>5,187</u>	<u>40,902</u>	<u>3,750</u>	<u>64,879</u>
At 1 January 2024, net of accumulated depreciation	13,956	1,084	5,187	40,902	3,750	64,879
Additions	154	846	2,690	18,844	6,564	29,098
Disposals	—	—	(54)	(4,999)	—	(5,053)
Depreciation provided during the year (note 6)	(3,174)	(435)	(2,901)	(16,964)	—	(23,474)
Transfer	—	—	—	6,743	(6,743)	—
At 31 December 2024, net of accumulated depreciation	<u>10,936</u>	<u>1,495</u>	<u>4,922</u>	<u>44,526</u>	<u>3,571</u>	<u>65,450</u>
At 31 December 2024:						
Cost	18,802	2,679	11,515	67,059	3,571	103,626
Accumulated depreciation	(7,866)	(1,184)	(6,593)	(22,533)	—	(38,176)
Net carrying amount . .	<u>10,936</u>	<u>1,495</u>	<u>4,922</u>	<u>44,526</u>	<u>3,571</u>	<u>65,450</u>

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 September 2025						
At 1 January 2025:						
Cost	18,802	2,679	11,515	67,059	3,571	103,626
Accumulated depreciation	(7,866)	(1,184)	(6,593)	(22,533)	—	(38,176)
Net carrying amount . .	<u>10,936</u>	<u>1,495</u>	<u>4,922</u>	<u>44,526</u>	<u>3,571</u>	<u>65,450</u>
At 1 January 2025, net of accumulated depreciation	10,936	1,495	4,922	44,526	3,571	65,450
Additions	683	926	1,210	1,220	50,272	54,311
Disposals	—	(4)	(13)	(8)	—	(25)
Depreciation provided during the period (note 6)	(1,886)	(395)	(1,752)	(10,374)	—	(14,407)
Transfer	160	—	502	5,168	(5,830)	—
At 30 September 2025, net of accumulated depreciation	<u>9,893</u>	<u>2,022</u>	<u>4,869</u>	<u>40,532</u>	<u>48,013</u>	<u>105,329</u>
At 30 September 2025:						
Cost	19,645	3,595	13,110	71,514	48,013	155,877
Accumulated depreciation	(9,752)	(1,573)	(8,241)	(30,982)	—	(50,548)
Net carrying amount . .	<u>9,893</u>	<u>2,022</u>	<u>4,869</u>	<u>40,532</u>	<u>48,013</u>	<u>105,329</u>

The Company

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022						
At 1 January 2022:						
Cost	11,080	552	2,055	14,908	8,095	36,690
Accumulated depreciation	(1,942)	(190)	(912)	(2,523)	—	(5,567)
Net carrying amount . .	<u>9,138</u>	<u>362</u>	<u>1,143</u>	<u>12,385</u>	<u>8,095</u>	<u>31,123</u>
At 1 January 2022, net of accumulated depreciation	9,138	362	1,143	12,385	8,095	31,123
Additions	4,578	900	5,251	19,389	2,622	32,740
Disposals	—	—	(28)	(46)	—	(74)
Depreciation provided during the year	<u>(2,656)</u>	<u>(209)</u>	<u>(1,916)</u>	<u>(3,639)</u>	<u>—</u>	<u>(8,420)</u>
At 31 December 2022, net of accumulated depreciation	<u>11,060</u>	<u>1,053</u>	<u>4,450</u>	<u>28,089</u>	<u>10,717</u>	<u>55,369</u>
At 31 December 2022:						
Cost	15,163	1,452	7,030	32,080	10,717	66,442
Accumulated depreciation	(4,103)	(399)	(2,580)	(3,991)	—	(11,073)
Net carrying amount . .	<u>11,060</u>	<u>1,053</u>	<u>4,450</u>	<u>28,089</u>	<u>10,717</u>	<u>55,369</u>
	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2023						
At 1 January 2023:						
Cost	15,163	1,452	7,030	32,080	10,717	66,442
Accumulated depreciation	(4,103)	(399)	(2,580)	(3,991)	—	(11,073)
Net carrying amount . .	<u>11,060</u>	<u>1,053</u>	<u>4,450</u>	<u>28,089</u>	<u>10,717</u>	<u>55,369</u>
At 1 January 2023, net of accumulated depreciation	11,060	1,053	4,450	28,089	10,717	55,369
Additions	1,369	65	2,917	14,845	2,885	22,081
Disposals	—	(15)	(1,759)	(2,756)	—	(4,530)
Depreciation provided during the year	<u>(1,666)</u>	<u>(321)</u>	<u>(2,093)</u>	<u>(5,639)</u>	<u>—</u>	<u>(9,719)</u>
Transfer	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,940</u>	<u>(4,940)</u>	<u>—</u>
At 31 December 2023, net of accumulated depreciation	<u>10,763</u>	<u>782</u>	<u>3,515</u>	<u>39,479</u>	<u>8,662</u>	<u>63,201</u>
At 31 December 2023:						
Cost	16,532	1,226	5,795	48,654	8,662	80,869
Accumulated depreciation	(5,769)	(444)	(2,280)	(9,175)	—	(17,668)
Net carrying amount . .	<u>10,763</u>	<u>782</u>	<u>3,515</u>	<u>39,479</u>	<u>8,662</u>	<u>63,201</u>

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024						
At 1 January 2024:						
Cost	16,532	1,226	5,795	48,654	8,662	80,869
Accumulated depreciation	(5,769)	(444)	(2,280)	(9,175)	—	(17,668)
Net carrying amount . .	<u>10,763</u>	<u>782</u>	<u>3,515</u>	<u>39,479</u>	<u>8,662</u>	<u>63,201</u>
At 1 January 2024, net of accumulated depreciation	10,763	782	3,515	39,479	8,662	63,201
Additions	154	846	1,169	22,900	2,548	27,617
Disposals	—	—	(54)	(4,999)	—	(5,053)
Depreciation provided during the year	(1,851)	(337)	(1,788)	(16,802)	—	(20,778)
Transfer	—	—	—	6,743	(6,743)	—
At 31 December 2024, net of accumulated depreciation	<u>9,066</u>	<u>1,291</u>	<u>2,842</u>	<u>47,321</u>	<u>4,467</u>	<u>64,987</u>
At 31 December 2024:						
Cost	14,341	2,072	6,792	69,080	4,467	96,752
Accumulated depreciation	(5,275)	(781)	(3,950)	(21,759)	—	(31,765)
Net carrying amount . .	<u>9,066</u>	<u>1,291</u>	<u>2,842</u>	<u>47,321</u>	<u>4,467</u>	<u>64,987</u>

	Leasehold improvements	Motor vehicles	Electronic and office equipment	Machinery and others	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 September 2025						
At 1 January 2025:						
Cost	14,341	2,072	6,792	69,080	4,467	96,752
Accumulated depreciation	(5,275)	(781)	(3,950)	(21,759)	—	(31,765)
Net carrying amount . .	<u>9,066</u>	<u>1,291</u>	<u>2,842</u>	<u>47,321</u>	<u>4,467</u>	<u>64,987</u>
At 1 January 2025, net of accumulated depreciation	9,066	1,291	2,842	47,321	4,467	64,987
Additions	217	411	444	1,338	55,332	57,742
Disposals	—	—	(3)	(8)	—	(11)
Depreciation provided during the period . . .	(1,367)	(292)	(1,192)	(10,419)	—	(13,270)
Transfer	160	—	334	4,593	(5,087)	—
At 30 September 2025, net of accumulated depreciation	<u>8,076</u>	<u>1,410</u>	<u>2,425</u>	<u>42,825</u>	<u>54,712</u>	<u>109,448</u>
At 30 September 2025:						
Cost	14,718	2,483	7,527	73,077	54,712	152,517
Accumulated depreciation	(6,642)	(1,073)	(5,102)	(30,252)	—	(43,069)
Net carrying amount . .	<u>8,076</u>	<u>1,410</u>	<u>2,425</u>	<u>42,825</u>	<u>54,712</u>	<u>109,448</u>

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings. Leases of buildings generally have lease terms between 3 and 10 years. Other equipment generally has lease terms of 12 months or less or is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) *Right-of-use assets*

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Buildings
	<i>RMB'000</i>
At 1 January 2022.	13,740
Additions	2,118
Depreciation charge	(2,613)
At 31 December 2022	<u>13,245</u>
At 1 January 2023.	13,245
Additions	1,499
Depreciation charge	(3,525)
At 31 December 2023	<u>11,219</u>
At 1 January 2024.	11,219
Additions	3,533
Depreciation charge	(3,866)
At 31 December 2024	<u>10,886</u>
At 1 January 2025	10,886
Additions	22,572
Depreciation charge	(4,887)
At 30 September 2025	<u>28,571</u>

The Company

	Buildings
	<i>RMB'000</i>
At 1 January 2022.	13,009
Depreciation charge	(1,872)
At 31 December 2022	<u>11,137</u>
At 1 January 2023.	11,137
Depreciation charge	(1,871)
At 31 December 2023	<u>9,266</u>
At 1 January 2024.	9,266
Additions	1,250
Depreciation charge	(1,976)
At 31 December 2024	<u>8,540</u>
At 1 January 2025.	8,540
Additions	18,720
Depreciation charge	(3,174)
At 30 September 2025	<u>24,086</u>

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at the beginning . .	14,334	14,495	12,193	11,914
Additions	2,118	1,499	3,533	22,572
Accretion of interest recognized during the year/period	656	614	510	611
Lease payment	(2,613)	(4,415)	(4,322)	(7,815)
Carrying amount at the end	<u>14,495</u>	<u>12,193</u>	<u>11,914</u>	<u>27,282</u>
Analysed into:				
Current portion	3,124	3,456	3,217	5,523
Non-current portion	<u>11,371</u>	<u>8,737</u>	<u>8,697</u>	<u>21,759</u>

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at the beginning . .	13,554	12,236	10,503	9,786
Additions	–	–	1,250	18,720
Accretion of interest recognized during the year/period	576	508	462	494
Lease payment	(1,894)	(2,241)	(2,429)	(5,396)
Carrying amount at the end	<u>12,236</u>	<u>10,503</u>	<u>9,786</u>	<u>23,604</u>
Analysed into:				
Current portion	1,734	1,870	2,099	3,388
Non-current portion	<u>10,502</u>	<u>8,633</u>	<u>7,687</u>	<u>20,216</u>

(c) The amounts recognized in profit or loss in relation to leases are as follows:

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	656	614	510	611
Depreciation charge of right-of-use assets	2,613	3,525	3,866	4,887
Expense related to short-term leases.	<u>1,312</u>	<u>597</u>	<u>—</u>	<u>724</u>
Total amount recognized in profit or loss	<u>4,581</u>	<u>4,736</u>	<u>4,376</u>	<u>6,222</u>

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interest on lease liabilities	576	508	462	494
Depreciation charge of right-of-use assets	<u>1,872</u>	<u>1,871</u>	<u>1,976</u>	<u>3,174</u>
Total amount recognized in profit or loss	<u>2,448</u>	<u>2,379</u>	<u>2,438</u>	<u>3,668</u>

15. INTANGIBLE ASSETS

The Group

	Software
	<i>RMB'000</i>
31 December 2022	
Cost at 1 January 2022, net of accumulated amortisation	4,041
Additions	2,217
Amortisation provided during the year	<u>(2,627)</u>
At 31 December 2022	<u>3,631</u>
At 31 December 2022 and at 1 January 2023:	
Cost	8,984
Accumulated amortisation	<u>(5,353)</u>
Net carrying amount	<u>3,631</u>
31 December 2023	
Cost at 1 January 2023, net of accumulated amortisation	3,631
Additions	20,722
Disposals	(642)
Amortisation provided during the year	<u>(1,144)</u>
At 31 December 2023	<u>22,567</u>
At 31 December 2023 and at 1 January 2024:	
Cost	28,699
Accumulated amortisation	<u>(6,132)</u>
Net carrying amount	<u>22,567</u>
31 December 2024	
Cost at 1 January 2024, net of accumulated amortisation	22,567
Additions	1,130
Disposals	(60)
Amortisation provided during the year	<u>(4,146)</u>
At 31 December 2024	<u>19,491</u>
At 31 December 2024 and at 1 January 2025:	
Cost	28,838
Accumulated amortisation	<u>(9,347)</u>
Net carrying amount	<u>19,491</u>
30 September 2025	
Cost at 1 January 2025, net of accumulated amortisation	19,491
Additions	2,062
Amortisation provided during the period	<u>(3,878)</u>
30 September 2025	<u>17,675</u>
At 30 September 2025:	
Cost	30,900
Accumulated amortisation	<u>(13,225)</u>
Net carrying amount	<u>17,675</u>

The Company**Software***RMB'000***31 December 2022**

Cost at 1 January 2022, net of accumulated amortisation	4,040
Additions	1,362
Amortisation provided during the year	(2,570)
At 31 December 2022	<u>2,832</u>

At 31 December 2022 and at 1 January 2023:

Cost	8,128
Accumulated amortisation	(5,296)
Net carrying amount	<u>2,832</u>

31 December 2023

Cost at 1 January 2023, net of accumulated amortisation	2,832
Additions	20,515
Disposals	(642)
Amortisation provided during the year	(1,043)
At 31 December 2023	<u>21,662</u>

At 31 December 2023 and at 1 January 2024:

Cost	27,636
Accumulated amortisation	(5,974)
Net carrying amount	<u>21,662</u>

31 December 2024

Cost at 1 January 2024, net of accumulated amortisation	21,662
Additions	154
Disposals	(60)
Amortisation provided during the year	(3,844)
At 31 December 2024	<u>17,912</u>

At 31 December 2024 and at 1 January 2025:

Cost	26,799
Accumulated amortisation	(8,887)
Net carrying amount	<u>17,912</u>

30 September 2025

Cost at 1 January 2025, net of accumulated amortisation	17,912
Additions	2,062
Amortisation provided during the period	(3,623)
30 September 2025	<u>16,351</u>

At 30 September 2025:

Cost	28,861
Accumulated amortisation	(12,510)
Net carrying amount	<u>16,351</u>

16. OTHER NON-CURRENT ASSETS

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Other non-current assets	701	5,208	20	436

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Other non-current assets	201	—	20	176

17. INVESTMENTS IN SUBSIDIARIES

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Investments in subsidiaries	13,414	13,862	153,136	155,745

18. INVENTORIES

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	25,408	33,172	21,873	41,303
Work in progress	3,148	1,370	6,624	7,165
Finished goods	17,156	31,610	48,825	40,421
Contract costs	20,552	12,019	11,988	28,079
Total	66,264	78,171	89,310	116,968

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	25,408	33,172	21,873	41,303
Work in progress	3,148	1,370	6,624	7,165
Finished goods	14,497	20,455	34,226	38,288
Contract costs	16,648	28,732	53,525	60,364
Total	59,701	83,729	116,248	147,120

19. TRADE AND BILLS RECEIVABLES AND CONTRACT ASSETS

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current:				
Contract assets	–	1,499	5,829	6,729
Less: Impairment losses	–	(300)	(1,408)	(853)
Subtotal	–	1,199	4,421	5,876
Current:				
Trade receivables	79,633	231,844	212,728	206,283
Bills receivable	48,480	65,930	94,440	82,639
Contract assets	3,245	11,862	2,072	8,088
	131,358	309,636	309,240	297,010
Less: Impairment losses	(4,252)	(12,544)	(11,575)	(11,982)
Subtotal	127,106	297,092	297,665	285,028
Total	127,106	298,291	302,086	290,904

The Group's trading terms with its customers are mainly on credit and the credit period varies generally 60 to 120 days after receipt of VAT invoices. The Group seeks to maintain strict control over its outstanding receivables to control credit risk. Overdue balances are reviewed regularly by management.

The Group had certain concentrations of credit risk as 94.49%, 92.66%, 73.49% and 80.73% of total trade and bills receivable and contract assets were due from the Group's five largest customers as at the end of each of the Relevant Periods, respectively as at 31 December 2022, 2023, 2024 and 30 September 2025.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables and contract assets as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	126,818	296,409	297,077	287,657
1 to 2 years.	288	1,702	4,517	2,802
2 to 3 years.	–	180	492	445
Total	127,106	298,291	302,086	290,904

The movements in the loss allowance for impairment of trade and bill receivables and contract assets are as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	2,106	4,252	12,844	12,983
Impairment losses, net	2,146	8,592	139	(148)
At the end of the year/period	4,252	12,844	12,983	12,835

The Group applies the simplified approach in calculating expected credit losses for trade receivables, bills receivables and contract assets. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on past due information for grouping of customers that have similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables and contract assets using a provision matrix:

	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2022					
Expected credit loss rate	3.19%	20.00%	50.00%	100.00%	3.24%
Gross carrying amount (RMB'000) . .	130,998	360	–	–	131,358
Expected credit losses (RMB'000) . .	4,180	72	–	–	4,252

	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2023					
Expected credit loss rate	3.97%	20.02%	50.00%	100.00%	4.13%
Gross carrying amount (RMB'000) . .	308,647	2,128	360	–	311,135
Expected credit losses (RMB'000) . .	12,238	426	180	–	12,844

	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2024					
Expected credit loss rate	3.57%	20.00%	50.00%	100.00%	4.12%
Gross carrying amount (RMB'000) . .	308,077	5,646	986	360	315,069
Expected credit losses (RMB'000) . .	11,001	1,129	493	360	12,983

	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 30 September 2025					
Expected credit loss rate	3.73%	19.99%	50.06%	100.00%	4.23%
Gross carrying amount (RMB'000) . .	298,807	3,502	889	541	303,739
Expected credit losses (RMB'000) . .	11,149	700	445	541	12,835

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current:				
Contract assets	–	1,499	1,758	400
Less: Impairment losses	–	(300)	(593)	(200)
Subtotal	–	1,199	1,165	200
Current:				
Trade receivables	48,366	133,019	144,601	128,752
Bills receivable	26,216	32,945	74,111	60,357
Contract assets	3,245	2,800	–	883
	77,827	168,764	218,712	189,992
Less: Impairment losses	(2,598)	(6,898)	(7,403)	(6,700)
Subtotal	75,229	161,866	211,309	183,292
Total	75,229	163,065	212,474	183,492

An aging analysis of the trade receivables, bills receivable and contract assets as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	75,229	161,507	210,811	183,044
1 to 2 years.	–	1,558	1,261	4
2 to 3 years.	–	–	402	444
Total	<u>75,229</u>	<u>163,065</u>	<u>212,474</u>	<u>183,492</u>

The movements in the impairment losses on trade receivables, bills receivable and contract assets are as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	7,476	2,598	7,198	7,996
Impairment (reversals)/losses, net	<u>(4,878)</u>	<u>4,600</u>	<u>798</u>	<u>(1,096)</u>
At the end of the year/period	<u>2,598</u>	<u>7,198</u>	<u>7,996</u>	<u>6,900</u>

Set out below is the information about the credit risk exposure on the Company's trade receivables, bills receivable and contract assets using a provision matrix:

	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2022					
Expected credit loss rate	3.34%	20.00%	50.00%	100.00%	3.34%
Gross carrying amount (RMB'000)	77,827	–	–	–	77,827
Expected credit losses (RMB'000)	2,598	–	–	–	2,598
	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2023					
Expected credit loss rate	4.04%	20.03%	50.00%	100.00%	4.23%
Gross carrying amount (RMB'000)	168,316	1,947	–	–	170,263
Expected credit losses (RMB'000)	6,808	390	–	–	7,198
	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2024					
Expected credit loss rate	3.34%	20.00%	49.94%	100.00%	3.63%
Gross carrying amount (RMB'000)	218,090	1,575	805	–	220,470
Expected credit losses (RMB'000)	7,279	315	402	–	7,996
	Current to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 30 September 2025					
Expected credit loss rate	3.41%	20.00%	50.06%	100.00%	3.62%
Gross carrying amount (RMB'000)	189,498	5	889	–	190,392
Expected credit losses (RMB'000)	6,454	1	445	–	6,900

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments to suppliers	1,382	1,228	2,325	348
Deposits and other receivables	2,029	2,460	2,836	6,059
Listing expenditures	—	—	—	5,974
VAT recoverable	3,197	7,600	7,291	7,874
	6,608	11,288	12,452	20,255
Impairment allowance	(67)	(17)	(25)	(36)
Total	6,541	11,271	12,427	20,219

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments to suppliers	1,191	753	1,854	157
Deposits and other receivables	749	997	1,922	1,581
Listing expenditures	—	—	—	5,974
VAT recoverable	1	18	918	943
	1,941	1,768	4,694	8,655
Impairment allowance	(12)	(17)	(8)	—
Total	1,929	1,751	4,686	8,655

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current:				
Structured deposits	26,228	10,172	45,086	65,028
Non-current:				
Investments in equity instruments at fair value through profit or loss . .	—	—	—	12,000
Total	26,228	10,172	45,086	77,028

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current:				
Structured deposits	21,220	10,172	45,086	15,013
Non-current:				
Investments in equity instruments at fair value through profit or loss . .	—	—	—	12,000
Total	21,220	10,172	45,086	27,013

The structured deposits were issued by banks in Chinese Mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest. The interest rates fluctuate within the range of 1.00% to 2.40%, linked to the EUR or USD exchange rate.

22. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH**The Group**

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	29,923	63,971	231,380	106,392
Less: Restricted cash*	—	—	945	1,628
Cash and cash equivalents	29,923	63,971	230,435	104,764
Denominated in				
USD	9,578	137	—	2
EUR	—	—	—	1
JPY	—	—	—	2
RMB	20,345	63,834	230,435	104,759

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	16,294	47,016	88,279	58,774
Less: Restricted cash*	—	—	945	1,628
Cash and cash equivalents	16,294	47,016	87,334	57,146
Denominated in				
USD	9,578	137	—	—
RMB	6,716	46,879	87,334	57,146

* The restricted cash collateral of RMB945,000 and RMB1,628,000 in 31 December 2024 and 30 September 2025 at Bank of Communications (BOCOM) serves as a security deposit for a prepayment from clients.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

23. TRADE PAYABLES

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	49,069	104,970	127,913	125,417

The trade payables are non-interest-bearing and the suppliers normally grant credit terms within 30 to 90 days upon receipt of VAT invoices. The Group continued to recognize the full carrying amounts of trade payables settled by the Endorsed Bills. Refer to Note 38 for further details.

An aging analysis of the trade payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	48,698	104,424	127,556	124,423
1 to 2 years	371	191	103	994
2 to 3 years	—	355	189	—
Over 3 years	—	—	65	—
Total	49,069	104,970	127,913	125,417

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	48,618	103,265	123,333	118,356

An aging analysis of the trade payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	48,247	102,719	122,976	117,697
1 to 2 years	371	191	103	659
2 to 3 years	—	355	189	—
Over 3 years	—	—	65	—
Total	48,618	103,265	123,333	118,356

24. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll and welfare payable	21,462	17,895	21,527	14,390
Other tax payables	3,617	8,432	8,209	5,347
Listing expenditures payable	–	–	–	4,363
Other payables	17,364	20,007	22,801	33,612
	<u>42,443</u>	<u>46,334</u>	<u>52,537</u>	<u>57,712</u>

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll and welfare payable	9,348	9,037	14,891	10,599
Other tax payables	3,408	6,121	5,988	2,056
Listing expenditures payable	–	–	–	4,363
Other payables	11,875	16,002	19,523	20,744
	<u>24,631</u>	<u>31,160</u>	<u>40,402</u>	<u>37,762</u>

25. CONTRACT LIABILITIES

The Group

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	<u>15,493</u>	<u>10,505</u>	<u>5,681</u>	<u>13,770</u>

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	<u>12,240</u>	<u>9,666</u>	<u>5,620</u>	<u>10,515</u>

Contract liabilities include advances received from customers for sales of testing solutions.

26. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at 31 December		
	2022		
	<i>Effective interest rate (%)</i>	<i>Maturity</i>	<i>RMB'000</i>
Current			
Bank loans – unsecured	3.20-4.20	2023	46,036
Other borrowings – unsecured	0.95-1.18	2023	631
Total			46,667

	As at 31 December		
	2023		
	<i>Effective interest rate (%)</i>	<i>Maturity</i>	<i>RMB'000</i>
Current			
Bank loans – unsecured	3.00-4.20	2024	40,037
Total			40,037

	As at 31 December		
	2024		
	<i>Effective interest rate (%)</i>	<i>Maturity</i>	<i>RMB'000</i>
Current			
Bank loans – unsecured	2.60-3.25	2025	70,075
Other borrowings – unsecured	0.80-1.00	2025	19,029
Non-current			
Bank loans – unsecured	2.80	2026	23,000
Total			112,104

	As at 30 September		
	2025		
	<i>Effective interest rate (%)</i>	<i>Maturity</i>	<i>RMB'000</i>
Current			
Bank loans – unsecured	2.55-2.80	2025-2026	103,075
Total			103,075

An alternative approach of disclosing relevant information is illustrated below:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank loans repayable				
Within one year	46,036	40,037	70,075	103,075
In the second year	–	–	23,000	–
Other borrowings repayable				
Within one year	631	–	19,029	–
Total	<u>46,667</u>	<u>40,037</u>	<u>112,104</u>	<u>103,075</u>

The Group's bank and other borrowings are unsecured.

The Company

	As at 31 December		
	2022		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – unsecured	3.20-4.20	2023	46,036
Other borrowings – unsecured	0.95-1.18	2023	631
Total			<u>46,667</u>

	As at 31 December		
	2023		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – unsecured	3.00-4.20	2024	38,035
Total			<u>38,035</u>

	As at 31 December		
	2024		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – unsecured	2.60-3.25	2025	70,075
Other borrowings – unsecured	0.80-1.00	2025	19,029
Non-current			
Bank loans – unsecured	2.80	2026	23,000
Total			<u>112,104</u>

	As at 30 September		
	2025		
	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – unsecured	2.60-2.80	2025-2026	103,075
Total			<u>103,075</u>

An alternative approach of disclosing relevant information:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank loans repayable				
Within one year	46,036	38,035	70,075	103,075
In the second year	–	–	23,000	–
Other borrowings repayable				
Within one year	631	–	19,029	–
Total	<u>46,667</u>	<u>38,035</u>	<u>112,104</u>	<u>103,075</u>

27. REDEMPTION LIABILITIES ON EQUITY SHARES

The Group and the Company

The key terms of all series of the Preferred Shares are summarized as follows:

Redemption features

Upon occurrence of the following events which cannot be controlled by the Company, the related Shares shall be redeemable by the Company at the option of the shareholders:

- (a) The Listing does not take place prior to 31 December 2027; or
- (b) Any change in the Company's de facto control occurs, or instability arises in the Company's equity or controlling shareholders' ownership due to marriage, inheritance (or their ultimate beneficial owners, if such shareholders are legal entities), thereby creating material obstacles or risks to the Company's IPO; or
- (c) Any member of the core management team (including Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao and Mr. Wang Zhenggang, as of the Preferred Shares contract signing date) voluntarily resigns or terminates employment, unless approved in writing by investors.

Presentation and classification

The Group and the Company have designated the Preferred Shares issued to investors as financial liabilities carried at fair value through profit or loss and presented as "redemption liabilities on equity shares" in the consolidated statements of financial position. The fair value losses on the redemption liabilities on equity shares is charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that the fair value change in the redemption liabilities on equity shares attributable to changes of own credit risk is not significant.

The redemption liabilities on equity shares were presented in current liabilities as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 September 2025.

Pursuant to a supplemental agreement entered into by the Company with, among others, the then shareholders of the Company, the redemption feature has ceased to be effective prior to the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable in certain events mentioned in note 2.1.

The movements of the Redemption liabilities on equity shares are set out below:

	Ordinary Shares*	Series Pre-A Shares **	Series A Shares **	Series B Shares	Series C Shares	Series C+ Shares	Series Strategic Round Shares	Series D1 Shares	Series D2 Shares	Series E1 Shares	Series E2 Shares	Total Shares
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
At 1 January 2022	8,060	–	–	70,075	119,687	101,887	–	–	–	–	–	299,709
Issue*	11,027	98,212	–	–	–	–	70,000	–	–	–	–	179,239
Changes in fair value	7,477	–	–	51,929	74,640	29,117	9,149	–	–	–	–	172,312
At 31 December 2022 and at 1 January 2023	26,564	98,212	–	122,004	194,327	131,004	79,149	–	–	–	–	651,260
Issue*	16,299	–	–	–	–	–	–	87,667	72,400	–	–	176,366
Changes in fair value	15,445	48,827	–	28,153	51,446	19,698	5,267	(1,080)	(1,100)	–	–	166,656
At 31 December 2023 and at 1 January 2024	58,308	147,039	–	150,157	245,773	150,702	84,416	86,587	71,300	–	–	994,282
Issue*	–	–	113,510	–	–	–	–	–	–	15,143	110,000	238,653
Changes in fair value	7,557	24,952	–	18,771	31,251	17,966	9,596	9,405	7,764	147	583	127,992
At 31 December 2024 and at 1 January 2025	65,865	171,991	113,510	168,928	277,024	168,668	94,012	95,992	79,064	15,290	110,583	1,360,927
Changes in fair value	15,452	43,428	29,372	39,274	65,219	37,036	19,368	18,300	15,135	2,944	21,447	306,975
At 30 September 2025	81,317	215,419	142,882	208,202	342,243	205,704	113,380	114,292	94,199	18,234	132,030	1,667,902

* Including shares transferred from common shares.

** Although the consideration of Series Pre-A and Series A Financing were settled in 2017 and 2018, respectively, the investors did not obtain preferential rights at the time of their initial investments. As a result, the Company classified these investments as ordinary shares at that point. Subsequently, the Series Pre-A and Series A investors were granted preferential rights by the end of 2022 and 2024, respectively, and the Company recognized redemption liabilities on equity shares at fair value as of the end of 2022 and 2024 according to the applicable IFRS.

The Group applied the back-solve method or discounted cash flow method, and option pricing method including Black-Scholes model to determine the fair value of the redemption liabilities on equity shares. Key assumptions are set out below:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
Discount rate*	—	11.10%	—	11.10%
Risk-free interest rate	2.40%	2.21%	1.08%	1.34%
Discount for lack of marketability ("DLOM")	23.91%	19.99%	17.48%	5.46%
Volatility	47.97%	47.54%	53.07%	32.60%
Possibilities under liquidation scenario	25.00%	10.00%	10.00%	10.00%
Possibilities under redemption scenario	25.00%	10.00%	10.00%	10.00%
Possibilities under conversion scenario	50.00%	80.00%	80.00%	80.00%

* The Group applied the back-solve method for the years ended 31 December 2022 and 2024, and the discounted cash flow method for the year ended 31 December 2023 and the period ended 30 September 2025.

The discount rate was determined based on a consideration of the factors including risk-free rate, comparative industry risk, equity risk premium, company size and non-systemic risk factors. The Group estimated the risk-free interest rate based on the yield of the Chinese Mainland Government Bond with maturity close to the expected exit timing as at the valuation date. The DLOM was quantified by the Black Scholes Model. Under this option pricing method, which assumed that the price of the put option is struck at the average price of the stock before the privately held shares can be sold, the cost of the put option was considered as a basis to determine the DLOM. This option pricing method is one of the methods commonly used in estimating DLOM as it can take into consideration factors such as timing of a liquidity event, including an initial public offering, and estimated volatility of the shares. The farther the valuation date is from an expected liquidity event, the higher the put option value and thus the higher the implied DLOM. The volatility was estimated based on annualised standard deviation of daily share price return of comparable companies for a period from the valuation date and with a similar span as time to expiration. In addition to the assumptions adopted above, the Company's projections of future performance were also factored into the determination of the fair value of the Preferred Shares on the valuation date.

28. DEFERRED TAX

The Group

Deferred tax liabilities

	Right-of-use assets	Fair value adjustments	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2022	2,134	—	2,134
Deferred tax credited to profit or loss during the year	(228)	—	(228)
At 31 December 2022 and 1 January 2023	1,906	—	1,906
Deferred tax (credited)/charged to profit or loss during the year	(259)	48	(211)
At 31 December 2023 and 1 January 2024	1,647	48	1,695
Deferred tax credited to profit or loss during the year	(35)	(13)	(48)
At 31 December 2024 and 1 January 2025	1,612	35	1,647
Deferred tax charged/(credited) to profit or loss during the period	2,572	(32)	2,540
At 30 September 2025	4,184	3	4,187

Deferred tax assets

	Lease liabilities	Losses available for offsetting against future taxable profits	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2022.	2,134	–	2,134
Deferred tax credited/(charged) to profit or loss during the year	(263)	35	(228)
At 31 December 2022 and 1 January 2023.	1,871	35	1,906
Deferred tax charged to profit or loss during the year.	(202)	(9)	(211)
At 31 December 2023 and 1 January 2024.	1,669	26	1,695
Deferred tax charged to profit or loss during the year.	(35)	(13)	(48)
At 31 December 2024 and 1 January 2025.	1,634	13	1,647
Deferred tax credited to profit or loss during the period	2,472	68	2,540
At 30 September 2025	4,106	81	4,187

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax liabilities recognized in the consolidated statement of financial position . . .	–	–	–	–
Net deferred tax assets recognized in the consolidated statement of financial position	–	–	–	–
	=	=	=	=

29. WARRANTY PROVISION

The Group

	Warranties
	RMB'000
At 1 January 2022.	229
Additional provision	413
Amounts utilised during the year.	(214)
At 31 December 2022 and 1 January 2023.	428
At 1 January 2023.	428
Additional provision	1,327
Amounts utilised during the year.	(656)
At 31 December 2023 and 1 January 2024.	1,099
At 1 January 2024.	1,099
Additional provision	744
Amounts utilised during the year.	(688)
At 31 December 2024 and 1 January 2025.	1,155
At 1 January 2025.	1,155
Additional provision	719
Amounts utilised during the period	(594)
At 30 September 2025	1,280

The Group generally provides to customers warranties of typically 36 to 60 months or 100,000 to 150,000 kilometres on certain of its products for general repairs of defects occurring during the warranty period. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

The Company

	Warranties
	<i>RMB'000</i>
At 1 January 2022.	227
Additional provision	285
Amounts utilised during the year.	(80)
At 31 December 2022 and 1 January 2023.	432
At 1 January 2023.	432
Additional provision	1,132
Amounts utilised during the year.	(558)
At 31 December 2023 and 1 January 2024.	1,006
At 1 January 2024.	1,006
Additional provision	467
Amounts utilised during the year.	(403)
At 31 December 2024 and 1 January 2025.	1,070
At 1 January 2025.	1,070
Additional provision	336
Amounts utilised during the period	(285)
At 30 September 2025	1,121

30. DEFERRED INCOME

	As at 31 December			As at
	2022	2023	2024	30 September
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Government grants				
Asset-related grants (a).	—	—	—	1,279
	=	=	=	=

(a) Asset-related grants

The asset-related grants were the subsidies received from the government in relation to the Group's property, plant and equipment.

31. SHARE CAPITAL**The Group and the Company**

A summary of movements in the Company's share capital is as follows:

	Number of shares	Share capital
		<i>RMB'000</i>
As at 1 January 2022	40,288,148	40,288
Shareholders' capital injection*	1,993,909	1,994
As at 31 December 2022 and 1 January 2023	42,282,057	42,282
Shareholders' capital injection**	8,708,378	8,708
At 31 December 2023 and 1 January 2024	50,990,435	50,990
Shareholders' capital injection***	2,593,948	2,594
At 31 December 2024 and 30 September 2025	53,584,383	53,584

* Pursuant to the shareholders' resolution dated 18 September 2022, shareholders of the Company agreed to increase the registered capital from RMB40,288,148 to RMB42,282,057 (42,282,057 shares with a nominal value of RMB1.00 each).

** Pursuant to the shareholders' resolution dated 13 March 2023, shareholders of the Company agreed to increase the registered capital from RMB42,282,057 to RMB45,857,982 (45,857,982 shares with a nominal value of RMB1.00 each). Pursuant to the shareholders' resolution dated 28 December 2023, shareholders of the Company agreed to increase the registered capital from RMB45,857,982 to RMB50,990,435 (50,990,435 shares with a nominal value of RMB1.00 each).

*** Pursuant to the shareholders' resolution dated 21 June 2024, shareholders of the Company agreed to increase the registered capital from RMB50,990,435 to RMB51,304,321 (51,304,321 shares with a nominal value of RMB1.00 each). Pursuant to the shareholders' resolution dated 29 October 2024, shareholders of the Company agreed to increase the registered capital from RMB51,304,321 to RMB53,584,383 (53,584,383 shares with a nominal value of RMB1.00 each).

32. RESERVES**The Group**

The amounts of the Group's share premium and other reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

(a) Share premium

The share premium of the Group represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share awards as set out in Note 33 to the Historical Financial Information.

(c) Other reserves

Other reserves of the Group represent the carrying amounts of the equity shares with redeemable features as stipulated in Note 27 to the Historical Financial Information.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods are presented as follows:

	Share premium	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated deficits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	291,799	(290,526)	28,068	(56)	(177,680)	(148,395)
Total comprehensive loss for the year	—	—	—	(104)	(182,477)	(182,581)
Issue of new shares	65,627	—	—	—	—	65,627
Recognition of redemption liabilities on equity shares	—	(179,239)	—	—	—	(179,239)
Share-based payment	—	—	4,700	—	—	4,700
At 31 December 2022 and 1 January 2023	357,426	(469,765)	32,768	(160)	(360,157)	(439,888)
Total comprehensive loss for the year	—	—	—	25	(161,605)	(161,580)
Issue of new shares	163,943	—	—	—	—	163,943
Recognition of redemption liabilities on equity shares	—	(176,366)	—	—	—	(176,366)
Share-based payment	—	—	21,275	—	—	21,275
At 31 December 2023 and 1 January 2024	521,369	(646,131)	54,043	(135)	(521,762)	(592,616)
Total comprehensive loss for the year	—	—	—	(36)	(122,692)	(122,728)
Issue of new shares	117,349	—	—	—	—	117,349
Recognition of redemption liabilities on equity shares	—	(238,653)	—	—	—	(238,653)
Share-based payment	—	—	2,035	—	—	2,035
At 31 December 2024 and 1 January 2025	638,718	(884,784)	56,078	(171)	(644,454)	(834,613)
Total comprehensive loss for the year/period	—	—	—	(124)	(344,586)	(344,710)
Share-based payment	—	—	2,156	—	—	2,156
At 30 September 2025	638,718	(884,784)	58,234	(295)	(989,040)	(1,177,167)

33. SHARE-BASED PAYMENTS

(a) Share Incentive Scheme

The Company adopted a share incentive plan (“Share Incentive Scheme”) in 2020, for the purpose of attracting and retaining the best talents who promote the success of the Group’s operations. Eligible participants of the Share Incentive Scheme include the certain directors of the Company, and employees of the Group. Pursuant to the Share Incentive Scheme, 8,669,922 shares of the Company were allocated to two employee incentive platforms. The restricted shares granted to each grantee shall be subject to both a listing-based condition (the “IPO Condition”) and service conditions. The IPO Condition would be satisfied when the ordinary shares of the Company are successfully listed on a recognized stock exchange. Service conditions would be satisfied 3 years after the IPO Condition. The eligible participants would be repaid with original subscription price plus interest at a single digit interest rate if employment were terminated before the vesting date. After taking into consideration of the best estimation of the IPO Condition, the management determined the vesting period of the relevant restricted shares based on the service requirements. As such, the share-based payment expenses are amortised during the vesting period.

Details of the granted shares are as follows:

Date of grant	Number of restricted shares	Subscription price per share	Fair value of the underlying shares
		RMB	RMB
17 April, 2020	2,327,469	1.23	4.82
17 April, 2020	1,735,000	2.62	4.82
30 June, 2021	1,200,000	1.23	8.64
30 June, 2021	2,164,850	2.62	8.64
30 June, 2021	140,000	4.85	8.64
19 July, 2022	620,000	4.85	10.16
19 July, 2022	306,500	5.78	10.16
1 October, 2023	65,000	5.78	36.19
1 October, 2023	660,203	7.85	36.19
1 October, 2023	247,500	8.51	36.19
18 April, 2024	3,500	8.51	36.19
30 April, 2025	338,100	8.51	49.34
Total	9,808,122		

The fair value of services received in return for shares granted to employees and directors was measured by reference to the fair value of the shares granted and the subscription price paid by employees and directors. As of 30 September 2025, the Group accumulated granted 9,808,122 and accumulated forfeited 1,138,200 restricted shares, with fair values ranging from RMB4.82 to RMB49.34 per share.

Group Employee Incentive Scheme

The following numbers of restricted shares were outstanding under the Incentive Scheme during the Relevant Periods:

	As at 31 December			As at 30 September
	2022	2023	2024	2025
At the beginning of the year/period	7,172,319	7,913,819	8,669,922	8,451,842
Granted during the year/period	926,500	972,703	3,500	338,100
Forfeited during the year/period	(185,000)	(216,600)	(221,580)	(120,020)
At the end of the year/period	7,913,819	8,669,922	8,451,842	8,669,922

During the Relevant Periods, respectively as at 31 December 2022, 2023, 2024 and 30 September 2025, share-based payment compensation expenses of RMB4,700,000, RMB21,275,000, RMB2,035,000 and RMB2,156,000, respectively, were charged to profit or loss.

The fair values of the restricted shares as at the grant date were determined with reference to the fair value of ordinary shares on the grant dates, using the back-solve method or discounted cash flow method, and option pricing method including Black-Scholes model. Major inputs used for the determination of the fair values of ordinary shares during the Relevant Period are listed as follows:

	At grant dates
Expected volatility (%)	47.54%-53.07%
Risk-free interest rate (%)	1.08%-2.40%
Discount for lack of marketability (%)	12.09%-23.91%

(b) Sirius ESOP

Shanghai Sirius Testing Technology Co., Ltd. ("Shanghai Sirius"), a subsidiary of the Company, adopted a share incentive plan ("Sirius ESOP") in December 2023, for the purpose of attracting and retaining the best talents who promote the success of Shanghai Sirius's operations. Eligible participants of the Sirius ESOP include certain directors and employees of Shanghai Sirius. Pursuant to the adopted Sirius ESOP in December 2023 and May 2025, 7% and 8% of the equity shares in Shanghai Sirius were allocated to an employee incentive platforms. The restricted equity shares granted to each grantee shall be subject to service condition. The eligible participants would be repaid with original subscription price plus interest at a single digit interest rate if employment was terminated before the vesting date. The management determined the vesting period of the relevant restricted equity shares based on service requirements. Service conditions would be satisfied 3 years. As such, the share-based payment expenses were amortised during the vesting period. The fair value of the granted equity shares was determined by the management using a discounted cash flow method. During the Relevant Periods, respectively as at 31 December 2022, 2023, 2024 and 30 September 2025 the differences between the consideration and the fair value were amortised to profit or loss of nil, nil, RMB693,000 and RMB855,000, respectively.

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, respectively as at 31 December 2022, 2023, 2024 and 30 September 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB2,118,000, RMB1,499,000, RMB3,533,000 and RMB22,572,000, respectively, in respect of lease arrangements for buildings.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank borrowings and other borrowings	Lease liabilities	Redemption liabilities on equity shares	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2022.	26,790	14,334	299,709	340,833
Changes from financing cash flow . .	26,934	(2,613)	–	24,321
Maturity of discounted bills receivable	(8,289)	–	–	(8,289)
New leases	–	2,118	–	2,118
Recognition of redemption liabilities on equity shares.	–	–	179,239	179,239
Fair value losses on redemption liabilities on equity shares	–	–	172,312	172,312
Accretion of interest recognized during the year	1,232	656	–	1,888
At 31 December 2022 and 1 January 2023	<u>46,667</u>	<u>14,495</u>	<u>651,260</u>	<u>712,422</u>

	Interest-bearing bank borrowings and other borrowings	Lease liabilities	Redemption liabilities on equity shares	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Changes from financing cash flow . .	(8,263)	(4,415)	—	(12,678)
New leases	—	1,499	—	1,499
Recognition of redemption liabilities on equity shares	—	—	176,366	176,366
Fair value losses on redemption liabilities on equity shares	—	—	166,656	166,656
Accretion of interest recognized during the year	1,633	614	—	2,247
At 31 December 2023 and 1 January 2024	40,037	12,193	994,282	1,046,512
Changes from financing cash flow . .	77,613	(4,322)	—	73,291
Maturity of discounted bills receivable	(8,270)	—	—	(8,270)
New leases	—	3,533	—	3,533
Recognition of redemption liabilities on equity shares	—	—	238,653	238,653
Fair value losses on redemption liabilities on equity shares	—	—	127,992	127,992
Accretion of interest recognized during the year	2,724	510	—	3,234
At 31 December 2024 and 1 January 2025	112,104	11,914	1,360,927	1,484,945
Changes from financing cash flow . .	8,461	(7,815)	—	646
Maturity of discounted bills receivable	(19,029)	—	—	(19,029)
New leases	—	22,572	—	22,572
Fair value losses on redemption liabilities on equity shares	—	—	306,975	306,975
Accretion of interest recognized during the period	1,539	611	—	2,150
At 30 September 2025	103,075	27,282	1,667,902	1,798,259

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Within operating activities . .	1,312	597	—	—	724
Within financing activities . .	2,613	4,415	4,322	3,873	7,815
Total	3,925	5,012	4,322	3,873	8,539

35. COMMITMENTS

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Contracted, but not provided for:				
Property, plant and equipment	13,411	4,783	3,981	16,864

36. RELATED PARTY TRANSACTIONS

(a) Name and relationship of a related party

Name of related party	Relationship with the Group
Shanghai Huiyoucheng Sports Culture Co., Ltd.	30% equity held by the spouse of Wang Zhenggang, a member of core management of the Shanghai Huiyoucheng

(b) Transaction with a related party

The Group

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i>
Purchase of goods or services					
Shanghai Huiyoucheng Sports Culture Co., Ltd.	—	—	36	—	—

Transaction with the related party was carried out in accordance with the terms and conditions mutually agreed by the parties involved.

(c) Outstanding balances with related parties

The Company

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Due from subsidiaries	143,462	275,725	210,617	239,239
Due to subsidiaries	2,310	43,158	49,772	130,068

(d) Compensation of key management personnel of the Group

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Fees	—	708	500	375	375
Salaries, allowances and benefits in kind	6,124	5,402	6,300	4,761	4,951
Performance related bonuses .	1,537	244	2,595	1,991	2,090
Pension scheme contributions	439	490	378	289	273
Share-based payments	3,653	19,379	60	47	47
Total compensation paid to key management personnel.	11,753	26,223	9,833	7,463	7,736

Further details of directors' and supervisors' emoluments are included in Note 8 to the Historical Financial Information.

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods were as follows:

The Group*Financial assets*

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss:				
Structured deposits	26,228	10,172	45,086	65,028
Investments in equity instruments at fair value through profit or loss . .	—	—	—	12,000
	26,228	10,172	45,086	77,028
Financial assets at fair value through other comprehensive income:				
Trade and bills receivables	37,728	57,812	70,226	71,810
Financial assets at amortised cost:				
Trade and bills receivables	86,295	228,011	225,471	205,871
Financial assets included in prepayments, other receivables and other receivables	1,962	2,443	2,811	6,023
Cash and cash equivalents	29,923	63,971	230,435	104,764
Restricted cash	—	—	945	1,628
Total	182,136	362,409	574,974	467,124

Financial liabilities

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities at fair value through profit and loss:				
Redemption liabilities on equity shares	651,260	994,282	1,360,927	1,667,902
Financial liabilities at amortised cost:				
Trade payables	49,069	104,970	127,913	125,417
Financial liabilities included in other payables and accruals	17,364	20,007	22,801	37,975
Lease liabilities	14,495	12,193	11,914	27,282
Interest-bearing bank and other borrowings	46,667	40,037	112,104	103,075
Total	<u>778,855</u>	<u>1,171,489</u>	<u>1,635,659</u>	<u>1,961,651</u>

The Company*Financial assets*

	As at 31 December			As at 30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss:				
Structured deposits	21,220	10,172	45,086	15,013
Investments in equity instruments at fair value through profit or loss . .	<u>—</u>	<u>—</u>	<u>—</u>	<u>12,000</u>
	21,220	10,172	45,086	27,013
Financial assets at fair value through other comprehensive income:				
Trade and bills receivables	<u>22,617</u>	<u>26,271</u>	<u>54,669</u>	<u>56,904</u>
Financial assets at amortised cost:				
Trade and bills receivables	49,529	132,935	156,640	125,750
Due from subsidiaries	143,462	275,725	210,617	239,239
Financial assets included in prepayments, other receivables and other receivables	737	980	1,914	1,581
Cash and cash equivalents	16,294	47,016	87,334	57,146
Restricted cash	<u>—</u>	<u>—</u>	<u>945</u>	<u>1,628</u>
Total	<u>253,859</u>	<u>493,099</u>	<u>557,205</u>	<u>509,261</u>

Financial liabilities

	As at 31 December			As at
	2022	2023	2024	30 September
	RMB'000	RMB'000	RMB'000	RMB'000
Financial liabilities at fair value through profit and loss:				
Redemption liabilities on equity shares	651,260	994,282	1,360,927	1,667,902
Financial liabilities at amortised cost:				
Trade payables	48,618	103,265	123,333	118,356
Financial liabilities included in other payables and accruals	11,875	16,002	19,523	25,107
Due to subsidiaries	2,310	43,158	49,772	130,068
Lease liabilities	12,236	10,503	9,786	23,604
Interest-bearing bank and other borrowings	46,667	38,035	112,104	103,075
Total	772,966	1,205,245	1,675,445	2,068,112

38. TRANSFERS OF FINANCIAL ASSETS**Transferred bills receivable that are derecognized in their entirety**

The Group endorsed certain bills receivable accepted by banks (the “Derecognized Bills”) to certain of their suppliers in order to settle the trade payables due to such suppliers with carrying amounts in aggregate of RMB3,767,000, RMB71,495,000, RMB43,101,000 and RMB112,121,000 as at 31 December 2022, 2023, 2024 and 30 September 2025, respectively. Some bills receivable accepted by banks (the “Derecognized Bills”) were discounted with carrying amounts of RMB20,715,000, RMB30,678,000, RMB7,000,000 and Nil as at 31 December 2022, 2023, 2024 and 30 September 2025, respectively. The Derecognized Bills with a maturity of 1 to 6 months are considered as having very low credit risk. In accordance with the Law of Negotiable Instruments of PRC, the holders of the Derecognized Bills may exercise the right of recourse against any, several or all of the persons, including the Group, liable for the Derecognized Bills regardless of the order of precedence (the “Continuing Involvement”). In the opinion of the management, the Group has transferred substantially all the risks and rewards relating to the Derecognized Bills. Accordingly, it has derecognized the full carrying amounts of the Derecognized Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognized Bills and the undiscounted cash flows to repurchase these Derecognized Bills is equal to their carrying amounts. In the opinion of management, the fair values of the Group’s Continuing Involvement in the Derecognized Bills are not significant. No gains or losses were recognized from the Continuing Involvement during Relevant Periods.

Transferred bills receivable that are not derecognized in their entirety

The Group endorsed bills receivable with carrying amounts of RMB368,000, RMB3,231,000 and RMB1,915,000 (the “Endorsed Bills”) to some suppliers to settle accounts payable to such suppliers as at 31 December 2022, 2023 and 30 September 2025, respectively, and discounted bills receivable with carrying amounts of RMB631,000, RMB19,029,000 (the “Discounted Bills”) as at 31 December 2022 and 2024, respectively. In the opinion of the management, the Group retains significant risks and rewards, including the risk of default associated with the Endorsed Bills and Discounted Bills, and therefore the Group continues to recognise the full carrying amounts of the Endorsed Bills, Discounted Bills, related trade payables and short-term borrowings.

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, financial assets at fair value through profit and loss, trade payables, financial liabilities included in other payables and accruals, lease liabilities and current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments. The non-current portion of interest-bearing bank and other borrowings approximate to their carrying amounts mainly due to the floating interest rate.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group invests in financial assets at fair value through profit or loss, which represent structured deposits products issued by banks. The fair values are based on cash flows discounted using the expected yield rate.

The Group has bills receivable measured at fair value through other comprehensive income. The Group has estimated the fair value of these bills receivable by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of the redemption liabilities on equity shares measured at fair value through profit and loss are determined using the back-solve method or discounted cash flow method, and option pricing method including Black-Scholes model. Further details are set out in note 27 to the Historical Financial Information.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at the end of each of the Relevant Periods:

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2022

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss	—	26,228	—	26,228
Trade and bills receivables	—	37,728	—	37,728
Total	—	63,956	—	63,956

As at 31 December 2023

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss	—	10,172	—	10,172
Trade and bills receivables	—	57,812	—	57,812
Total	—	67,984	—	67,984
	=	=	=	=

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss	—	45,086	—	45,086
Trade and bills receivables	—	70,226	—	70,226
Total	—	115,312	—	115,312
	=	=	=	=

As at 30 September 2025

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit and loss	—	77,028	—	77,028
Trade and bills receivables	—	71,810	—	71,810
Total	—	148,838	—	148,838
	=	=	=	=

Liabilities measured at fair value:

	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2022				
Redemption liabilities on equity shares.	—	—	651,260	651,260
	=	=	=	=
As at 31 December 2023				
Redemption liabilities on equity shares.	—	—	994,282	994,282
	=	=	=	=

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2024				
Redemption liabilities on equity shares.	—	—	1,360,927	1,360,927
	=	=	=	=
As at 30 September 2025				
Redemption liabilities on equity shares.	—	—	1,667,902	1,667,902
	=	=	=	=

The movements of redemption liabilities on equity shares are disclosed in note 27 to the Historical Financial Information.

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at the end of each of the Relevant Periods:

31 December 2022

	Valuation technique	Significant unobservable inputs	Weighted range	Sensitivity of fair value to the input
Redemption liabilities on equity shares	Back-solve method	Risk-free interest rate	2.40%	1% increase/decrease in risk-free interest rate would result in decrease/increase fair value by RMB2,202,000/RMB2,228,000
		Volatility	47.97%	1% increase/decrease in volatility would result in decrease/increase fair value by RMB2,944,000/RMB2,934,000
		DLOM	23.91%	1% increase/decrease in DLOM would result in decrease/ increase in fair value by RMB2,307,000/RMB2,307,000

31 December 2023

	Valuation technique	Significant unobservable inputs	Weighted range	Sensitivity of fair value to the input
Redemption liabilities on equity shares	Discounted cash flow method	Discount rate	11.10%	0.1% increase/decrease in discount rate would result in decrease/increase fair value by RMB13,251,000/ RMB13,561,000
		Risk-free interest rate	2.21%	1% increase/decrease in risk-free interest rate would result in decrease/increase fair value by RMB1,241,000/RMB1,269,000

	Valuation technique	Significant unobservable inputs	Weighted range	Sensitivity of fair value to the input
		Volatility	47.54%	1% increase/decrease in volatility would result in decrease/increase fair value by RMB3,071,000/RMB3,073,000
		DLOM	19.99%	1% increase/decrease in DLOM would result in decrease/increase in fair value by RMB1,469,000/RMB1,469,000

31 December 2024

	Valuation technique	Significant unobservable inputs	Weighted range	Sensitivity of fair value to the input
Redemption liabilities on equity shares	Back-solve method	Risk-free interest rate	1.08%	1% increase/decrease in risk-free interest rate would result in decrease/increase fair value by RMB733,000/RMB743,000
		Volatility	53.07%	1% increase/decrease in volatility would result in decrease/increase fair value by RMB2,970,000/RMB2,970,000
		DLOM	17.48%	1% increase/decrease in DLOM would result in decrease/increase in fair value by RMB1,897,000/RMB1,897,000

30 September 2025

	Valuation technique	Significant unobservable inputs	Weighted range	Sensitivity of fair value to the input
Redemption liabilities on equity shares	Discounted cash flow method	Discount rate	11.10%	0.1% increase/decrease in discount rate would result in decrease/increase fair value by RMB23,748,000/RMB20,982,000
		Risk-free interest rate	1.34%	1% increase/decrease in risk-free interest rate would result in decrease/increase fair value by RMB105,000/RMB105,000
		Volatility	32.60%	1% increase/decrease in volatility would result in decrease/increase fair value by RMB193,000/RMB193,000
		DLOM	5.46%	1% increase/decrease in DLOM would result in decrease/increase in fair value by RMB2,108,000/RMB2,108,000

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings and redemption liabilities on equity shares. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarized below.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. As the Group's major businesses are in Chinese Mainland, the majority of the transactions are conducted in RMB. Most of the Group's assets and liabilities are denominated in RMB. The Group was not exposed to material foreign currency risk during the Relevant Periods.

Credit risk

The Group trades only with recognized and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods.

The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2022

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	—	—	—	128,113	128,113
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,029	—	—	—	2,029
Cash and cash equivalents					
– Not yet past due	29,923	—	—	—	29,923
Total	31,952	—	—	128,113	160,065

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	–	–	–	297,774	297,774
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,460	–	–	–	2,460
Cash and cash equivalents					
– Not yet past due	63,971	–	–	–	63,971
Total	66,431	–	–	297,774	364,205

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	–	–	–	307,168	307,168
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,836	–	–	–	2,836
Restricted cash					
– Not yet past due	945	–	–	–	945
Cash and cash equivalents					
– Not yet past due	230,435	–	–	–	230,435
Total	234,216	–	–	307,168	541,384

As at 30 September 2025

	12-month ECLs	Lifetime ECLs			Total
	Stage 1	Stage 2	Stage 3	Simplified approach	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills receivables*	–	–	–	288,922	288,922
Financial assets included in prepayments, other receivables and other assets					
– Normal**	6,059	–	–	–	6,059
Restricted cash					
– Not yet past due	1,628	–	–	–	1,628
Cash and cash equivalents					
– Not yet past due	104,764	–	–	–	104,764
Total	112,451	–	–	288,922	401,373

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the Historical Financial Information.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 19 to the Historical Financial Information.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, lease liabilities and other interest-bearing loans.

The maturity profile of the Group's financial liabilities as at the end of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

	On demand or less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2022						
Trade payables	49,069	—	—	—	—	49,069
Interest-bearing bank and other borrowings	47,199	—	—	—	—	47,199
Lease liabilities	3,441	3,181	2,345	2,923	4,448	16,338
Financial liabilities included in other payables	17,364	—	—	—	—	17,364
Redemption liabilities on equity shares.	651,260	—	—	—	—	651,260
Total	<u>768,333</u>	<u>3,181</u>	<u>2,345</u>	<u>2,923</u>	<u>4,448</u>	<u>781,230</u>

	On demand or less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023						
Trade payables	104,970	—	—	—	—	104,970
Interest-bearing bank and other borrowings	40,549	—	—	—	—	40,549
Lease liabilities	4,020	2,345	1,736	2,428	3,207	13,736
Financial liabilities included in other payables	20,007	—	—	—	—	20,007
Redemption liabilities on equity shares.	994,282	—	—	—	—	994,282
Total	<u>1,163,828</u>	<u>2,345</u>	<u>1,736</u>	<u>2,428</u>	<u>3,207</u>	<u>1,173,544</u>

	On demand or less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2024						
Trade payables	127,913	–	–	–	–	127,913
Interest-bearing bank and other borrowings	90,502	23,300	–	–	–	113,802
Lease liabilities	3,474	2,707	1,540	2,775	2,626	13,122
Financial liabilities included in other payables	22,801	–	–	–	–	22,801
Redemption liabilities on equity shares.	1,360,927	–	–	–	–	1,360,927
Total	<u>1,605,617</u>	<u>26,007</u>	<u>1,540</u>	<u>2,775</u>	<u>2,626</u>	<u>1,638,565</u>

	On demand or less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 30 September 2025						
Trade payables	125,417	–	–	–	–	125,417
Interest-bearing bank and other borrowings	104,837	–	–	–	–	104,837
Lease liabilities	6,462	4,910	3,412	6,888	9,343	31,015
Financial liabilities included in other payables	37,975	–	–	–	–	37,975
Redemption liabilities on equity shares.	1,667,902	–	–	–	–	1,667,902
Total	<u>1,942,593</u>	<u>4,910</u>	<u>3,412</u>	<u>6,888</u>	<u>9,343</u>	<u>1,967,146</u>

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

41. EVENTS AFTER THE RELEVANT PERIODS

As at the date of this report, the Group has no significant events subsequent to the end of the Relevant Periods.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of its subsidiaries in respect of any period subsequent to 30 September 2025.

The following information sets out in this appendix does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Reporting Accountants, as set out in Appendix I to this prospectus, and is included herein for illustrative purpose only. The unaudited pro forma financial information should be read in conjunction with "Financial Information" and the Accountants' Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets has been prepared in accordance with Rule 4.29 of the Hong Kong Listing Rules and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on our consolidated net tangible assets as of 30 September 2025 as if it had taken place on 30 September 2025.

The unaudited pro forma adjusted consolidated net tangible assets have been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as of 30 September 2025 or any future dates. It is prepared based on our consolidated net tangible assets as of 30 September 2025 as set out in the Accountants' Report as set out in Appendix I to this prospectus and adjusted as described below.

	Consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 September 2025	Estimated net proceeds from the Global Offering	Estimated impact related to the reclassification of redemption liabilities on equity shares upon Listing	Unaudited pro forma adjusted consolidated net tangible assets attributable to owner of the Company	Unaudited pro forma adjusted consolidated net tangible assets per Share	
	RMB'000 (note 1)	RMB'000 (note 2)	(note 3)	RMB'000	RMB (note 4)	HK\$ (note 5)
Based on an Offer Price of HK\$42.00 per Share . .	(1,275,875)	560,788	1,667,902	952,815	7.72	8.72
Based on an Offer Price of HK\$48.00 per Share . .	(1,275,875)	643,482	1,667,902	1,035,509	8.39	9.48

Notes:

1. The consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 September 2025 is based on consolidated net liabilities of attributable to owners of the Company as at 30 September 2025 of approximately RMB1,258,200,000 after deducting of intangible assets of RMB17,675,000 as of 30 September 2025 set out in the Accountants' Report in Appendix I to this prospectus.
2. The estimated net proceeds from the Global Offering are based on the Offer Price at the indicative Price of HK\$42.00 and HK\$48.00 per Share, respectively, after deduction of the underwriting fees and other related expenses payable by the Group (excluding the listing expenses that have been charged to profit or loss during the Track Record Period). The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into Renminbi at an exchange rate of HK\$1.0 to RMB0.88484. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate or any other rates or at all.
3. For the purpose of the unaudited pro forma financial information, considering the estimated impact related to the reclassification of redemption liabilities on equity shares upon Listing, the unaudited pro forma adjusted net tangible assets attributable to the owners of the Company will be increased by RMB1,667,902,000, being the fair value of the redemption liabilities on equity shares as at 30 September 2025. Upon the Listing and the completion of the Global Offering, the redemption liabilities on equity shares will be reclassified to equity at the fair value.
4. The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company and the amounts per share are arrived at after the adjustments referred to in the preceding paragraphs (note 2 and 3 above) and on the basis that 123,395,266 shares in issue assuming that the automatic conversion of Preferred Shares into ordinary shares, the Share Subdivision and the Global Offering had been completed on 30 September 2025.
5. For the purpose of this unaudited pro forma statement of adjusted net tangible assets, the balances stated in RMB are converted into HK\$ at the rate of HK\$1.00 to RMB0.88484.
6. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions for the Group entered into subsequent to 30 September 2025.



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B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Jiangsu New Vision Automotive Electronics Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Jiangsu New Vision Automotive Electronics Co., Ltd. (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company (the “Directors”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 30 September 2025, and related notes as set out on pages IIA-1 and IIA-2 of the prospectus dated 16 March 2026 (the “Prospectus”) issued by the Company (the “Unaudited Pro Forma Financial Information”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix IIA.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 30 September 2025 as if the transaction had taken place at 30 September 2025. As part of this process, information about the Group's financial position, has been extracted by the Directors from the Group's financial statements for the period ended 30 September 2025, on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline (“AG”) 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong

16 March 2026

**APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025**

The following is the preliminary financial information of our Group as at and for the year ended 31 December 2025 (the “2025 Preliminary Financial Information”), together with comparative financial information as of and for the year ended 31 December 2024 and a management’s discussion and analysis of our Group’s financial position and results of operations between the two periods. The 2025 Preliminary Financial Information does not constitute the consolidated financial statements of the Group for the year ended 31 December 2025 but is extracted from those financial statements. The 2025 Preliminary Financial Information has been prepared based on the consolidated financial statements of the Group prepared in accordance with IFRS Accounting Standards and was not audited. Investors should bear in mind that the 2025 Preliminary Financial Information in this appendix may be subject to adjustments.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	Year ended 31 December	
		2025	2024
		RMB'000 (unaudited)	RMB'000
REVENUE	4	666,600	577,620
Cost of sales		(509,383)	(419,749)
Gross profit		<u>157,217</u>	<u>157,871</u>
Other income and gains	4	8,796	11,073
Selling and marketing expenses		(28,218)	(24,014)
Administrative expenses		(121,169)	(80,334)
Research and development expenses		(67,730)	(62,085)
Impairment losses on financial and contract assets, net		(156)	(147)
Other expenses		(2,354)	(7,694)
Finance costs	5	<u>(3,620)</u>	<u>(3,234)</u>
Loss before fair value losses on redemption liabilities on equity shares		(57,234)	(8,564)
Fair value losses on redemption liabilities on equity shares		<u>(609,374)</u>	<u>(127,992)</u>
LOSS BEFORE TAX	6	(666,608)	(136,556)
Income tax expense	7	<u>(2,388)</u>	<u>(1,295)</u>
LOSS FOR THE YEAR		<u>(668,996)</u>	<u>(137,851)</u>
Loss attributable to:			
Owners of the parent		(676,404)	(143,274)
Non-controlling interests		<u>7,408</u>	<u>5,423</u>
		<u>(668,996)</u>	<u>(137,851)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)		<u>(12.62)</u>	<u>(2.80)</u>

APPENDIX IIB	UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
LOSS FOR THE YEAR	<u>(668,996)</u>	<u>(137,851)</u>
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	(119)	169
Exchange differences on translation of foreign operations	<u>7</u>	<u>—</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(669,108)</u>	<u>(137,682)</u>
Attributable to:		
Owners of the parent	(676,544)	(143,153)
Non-controlling interests	<u>7,436</u>	<u>5,471</u>
	<u>(669,108)</u>	<u>(137,682)</u>

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
	Notes	2025	2024
		RMB'000	RMB'000
		(unaudited)	
NON-CURRENT ASSETS			
Property, plant and equipment		118,081	65,450
Right-of-use assets		22,911	10,886
Intangible assets		19,550	19,491
Other non-current assets		665	20
Contract assets	11	5,931	4,421
Financial assets at fair value through profit and loss		12,660	—
Total non-current assets		179,798	100,268
CURRENT ASSETS			
Inventories	10	87,481	89,310
Trade and bills receivables	11	290,520	295,697
Contract assets	11	6,709	1,968
Prepayments, other receivables and other assets . .		14,577	12,427
Financial assets at fair value through profit and loss		88,067	45,086
Restricted cash		1,132	945
Cash and cash equivalents		126,581	230,435
Total current assets		615,067	675,868
CURRENT LIABILITIES			
Trade payables	12	136,094	127,913
Other payables and accruals		80,960	52,537
Contract liabilities		13,757	5,681
Interest-bearing bank and other borrowings		126,141	89,104
Lease liabilities		5,603	3,217
Redemption liabilities on equity shares	13	1,970,301	1,360,927
Warranty provision		1,333	1,155
Tax payable		289	1,295
Total current liabilities		2,334,478	1,641,829
NET CURRENT LIABILITIES		(1,719,411)	(965,961)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		(1,539,613)	(865,693)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		—	23,000
Lease liabilities		17,941	8,697
Deferred income		1,529	—
Total non-current liabilities		19,470	31,697
NET LIABILITIES		(1,559,083)	(897,390)
EQUITY			
Equity attributable to owners of the parent			
Share capital		53,584	53,584
Reserves		(1,634,616)	(962,037)
		(1,581,032)	(908,453)
Non-controlling interests		21,949	11,063
Total deficits		(1,559,083)	(897,390)

NOTES TO THE 2025 PRELIMINARY FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The 2025 Preliminary Financial Information has been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting standards, International Accounting Standards (“IASs”) and Interpretations) issued by the International Accounting Standards Board (the “IASB”). It has been prepared under the historical cost convention, except for redemption liabilities on equity shares and certain financial instruments which have been measured at fair value. The financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The 2025 Preliminary Financial Information does not include all of the information required for a complete set of financial statements prepared in accordance with the IFRS Accounting Standards.

The consolidated financial statements have been prepared under the going concern basis notwithstanding the fact that, as at 31 December 2025, the Group recorded net current liabilities and net liabilities amounting to RMB1,719,411,000 and RMB1,559,083,000, respectively. The net current liabilities and net liabilities primarily arose from the redemption liabilities on equity shares amounting to RMB1,970,301,000 as at 31 December 2025. As set out in the paragraph headed “Special rights of the Pre-IPO Investors – HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE” to this prospectus, pursuant to a supplemental agreement entered into by the Company with, among others, the then shareholders of the Company, the redemption feature has ceased to be effective prior to the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable if:

- (i) the listing application of the Company is not accepted or voluntarily withdrawn;
- (ii) the listing application fails to pass the filing with CSRC, or fails to pass the review, approval, or registration with the Stock Exchange;
- (iii) the Joint Sponsors withdraw sponsorship, resulting in terminating of listing application;
- (iv) the listing application is advised to be withdrawn, resulting in terminating of listing application;
- (v) the Listing does not take place prior to 31 December, 2027; or
- (vi) the Listing does not take place within 24 months of the Listing approval from Stock Exchange.

Based on the Group’s historical performance and management’s operating and financing plans, the directors of the Company believe the cash and cash equivalents and the operating and financing cash flows are sufficient to meet the cash requirements to fund the Group’s planned operations, capital expenditures and other obligations for at least the next twelve months after 31 December 2025. Therefore, the consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognized in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
IFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

The application of IFRS 18 will have no impact on the consolidated statement of financial position of the Group, but will have impact on the presentation of the consolidated statement of profit or loss and the consolidated statement of comprehensive income and consolidated statements of cash flows. Except for IFRS 18, the directors of the Company anticipate that the application of these amendments to IFRS Accounting Standards will have no material impact on the Group's financial performance and financial position in the foreseeable future.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

Geographical information

Almost all the non-current assets of the Group are physically located in Chinese Mainland. The geographical location of customers is based on the location at which the customers operate, and almost all of the revenue of the Group was derived from operations in Chinese Mainland.

Information about major customers

Information about external customers from which the revenue amounted to over 10% of the total revenue of the Group is set out below:

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Customer A	101,811	134,004
Customer B	157,056	126,758
Customer C	98,837	80,487
Customer D	122,767	75,188
Customer G	68,945	*
Customer H	71,500	*
	<u>666,600</u>	<u>577,620</u>

* Less than 10% of the Group's revenue

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Revenue from contracts with customers	<u>666,600</u>	<u>577,620</u>

Revenue from contracts with customers

Disaggregated revenue information

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Types of goods		
Sales of HUD solutions	621,570	540,574
Sales of testing solutions	29,130	32,407
Others	15,900	4,639
Total	<u>666,600</u>	<u>577,620</u>
Timing of revenue recognition		
Goods transferred at a point in time	<u>666,600</u>	<u>577,620</u>

Since almost all of the revenue of the Group was derived from operations in Chinese Mainland during the reporting period, revenue from the overseas markets of the Group was assessed as not material.

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

Other income and gains

An analysis of other income and gains is as follows:

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Other income		
Government grants	3,009	7,601
Bank interest income	395	364
Investment income from structured deposits	1,282	649
Value-added tax ("VAT") additional deduction	3,158	2,617
Others	582	187
Total other income	8,426	11,418
Gains		
Fair value gains on investments in equity instruments	660	–
Loss on sales of scrap materials, net	(218)	(348)
Foreign exchange differences, net	(72)	3
Total gains	370	(345)
Total other income and gains, net	8,796	11,073

5. FINANCE COSTS

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Interest on bank and other borrowings	2,809	2,724
Interest on lease liabilities	811	510
Total	3,620	3,234

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Cost of inventories and services sold	509,383	419,749
Depreciation of property, plant and equipment	19,629	23,474
Depreciation of right-of-use assets	5,188	3,866
Amortisation of intangible assets	5,363	4,146
Lease payments not included in the measurement of lease liabilities	1,112	–
Research and development expenses	67,730	62,085
Fair value losses on redemption liabilities on equity shares	609,374	127,992
Foreign exchange differences, net	72	(3)
Bank interest income	(395)	(364)
Investment income from structured deposits	(1,282)	(649)
Impairment loss on financial assets and contract assets	156	147
Losses on disposal of items of property, plant and equipment	216	5,053
Listing expenses	22,912	–
Employee benefit expenses (including directors' and chief executive's remuneration)		
Wages and salaries	119,478	102,846
Pension scheme contributions and social welfare	14,602	13,694
Share-based payments	5,195	2,728

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the countries/jurisdictions in which members of the Group are domiciled or operate.

Chinese Mainland

The subsidiaries registered in Chinese Mainland are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for certain members of the Group which are subject to tax preferential policy set out below:

The Company renewed its “High and New Technology Enterprises” (“HNTE”) qualification in 2024, so it was entitled to the preferential tax rate of 15% from 2024 to 2026.

In addition, New Vision (Xi’an) Automotive Electronics Co., Ltd. obtained its HNTE qualification in 2023, and Jilin New Vision Automotive Electronics Co., Ltd., Shanghai Sirius Testing Technology Co., Ltd. were granted with the qualification of HNTE in 2024. Accordingly, the subsidiaries were entitled to a preferential corporate income tax rate of 15% during corresponding periods.

Certain subsidiaries of the Group have applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC’s Ministry of Finance and the State Administration of Taxation. Pursuant to the Cai Shui [2023] No. 6, the portion of annual taxable income of small and micro enterprises not exceeding RMB1,000,000 shall be deducted to 25% of the taxable income and subject to income tax at a rate of 20% for the period from 1 January 2023 to 31 December 2024. Pursuant to the Cai Shui [2022] No. 13, the portion of annual taxable income of small and micro enterprises exceeding RMB1,000,000 but not exceeding RMB3,000,000 shall be deducted to 25% of the taxable income and subject to income tax at a rate of 20% for the period from 1 January 2022 to 31 December 2024. Pursuant to Cai Shui [2023] No. 12, the policy of reducing the taxable income of small and micro enterprises to 25% and entitling them to a corporate income tax rate of 20% will be extended until 31 December 2027.

The income tax expense of the Group for the Reporting Period is analysed as follows:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	
Current income tax	2,388	1,295
Deferred income tax	—	—
Total tax charge for the year	<u>2,388</u>	<u>1,295</u>

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the countries/jurisdictions in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	
Loss before tax	(666,608)	(136,556)
Tax at the statutory tax rate (15%).	(99,991)	(20,483)
Effect of preferential tax rates	1,192	75
Expenses not deductible for tax	93,483	21,100
Additional deductible allowance for qualified research and development costs (a)	(9,481)	(8,716)
Tax losses utilised from previous periods	(1,519)	(173)
Temporary differences and tax losses not recognized (b)	18,704	9,492
Tax charge at the Group’s effective tax rate	<u>2,388</u>	<u>1,295</u>

- (a) Based on Public Notice 2023 No. 7 issued by the State Tax Bureau of the PRC on 26 March 2023, the enterprises were eligible for a 100% deduction of eligible research and development expenses from 1 January 2023. The Group has claimed such additional super deduction during the Reporting Period.
- (b) Deferred tax assets have not been recognized in respect of these losses and deductible temporary differences as the Company and its subsidiaries have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

8. DIVIDENDS

No dividend was paid or declared by the Company during the year (2024: Nil)

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares of 53,584,383 (2024: 51,180,440) outstanding during the year.

The calculation of basic loss per share is based on:

	Year ended 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Loss		
Loss attributable to ordinary equity holders of the parent (RMB'000).	(676,404)	(143,274)
Shares		
Weighted average number ('000) of ordinary shares during the year	53,584	51,180

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

No adjustment has been made to the basic loss per share amounts during the years ended 31 December 2025 and 2024 in respect of a dilution as the impact of the redemption liabilities on equity shares had an anti-dilutive effect on the basic loss per share amounts presented.

In addition, the Company expect to conduct the Share Subdivision immediately prior to the Listing, pursuant to which each of Share with par value of RMB1.00 will be subdivided into two Shares with par value of RMB0.50 each. Had Share Subdivision occurred, the weighted average number of shares as presented should be adjusted to 107,168,766 (2024: 102,360,880) retrospectively. Accordingly, the basic and diluted loss per share will be presented as RMB6.31 for the year ended 31 December 2025 (2024: RMB1.40).

10. INVENTORIES

	As at 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Raw materials	24,527	21,873
Work in progress	6,106	6,624
Finished goods	28,192	48,825
Contract costs	28,656	11,988
Total	87,481	89,310

11. TRADE AND BILLS RECEIVABLES AND CONTRACT ASSETS

	As at 31 December	
	2025	2024
	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Non-current:		
Contract assets	6,597	5,829
Less: Impairment losses	(666)	(1,408)
Subtotal	5,931	4,421
Current:		
Trade receivables	224,300	212,728
Bills receivable	78,191	94,440
Contract assets	7,206	2,072
	309,697	309,240
Less: Impairment losses	(12,468)	(11,575)
Subtotal	297,229	297,665
Total	303,160	302,086

An aging analysis of the trade and bills receivables and contract assets as at the end of reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Within 1 year	299,469	297,077
1 to 2 years	3,691	4,517
2 to 3 years	—	492
Total	303,160	302,086

12. TRADE PAYABLES

	As at 31 December	
	2025	2024
	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Trade payables	136,094	127,913

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

	As at 31 December	
	2025	2024
	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Within 1 year	134,790	127,556
1 to 2 years	1,304	103
2 to 3 years	—	189
Over 3 years	—	65
Total	136,094	127,913

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

13. REDEMPTION LIABILITIES ON EQUITY SHARES

The key terms of all series of the Preferred Shares are summarized as follows:

Redemption features

Upon occurrence of the following events which cannot be controlled by the Company, the related shares shall be redeemable by the Company at the option of the shareholders:

- The Listing does not take place prior to 31 December, 2027; or
- Any change in the Company's de facto control occurs, or instability arises in the Company's equity or controlling shareholders' ownership due to marriage, inheritance (or their ultimate beneficial owners, if such shareholders are legal entities), thereby creating material obstacles or risks to the Company's IPO; or
- Any member of the core management team (including Mr. Zhang Tao, Mr. Zhang Bo, Mr. Lyu Tao and Mr. Wang Zhenggang, as of the Preferred Shares contract signing date) voluntarily resigns or terminates employment, unless approved in writing by investors.

Presentation and classification

The Group and the Company have designated the Preferred Shares issued to investors as financial liabilities carried at fair value through profit or loss and presented as "redemption liabilities on equity shares" in the consolidated statements of financial position. The fair value losses on the redemption liabilities on equity shares is charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that the fair value change in the redemption liabilities on equity shares attributable to changes of own credit risk is not significant.

The redemption liabilities on equity shares were presented in current liabilities as at 31 December 2025 and 2024.

Pursuant to a supplemental agreement entered into by the Company with, among others, the then shareholders of the Company, the redemption feature has ceased to be effective prior to the first submission of the listing application to the Stock Exchange for the purpose of the Global Offering, and will only be exercisable in certain events mentioned in note 1.

The movements of the redemption liabilities on equity shares are set out below:

	Ordinary Shares*	Series Pre-A Shares	Series A Shares**	Series B Shares	Series C Shares	Series C+ Shares	Series Strategic Round Shares	Series D1 Shares	Series D2 Shares	Series E1 Shares	Series E2 Shares	Total Shares
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	58,308	147,039	–	150,157	245,773	150,702	84,416	86,587	71,300	–	–	994,282
Issue*	–	–	113,510	–	–	–	–	–	–	15,143	110,000	238,653
Changes in fair value	7,557	24,952	–	18,771	31,251	17,966	9,596	9,405	7,764	147	583	127,992
At 31 December 2024 and at 1 January 2025	65,865	171,991	113,510	168,928	277,024	168,668	94,012	95,992	79,064	15,290	110,583	1,360,927
Changes in fair value	30,792	83,954	56,365	77,394	128,084	74,278	39,540	37,612	31,125	6,059	44,171	609,374
At 31 December 2025 (unaudited)	96,657	255,945	169,875	246,322	405,108	242,946	133,552	133,604	110,189	21,349	154,754	1,970,301

* Including shares transferred from common shares.

** Although the consideration of Series A Financing were settled in 2018, the investors did not obtain preferential rights at the time of initial investments. As a result, the Company classified these investments as ordinary shares at that point. Subsequently, the Series A investors were granted preferential rights by the end of 2024, and the Company recognized redemption liabilities on equity shares at fair value as of the end of 2024 according to the applicable IFRS.

The Group applied the back-solve method or discounted cash flow method, and option pricing method including Black-Scholes model to determine the fair value of the redemption liabilities on equity shares. Key assumptions are set out below:

	As at 31 December	
	2025	2024
	RMB'000 (unaudited)	RMB'000
Discount rate*	11.00%	—
Risk-free interest rate	1.26%	1.08%
Discount for lack of marketability (“DLOM”)	5.16%	17.48%
Volatility	34.00%	53.07%
Possibilities under liquidation scenario	10.00%	10.00%
Possibilities under redemption scenario	10.00%	10.00%
Possibilities under conversion scenario	80.00%	80.00%

* The Group applied the discounted cash flow method for the year ended 31 December 2025 and the back-solve method for the years ended 31 December 2024.

The discount rate was determined based on a consideration of the factors including risk-free rate, comparative industry risk, equity risk premium, company size and non-systemic risk factors. The Group estimated the risk-free interest rate based on the yield of the Chinese Mainland Government Bond with maturity close to the expected exit timing as at the valuation date. The DLOM was quantified by the Finnerty Model. Under this option pricing method, which assumed that the price of the put option is struck at the average price of the stock before the privately held shares can be sold, the cost of the put option was considered as a basis to determine the DLOM. This option pricing method is one of the methods commonly used in estimating DLOM as it can take into consideration factors such as timing of a liquidity event, including an initial public offering, and estimated volatility of the shares. The farther the valuation date is from an expected liquidity event, the higher the put option value and thus the higher the implied DLOM. The volatility was estimated based on annualised standard deviation of daily share price return of comparable companies for a period from the valuation date and with a similar span as time to expiration. In addition to the assumptions adopted above, the Company’s projections of future performance were also factored into the determination of the fair value of the Preferred Shares on the valuation date.

BUSINESS REVIEW AND OUTLOOK

We are a HUD solution provider based in China primarily engaged in the R&D, production and sale of HUD solutions that enhance vehicle intelligence, automotive safety and in-vehicle experience in various application scenarios to cater to diverse customization needs and expectations for functionalities. Our HUD solutions include CyberLens, our windshield HUD (W-HUD) solution, and CyberVision, our augmented reality HUD (AR-HUD) solution. We also provide testing solutions and other innovative visual technology initiatives complementary to our HUD solutions.

We primarily act as a Tier-1 supplier of automotive OEMs for our HUD solutions. Our HUD solution customers primarily consist of leading automotive OEMs that manufacture both intelligent vehicles, including electric vehicles and hybrid vehicles, and internal combustion engine (ICE) vehicles. Customers of our testing solutions primarily consisted of automotive OEMs, automobile glass manufacturers and other companies that produce HUD solutions. We collaborate with automotive OEMs in depth on joint development at solution definition stage to empower new vehicle models with more immersive human-vehicle interactions and intelligent driving experience.

We are the leader in the commercialization of HUD solutions in China. With our highly competitive solutions, outstanding integrated and full-range proprietary technology architecture and powerful mass production delivery capability, we have won recognition from a number of customers, establishing our leading market position. We possess full-stack platform-based R&D capabilities that seamlessly integrate hardware and software across optical design, mechanical engineering, software algorithm development, electronics design and HMI, coupled with rigorous verification and validation.

Leveraging our leadership position in the commercialization of HUD solutions in China, our industry-leading design-wins with leading OEM customers, robust technology architecture and solutions matrix, and strong mass production capabilities, we believe we have laid a solid foundation for our long-term development and business sustainability. In particular, we plan to enhance our profitability in the next few years, primarily by (i) driving revenue growth; (ii) enhancing economies of scale; (iii) strengthening operating leverage; and (iv) optimizing our working capital. With the industry's growth trajectory aligning with our capacity to deliver cost-optimized solutions at mass scale, we are poised to transform early-stage investments into sustainable profitability, capturing value as the market matures.

Our Directors confirm that there has been no material adverse change in our financial or trading position or prospects since December 31, 2025 and up to the date of this prospectus.

RESULTS OF OPERATIONS

The following table sets forth selected consolidated statements of profit or loss for the years indicated:

	Year ended December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Revenue	666,600	577,620
Cost of sales	<u>(509,383)</u>	<u>(419,749)</u>
Gross profit	157,217	157,871
Other income and gains	8,796	11,073
Selling and marketing expenses	(28,218)	(24,014)
Administrative expenses	(121,169)	(80,334)
Research and development expenses	(67,730)	(62,085)
Impairment losses on financial and contract assets, net	(156)	(147)

**APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Year ended December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Other expenses	(2,354)	(7,694)
Finance costs	(3,620)	(3,234)
Loss before fair value losses on redemption		
liabilities on equity shares	(57,234)	(8,564)
Fair value losses on redemption liabilities on equity shares	(609,374)	(127,992)
LOSS BEFORE TAX	(666,608)	(136,556)
Income tax expense	(2,388)	(1,295)
LOSS FOR THE YEAR	(668,996)	(137,851)
Loss attributable to:		
Owners of the parent	(676,404)	(143,274)
Non-controlling interests	7,408	5,423

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Our revenue increased by 15.4% from RMB577.6 million in 2024 to RMB666.6 million in 2025, driven by the increased revenue from our sales of HUD solutions and others, partially offset by a decrease in sales of testing solutions.

Sales of HUD Solutions

Our revenue from sales of HUD solutions increased by 15.0% from RMB540.6 million in 2024 to RMB621.6 million in 2025, primarily attributable to an increase in our revenue from sales of CyberVision driven by increased sales volume of our CyberVision as several vehicle models using CyberVision commenced mass production in 2025.

Sales of Testing Solutions

Our revenue from sales of testing solutions decreased by 10.1% from RMB32.4 million in 2024 to RMB29.1 million in 2025, primarily because certain of our 2025 testing solutions on hand are scheduled to be delivered in 2026.

Others

Our revenue from others increased significantly from RMB4.6 million in 2024 to RMB15.9 million in 2025, primarily because we recognized revenue from two major projects initiated in 2023 in relation to our R&D services and tooling development services in 2025 in accordance with the relevant project contracts.

Cost of Sales

Our cost of sales increased by 21.4% from RMB419.7 million in 2024 to RMB509.4 million in 2025, generally in line with our revenue growth from 2024 to 2025.

Sales of HUD Solutions

Our cost of sales for sales of HUD solutions increased by 21.9% from RMB391.4 million in 2024 to RMB477.0 million in 2025, generally in line with our revenue growth in sales of HUD solutions.

Sales of Testing Solutions

Our cost of sales for sales of testing solutions decreased by 10.5% from RMB24.1 million in 2024 to RMB21.6 million in 2025, generally in line with the decreased revenue from sales of testing solutions and attributable to our effective cost control efforts.

Others

Our cost of sales for others increased significantly from RMB4.2 million in 2024 to RMB10.8 million in 2025, generally in line with the increased revenue for the corresponding business.

Gross Profit and Gross Profit Margin

Sales of HUD Solutions

Our gross profit from sales of HUD solutions remained relatively stable at RMB149.2 million and RMB144.6 million in 2024 and 2025, respectively. Our gross profit margin for sales of HUD solutions decreased from 27.6% in 2024 to 23.3% in 2025, primarily attributable to the surge in sales volume of our HUD solutions with relatively lower gross profit margin to certain customers in 2025.

Sales of Testing Solutions

Our gross profit from sales of testing solutions decreased by 9.0% from RMB8.3 million in 2024 to RMB7.5 million in 2025, generally in line with the decrease in its revenue. The gross profit margin for sales of testing solutions remained relatively stable at 25.6% and 25.9% in 2024 and 2025, respectively.

Others

Our gross profit from others increased significantly from RMB0.4 million in 2024 to RMB5.1 million in 2025, generally in line with its revenue growth. Our gross profit margin increased significantly from 9.0% in 2024 to 32.2% in 2025, primarily attributable to (i) the higher gross margin generated from a research and development service project, and (ii) the enhanced R&D efficiency resulting from our improved technical capabilities.

Other Income and Gains

Our other income and gains decreased by 20.6% from RMB11.1 million in 2024 to RMB8.8 million in 2025, primarily attributable to a lower level of government grants and reduced investment income from structured deposits in 2025.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 17.5% from RMB24.0 million in 2024 to RMB28.2 million in 2025, primarily due to (i) an increase in our promotion and exhibition expenses, driven by our continued efforts to further expand our domestic and overseas market presence, and (ii) an increase in employee benefit expenses as a result of the increase in the headcounts of sales personnel and their average salaries.

Administrative Expenses

Our administrative expenses increased by 50.8% from RMB80.3 million in 2024 to RMB121.2 million in 2025, primarily attributable to (i) the listing expenses we incurred in 2025 and (ii) an increase in employee benefit expenses as a result of the increase in the headcounts of administrative personnel and their average salaries.

Research and Development Expenses

Our research and development expenses increased by 9.1% from RMB62.1 million in 2024 to RMB67.7 million in 2025, primarily due to (i) the increase in employee benefit expenses as a result of the expansion of our R&D team, and (ii) the increase in testing and design expenses as a result of our enhanced R&D activities.

Impairment Loss on Financial Assets

Our impairment loss on financial assets remained relatively stable at RMB147 thousand and RMB156 thousand in 2024 and 2025, respectively.

Other Expenses

Our other expenses decreased by 69.4% from RMB7.7 million in 2024 to RMB2.4 million in 2025, primarily attributable to (i) a decrease in losses on disposal of items of property, plant and equipment resulting from the disposal of certain product modules following the completion of production for specific vehicle models in 2024, and (ii) a decrease in net inventory impairment loss mainly due to higher inventory impairments in 2024 stemmed from underperforming sales of certain customer vehicle models, for which the raw materials were procured.

Finance Costs

Our finance costs remained relatively stable at RMB3.2 million and RMB3.6 million in 2024 and 2025, respectively.

Change in Fair Value of Redemption Liabilities on Equity Shares

Our fair value losses on redemption liabilities on equity shares increased significantly from RMB128.0 million in 2024 to RMB609.4 million in 2025, reflecting the change in fair value of our preferred shares issued in our Pre-IPO financing. See “History, Development and Corporate Structure — Pre-IPO Investments.”

Income Tax Expenses

We recorded income tax expenses of RMB1.3 million and RMB2.4 million in 2024 and 2025, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year increased from RMB137.9 million in 2024 to RMB669.0 million in 2025.

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Total non-current assets	179,798	100,268
Total current assets	615,067	675,868
Total assets	794,865	776,136
Total non-current liabilities	19,470	31,697
Total current liabilities	2,334,478	1,641,829
Total liabilities	2,353,948	1,673,526
NET LIABILITIES	(1,559,083)	(897,390)

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
CURRENT ASSETS		
Inventories	87,481	89,310
Trade and bills receivables	290,520	295,697
Contract assets	6,709	1,968
Prepayments, other receivables and other assets . .	14,577	12,427
Financial assets at fair value through profit and loss	88,067	45,086
Restricted cash	1,132	945
Cash and cash equivalents	126,581	230,435
Total current assets	615,067	675,868

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
CURRENT LIABILITIES		
Trade payables	136,094	127,913
Other payables and accruals	80,960	52,537
Contract liabilities	13,757	5,681
Interest-bearing bank and other borrowings	126,141	89,104
Lease liabilities	5,603	3,217
Redemption liabilities on equity shares	1,970,301	1,360,927
Warranty provision	1,333	1,155
Tax payable	289	1,295
Total current liabilities	2,334,478	1,641,829
NET CURRENT LIABILITIES	(1,719,411)	(965,961)

Our net current liabilities increased by 78.0% from RMB966.0 million as of December 31, 2024 to RMB1,719.4 million as of December 31, 2025, primarily due to an increase in redemption liabilities on equity shares of RMB609.4 million, which represents change in fair value of the preferred shares.

Inventories

Our inventories primarily consist of (i) raw materials, (ii) work in progress, (iii) finished goods, and (iv) contract costs. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Raw materials	24,527	21,873
Work in progress	6,106	6,624
Finished goods	28,192	48,825
Contract costs	28,656	11,988
Total	87,481	89,310

Our inventories remained relatively stable at RMB89.3 million and RMB87.5 million as of December 31, 2024 and, 2025, respectively.

APPENDIX IIB	UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

Inventories are stated at the lower of cost and net realizable value. Cost is determined on a weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labor and an appropriate proportion of overhead. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Trade and Bills Receivables and Contract Assets

Our trade and bills receivables and contract assets primarily consisted of (i) trade receivables, mainly representing the receivables due from our customers, (ii) bills receivables, primarily representing bank acceptance bills from customers as means of payment, and (iii) contract assets. The following table sets forth a breakdown of our non-current and current portion of trade and bills receivables and contract assets as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Non-current:		
Contract assets	6,597	5,829
Less: Impairment losses.	(666)	(1,408)
Subtotal	5,931	4,421
Current:		
Trade receivables.	224,300	212,728
Bills receivable	78,191	94,440
Contract assets	7,206	2,072
	309,697	309,240
Less: Impairment losses.	(12,468)	(11,575)
Subtotal	297,229	297,665
Total	303,160	302,086

Our trade and bills receivables and contract assets remained relatively stable at RMB302.1 million and RMB303.2 million as of December 31, 2024 and 2025, respectively.

APPENDIX IIB	UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

The following table sets forth an aging analysis of our trade and bills receivables and contract assets based on the invoice date and net of loss allowance as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Within 1 year	299,469	297,077
1 to 2 years	3,691	4,517
2 to 3 years	—	492
Total	<u>303,160</u>	<u>302,086</u>

We seek to maintain strict control over our outstanding receivables and have a credit control department to minimize credit risk. Overdue balances are reviewed regularly by our management. As of December 31, 2024 and 2025, substantially all of our trade and bills receivables and contract assets were aged within one year, primarily because the credit term we generally grant our customers ranges from 60 to 120 days. Our bills receivables are generally due within six months.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consisted of (i) advances to suppliers, (ii) deposits and other receivables, (iii) listing expenditures, and (iv) VAT recoverable. Our prepayments, other receivables and other assets increased by 17.3% from RMB12.4 million as of December 31, 2024 to RMB14.6 million as of December 31, 2025, primarily due to (i) an increase in listing expenditures, and (ii) an increase in deposits and other receivables mainly in relation to rental deposits we have paid and the quality guarantee deposits temporarily withheld by our customers, partially offset by the decrease in prepayments to suppliers in line with our increased bargaining power.

Financial Assets at Fair Value Through Profit and Loss, Current

Our financial assets at fair value through profit or loss primarily represented our structured deposits. Our financial assets at fair value through profit or loss increased significantly from RMB45.1 million as of December 31, 2024 to RMB88.1 million as of December 31, 2025, primarily due to our purchase of structured deposits and investments in equity instruments at fair value through profit or loss to optimize our fund management and enhance our fund utilization efficiency.

APPENDIX IIB UNAUDITED PRELIMINARY FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

Trade Payables

Our trade payables primarily represent amounts payable to our suppliers. Our trade payables increased by 6.4% from RMB127.9 million as of December 31, 2024 to RMB136.1 million as of December 31, 2025, generally in line with our business growth.

The following table sets forth an aging analysis of our trade payables based on the invoice date and net of loss allowance as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Within 1 year	134,790	127,556
1 to 2 years	1,304	103
2 to 3 years	—	189
Over 3 years	—	65
Total	<u>136,094</u>	<u>127,913</u>

As of December 31, 2024 and 2025, substantially all of our trade payables were aged within one year as our suppliers normally grant us the credit terms ranging from 30 to 90 days upon receipt of the VAT invoice.

Other Payables and Accruals

Our other payables and accruals primarily consisted of (i) payroll and welfare payables, (ii) other tax payables, and (iii) other payables. Our other payables and accruals increased by 54.1% from RMB52.5 million as of December 31, 2024 to RMB81.0 million as of December 31, 2025, primarily due to (i) the increase in other payables in relation to our purchases of production machinery and equipment to enhance our production line, (ii) the increase in listing expenditures payable, and (iii) the increase in payroll and welfare payable to our employees.

Contract Liabilities

Our contract liabilities mainly included advances received from customers for sales of testing solutions. Our contract liabilities increased significantly from RMB5.7 million as of December 31, 2024 to RMB13.8 million as of December 31, 2025, primarily due to an increase in customers' advance payments for purchase of our offerings as a result of rising customer demand.

APPENDIX IIB	UNAUDITED PRELIMINARY FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2025

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of (i) leasehold improvements, (ii) motor vehicles, (iii) electronic and office equipment, (iv) machinery and others, and (v) construction in progress.

Our property, plant and equipment increased by 80.4% from RMB65.5 million as of December 31, 2024 to RMB118.1 million as of December 31, 2025, primarily due to the increase in construction in progress driven by the addition of machinery, equipment and modules under construction in line with our business expansion.

Right-of-Use Assets

Our right-of-use assets primarily represent our leased properties. Our right-of-use assets increased significantly from RMB10.9 million as of December 31, 2024 to RMB22.9 million as of December 31, 2025, primarily because we entered into new lease contracts in Xi'an for our R&D activities and in Yizheng for production capacity expansion, both in line with our business growth.

Intangible Assets

Our intangible assets primarily represent licensed computer software and IT systems. Our intangible assets remained relatively stable at RMB19.5 million and RMB19.6 million as of December 31, 2024 and 2025, respectively.

INDEBTEDNESS

As of December 31, 2024 and 2025, our indebtedness consisted of lease liabilities, interest-bearing bank and other borrowings and redemption liabilities on equity shares. As of December 31, 2025, we had a total indebtedness of RMB2,120.0 million. Save for the disclosed indebtedness, we currently do not have material external financing plans. The following table sets forth the details of our indebtedness as of December 31, 2024 and 2025:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(unaudited)</i>	
Lease liabilities	23,544	11,914
Interest-bearing bank and other borrowings	126,141	112,104
Redemption liabilities on equity shares	1,970,301	1,360,927
Total	<u>2,119,986</u>	<u>1,484,945</u>

Lease Liabilities

Our lease liabilities are in relation to properties that we lease primarily for our offices and manufacturing facilities. Our lease liabilities increased significantly from RMB11.9 million as of December 31, 2024 to RMB23.5 million as of December 31, 2025, primarily because we leased two production bases and certain equipment to expand our production capacity.

Interest-Bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings increased by 12.5% from RMB112.1 million as of December 31, 2024 to RMB126.1 million as of December 31, 2025, primarily because we took out additional bank borrowings to support our daily operations and anticipated business growth. All of our interest-bearing bank and other borrowings in 2024 and 2025 were unsecured. The effective interest rate of our bank loans was 2.15% to 2.80% in 2025.

Redemption Liabilities on Equity Shares

Our redemption liabilities on equity shares primarily represent the preferred shares we issued in our Pre-IPO financing. As of December 31, 2024 and December 31, 2025, our redemption liabilities on equity shares amounted to RMB1,360.9 million and RMB1,970.3 million, respectively.

KEY FINANCIAL RATIOS

The table sets forth our key financial ratio as of the dates indicated:

	As of December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
	<i>(Unaudited)</i>	
Current ratio ⁽¹⁾	26.3	41.2
Quick ratio ⁽²⁾	22.6	35.7

Notes:

- (1) Current ratio equals total current assets as of the end of the year divided by total current liabilities as of the same date, multiplied by 100%.
- (2) Quick ratio equals current assets as of the end of the year less inventories as of the same date divided by current liabilities as of the same date, multiplied by 100%.

DISCLOSURE ABOUT FINANCIAL RISK

See “Financial Information — Financial Risk Disclosure” in this prospectus for further information.

CODE ON CORPORATE GOVERNANCE PRACTICES

Since we were not yet listed on the Stock Exchange during the year ended December 31, 2025, the Corporate Governance Code as set out in Appendix 14 to the Listing Rules was not applicable to us during such period. After the Listing, we will comply with all the code provisions set forth in the Corporate Governance Code.

REVIEW OF OUR PRELIMINARY FINANCIAL INFORMATION

The unaudited financial information in respect of our consolidated statement of financial position as of December 31, 2025, consolidated statement of comprehensive loss and the related notes thereto for the year ended December 31, 2025 as set out in the 2025 Preliminary Financial Information above has been agreed by the Reporting Accountant to the amounts set out in our Group's unaudited consolidated financial statements for the year ended December 31, 2025 following their work under Practice Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The work performed by the Reporting Accountant in this respect did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Reporting Accountant on the 2025 Preliminary Financial Information.

We will not be in breach of our Articles of Association or laws and regulations of PRC or other regulatory requirements as a result of not publishing our preliminary results announcement for the year ended December 31, 2025 in accordance with Rule 13.49(1) of the Listing Rules. Pursuant to the Note to rule 13.49(1) of the Listing Rules, we will publish an announcement after Listing and no later than March 31, 2026 stating that the relevant financial information has been included in this prospectus.

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY'S SHARES

Since we were not yet listed on the Stock Exchange in during the year ended December 31, 2025, this disclosure requirement is not applicable to us.

This appendix contains a summary of the main provisions of the Articles of Association (draft), which was considered and approved at the 2025 second extraordinary shareholders' meeting of the Company, and will take effect from the date of listing of H shares on the Hong Kong Stock Exchange.

As the main purpose of this appendix is to provide potential investors with an overview of the Articles of Association, it doesn't contain all information that is important to potential investors.

ISSUANCE OF SHARES

The shares of the Company shall take the form of share certificate. The shares of the Company shall be issued by following the principles of openness, fairness and justice, and each share of the same class shall have the same rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. For any share subscribed by subscribers, the same price per share shall be paid.

Shares issued by the Company shall have a par value, with each share having a par value of RMB0.5.

All the shares issued by the Company are common shares.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Increase and decrease of shares

The Company may, upon resolution by a shareholders' meeting, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the provisions of laws, regulations or securities regulatory rules of the place where the Company's shares are listed:

- i. issuing shares to unspecified parties;
- ii. issuing shares to specified parties;
- iii. allotting bonus shares to its existing shareholders;
- iv. converting the capital reserves into share capital;
- v. any other method stipulated by laws, administrative regulations, as well as other methods approved by the securities regulatory authority of the place where the Company's shares are listed, the Hong Kong Stock Exchange, and the CSRC.

The Board of Directors may decide to issue shares in accordance with the preceding provision, which results in changes in the registered capital and the number of the issued shares of the Company, the amendments to such matters recorded in the Articles of Association no longer need to be voted on by the shareholders' meeting.

When the Board of Directors decides to issue new shares, the board's resolution must be approved by at least two-thirds of all directors.

The Company may reduce its registered capital. The Company's reduction of registered capital shall follow the procedures stipulated by the Company Law and other relevant regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the procedures stipulated in these Articles of Association.

Whether increasing or reducing its registered capital, the Company shall, in accordance with the law, complete the change registration with the Company registration authority.

Repurchase of Shares

Under the following circumstances, the Company may acquire its own shares according to the provisions of laws, administrative regulations, departmental rules, and these Articles of Association:

- i. reduce the registered capital of the Company;
- ii. merger with other companies which hold shares in the Company;
- iii. the shares are to be used for employee share ownership plans or equity incentives;
- iv. the shareholders who vote against any resolutions adopted at the shareholders' meeting concerning the merger and division of the Company require the Company to acquire its shares;
- v. such shares are in use for transferring corporate bonds issued by the Company that can be converted into shares;
- vi. it is necessary for the Company to maintain corporate value and shareholders' interests.

The Company may acquire its shares through open and centralized trading or other methods permitted by laws, administrative regulations, Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the CSRC (if required). Where the Company acquires its shares under the circumstances specified in above item iii, item v, item vi, open and centralized trading shall be adopted.

Acquisition of its own shares by the Company under the circumstances specified in above item i and item ii shall be subject to resolution at the shareholders' meeting; acquisition of its own shares by the Company under the circumstances specified in above item iii, item v and item vi shall, as authorized in accordance with these Articles of Association or by the Shareholders' Meeting, be subject to a resolution at a board meeting attended by at least two-thirds of the directors.

Where the Company acquires its shares pursuant to the preceding provision, in the case of items i, such shares shall be cancelled within ten days from the date of acquisition; in the case of items ii, items iv, such shares shall be transferred or cancelled within 6 months; and in the case of items iii, items v, items vi, the aggregate number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

After acquiring its own shares, the Company shall comply with the information disclosure obligations stipulated by the relevant laws, regulations, and the Hong Kong Listing Rules. If the securities regulatory rules in the place where the Company's shares are listed provide additional provisions regarding matters related to the share repurchase, those provisions shall prevail.

SHARES TRANSFERS

The shares of the Company shall be transferred legally.

Shares held by the Company's shareholders, as well as shares held by directors, supervisors, and senior management, with respect to transfer restrictions, reduction in holdings, and other share-related changes shall be governed by the Company Law, the Securities Law, the Hong Kong Listing Rules, and the relevant provisions on changes in company shares promulgated by the CSRC and the relevant regulatory rules of the place where the Company's shares are listed.

All transfers of H shares shall adopt a written instrument of transfer in a general or ordinary format or any other format accepted by the Board (including the standard transfer format or form of transfer that Hong Kong Stock Exchange may provide from time to time); such instrument of transfer may be signed by hand, or be stamped with the valid seal of the Company (if the Company is the transferor or the transferee). Where the transferor or transferee is a recognized clearing house or any of its agents as defined by relevant regulations in the laws of Hong Kong effective from time to time, the instrument of transfer may be signed by hand or by machine-printed form. All instruments of transfer shall be kept at the legal address of the Company or other place designated by the Board from time to time.

The Company shall not accept its own shares as the subject of the pledge.

Shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date the shares of the Company are listed and traded on the Securities Exchange.

The directors and senior management of the Company shall report to the Company the shares of the Company held by them and changes thereof and shall not transfer more than 25% of the total number of shares held by them during each year of his/her term of office as determined at the time of taking the office; the shares that they held in the Company shall not be transferred within one year of the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within half a year from the date of their dimission.

If shares are pledged during the period of restricted transfer as stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge rights within such restricted period.

Regarding the transfer restrictions of overseas-listed shares, where the relevant provisions of securities regulatory authority of the place where the shares of the Company are listed establish additional rules, such provisions shall prevail.

Where the directors, senior management or shareholders who hold 5% or more of the shares of the Company dispose of any shares or other equity securities held by him or her in the Company within 6 months from the date of acquiring, or acquire any shares or other equity securities again within 6 months from the date of disposing of, the proceeds thereof shall belong to the Company, and the Board of the Company shall recover such proceeds. However, in the circumstances where a securities company holds 5% or more of the shares of the Company due to the purchase of the remaining shares after the underwriting, or the securities regulatory authority of the State Council and the securities regulatory authorities in the place where the Company's shares are listed, the sale of such shares shall not be subject to a six-month period.

The shares or other equity securities held by the aforementioned directors, senior management or individual shareholders shall include the shares or other equity securities held by such person's spouse, parents, children or held through the accounts of other persons.

Where the Board of Directors of the Company does not act in accordance with the foregoing provision of the Article, the shareholders shall have the right to require the Board of Directors to take action within 30 days. Where the Board of Directors of the Company fails to take such action within the aforesaid period, the shareholders shall be entitled to file proceedings at the people's court directly in their own names for the interests of the Company.

Where the Board of Directors of our Company fails to take action in accordance with the foregoing provision of the Article, the Directors who are accountable thereto shall be jointly and severally liable pursuant to law.

SHAREHOLDERS AND THE SHAREHOLDERS' MEETING**Shareholders**

Our Company shall make a register of shareholders in accordance with evidentiary documents provided by the securities registration authorities. The register of shareholders is a piece of sufficient evidence for shareholders holding the shares of the Company. Shareholders enjoy the rights and assume the obligations in accordance with the class of shares they hold; shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

The Board of Directors may decide to issue shares not exceeding 50% of the issued shares within three years. However, if the capital contribution is made in the form of non-monetary assets, it shall require a resolution by the shareholder's meeting.

The shareholders of the Company shall be entitled to the following rights:

- i. to speak and vote at the shareholders' meeting, except where the Hong Kong Stock Exchange Listing Rules require the waiver of voting rights on certain matters;
- ii. to be entitled to dividends and other forms of distributions in proportion to the number of shares held;
- iii. to request, convene, preside over, attend or appoint proxies to attend shareholders' meetings, to speak at shareholders' meetings and to exercise the corresponding voting rights in accordance with the law, unless individual shareholders are required by the securities regulatory rules of the place where the Company's shares are listed or the requirements of applicable laws and regulations to waive their voting rights on certain matters;
- iv. supervising the Company's business operations, proposing recommendations or raising questions;
- v. transfer, donate or pledge the shares they held in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other regulatory rules of the place where the Company's shares are listed or these Articles of Association;
- vi. to access and copy the Articles of Association, register of shareholders, minutes of shareholders' meetings, resolutions of Board Meetings, Supervisory Board Meetings, financial accounting reports, eligible shareholders may inspect the Company's accounting books and accounting vouchers;
- vii. to participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

- viii. to require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the shareholders' meeting concerning the merger and division of the Company;
- ix. other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other regulatory rules of the place where the Company's shares are listed or these Articles of Association.

In addition to the above rights, shareholders who have individually or collectively held more than 3% of the Company's shares for more than 180 consecutive days can inspect the accounting books and the accounting vouchers of the Company and its wholly-owned subsidiaries. If a shareholder requests to inspect the Company's accounting books and vouchers, the request must be submitted in writing to the Company with a statement of purpose. If the Company has reasonable grounds to believe that the shareholder's inspection is intended for an improper purpose that may harm the Company's legitimate interests, the Company may refuse access and must provide a written reply to the shareholder within fifteen days from the date the written request is submitted, explaining the reasons. If the Company refuses to grant access, the shareholder may file a lawsuit with the People's Court.

If any shareholder who request to inspect or copy the aforementioned relevant materials of the Company shall provide written documentation proving the type and number of shares held. Upon verifying the shareholder's identity, the Company shall provide the requested information. The relevant information or materials obtained by the shareholder that have not been disclosed to the public must remain confidential. If a shareholder breaches this confidentiality obligation and causes damage to the Company, they shall be liable for compensation.

Where the contents of a resolution of the shareholders' meeting or the Board of Directors of the Company violate any law or administrative regulation, shareholders are entitled to petition the people's court to declare the resolution invalid.

Where the convening procedures or voting method of a shareholders' meeting or a Board meeting violate any laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, a shareholder shall have the right to apply to the people's court for revocation within 60 days from passing of such resolution, unless there is only a slight defect in the procedure of convening or the method of voting at the shareholders' meetings or Board meetings, which has no substantive impact on the resolution.

The shareholders of the Company shall undertake the following obligations:

- i. abiding by laws, administrative regulations and the Articles of Association;
- ii. to contribute to the share capital as determined by the number of shares subscribed by them and the method of subscription;

- iii. not to withdraw their contributed share capital except in circumstances allowed by the laws and administrative regulations;
- iv. not abusing shareholder's rights to harm the interests of the Company or other shareholders; not abusing the independent legal person status of the Company and shareholders' limited liability to harm the interests of the Company's creditors;
- v. any other obligations stipulated by laws, administrative regulations, and other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders of the Company who abuse shareholders' rights and cause damages to the Company and other shareholders shall be liable for compensation pursuant to the law. Shareholders who abuse the independent legal person status of the Company and shareholders' limited liability to evade debts and severely infringe upon interests of the Company's creditors shall assume joint and several liabilities for the Company's debts.

Any shareholder of five percent or more of the voting shares of the Company that pledges any shares held by him or her shall report to the Company in writing on the date of such pledge.

General provisions of the shareholders' meeting

The shareholders' meeting is the organ of authority of the Company, and shall exercise following functions and powers pursuant to the law:

- i. to elect and replace the directors and supervisors and decide on the matters relating to the remuneration of directors and supervisors;
- ii. to consider and approve the reports of the Board of Directors;
- iii. to consider and approve the reports of the board of supervisors;
- iv. to consider and approve the Company's plans of earnings distribution and loss make-up schemes;
- v. to make resolutions on the increase or decrease of the registered capital of the Company;
- vi. to make resolutions on the issuance of corporate bonds and other securities by the Company and their listing;
- vii. to make resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- viii. to amend the Articles of Association;

- ix. to resolve on the engagement or dismissal of the accounting firm responsible for auditing by the Company;
- x. to review and approve the guarantees stated in Article 44;
- xi. to review matters concerning the Company's purchase or sale of major assets within one year exceeding 30% of the most recently audited total assets;
- xii. to review and approve any changes to the use of raised funds;
- xiii. to review equity incentive plans and employee share ownership plans;
- xiv. to review other matters that, according to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules applicable in the jurisdiction where the Company's shares are listed, or these Articles of Association require to be decided by the shareholders' meeting;
- xv. to review the repurchase of the Company's shares under the circumstances specified in these Articles of Association.

Unless otherwise provided by laws, administrative regulations, or departmental rules, the powers of the shareholders' meeting shall not be exercised by the Board of Directors, or by any other institution or individual through authorization.

The following external guarantees of the Company shall be submitted to the shareholders' meeting for consideration:

- i. any guarantee provided after the combined total of external guarantees by the Company and its controlling subsidiaries exceeds 50% of the most recent audited net assets;
- ii. any guarantee provided after the total amount of external guarantees by the Company exceeds 30% of the most recent audited total assets;
- iii. any guarantee, within one year, whose amount exceeds 30% of the Company's most recent audited total assets;
- iv. guarantees provided to counterparties with a debt-to-asset ratio exceeding 70%;
- v. any single guarantee amount exceeding 10% of the most recent audited net assets;
- vi. guarantees provided to shareholders, actual controllers, and their related parties;

- vii. any other guarantee circumstances that, according to laws, administrative regulations, rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules applicable in the jurisdiction where the Company's shares are listed, or these Articles of Association, require review and approval by the shareholders' meeting.

Any external guarantees that require approval by the shareholders' meeting must first be reviewed and approved by the Board of Directors prior to being submitted to the shareholders' meeting for approval.

Except for the matters that must be submitted to the shareholders' meeting for review and approval as specified above, all other external guarantee matters of the Company shall be reviewed and approved by the Board of Directors.

When the shareholders' meeting reviews proposals for guarantees provided to shareholders, actual controllers, or their related parties, the shareholder involved — or any shareholder under the control of the actual controller — shall not participate in the corresponding vote, which must be passed by a majority of the voting rights held by the other shareholders present at the meeting.

Convening of shareholders' meeting

The Board of Directors shall convene the shareholders' meeting on time within the prescribed period.

With the approval of a majority of all the independent non-executive directors, the independent non-executive directors have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting, in the form of writing. Where independent non-executive Directors propose to convene an extraordinary shareholders' meeting, the Board of Directors shall, pursuant to the laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed and the provisions of the Articles of Association, issue a written reply on whether or not to approve the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

Where the Board of Directors agree to convene the extraordinary shareholders' meeting, a notice on convening of the shareholders' meeting shall be issued within 5 days from such decision; where the Board of Directors does not give consent for convening an extraordinary shareholders' meeting, reasons shall be specified and announcements shall be made.

The Board of Supervisors is entitled to propose to the Board of Directors to convene an extraordinary shareholders' meeting and such proposal shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's

shares are listed and the provisions of the Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

Where the Board of Directors agree to convene the extraordinary shareholders' meeting, a notice on convening of the shareholders' meeting shall be issued within 5 days from such decision, and the changes made to the original proposal in the notice shall be approved by the Board of Supervisors.

Where the Board of Directors does not give consent for convening of an extraordinary shareholders' meeting or does not issue feedback within 10 days upon the receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the shareholders' meeting, and the Board of Supervisors may convene and preside over the meeting by itself.

Shareholder(s) individually or jointly holding more than 10% of the voting shares of the Company shall have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting and such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed and the provisions of the Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

Where the Board of Directors agree to convene the extraordinary shareholders' meeting, a notice on convening of the shareholders' meeting shall be issued within 5 days from such decision, and the changes made to the original proposal in the notice shall be approved by relevant shareholders.

Where the Board of Directors does not give consent for convening of an extraordinary shareholders' meeting or does not issue feedback within 10 days upon the receipt of the requisition(s), the shareholders holding more than 10% of the Company's voting shares individually or jointly shall be entitled to put forward propose to the Board of Supervisors on convening of an extraordinary shareholders' meeting and such proposal shall be made to the Board of Supervisors in writing.

Where the Board of Supervisors gives consent for convening an extraordinary shareholders' meeting, a notice on convening of the shareholders' meeting shall be issued within 5 days upon the receipt of the requisition(s) and the changes made to the original proposal in the notice shall be approved by relevant shareholders.

Where the Board of Supervisors fails to issue a notice of a shareholders' meeting within the stipulated period, the Board of Supervisors shall be deemed as not convening and chairing the shareholders' meeting, and the shareholders who hold more than 10% of the Company's shares individually or jointly for more than 90 consecutive days may proceed to convene and chair a shareholders' meeting on their own initiative.

Where the Board of Supervisors or shareholders decide to convene a shareholders' meeting on their own, they shall notify the Board of Directors in writing.

Prior to the announcement of the resolution of the shareholders' meeting, the proportion of the voting shares held by the shareholders who convene the meeting shall not be less than 10%. To convene a shareholder meeting shall disclose an announcement no later than the issuance of the notice of the shareholders' meeting and shall commit that, from the date of the proposal to convene the shareholders' meeting until the date of the meeting, their shareholding ratio shall not be less than 10% of the Company's total share capital.

Where the Board of Supervisors or the shareholders convene a shareholders' meeting on their own, the Board of Directors and the secretary of the Board of Directors shall cooperate. The Board of Directors shall provide the register of shareholders as of the date of share recording. The register of shareholders obtained by the convener may not be used for other purposes except the convention of a shareholders' meeting.

Where the Board of Supervisors or the shareholders convene a shareholders' meeting on their own, the necessary expenses incurred thereof shall be borne by the Company.

Proposals and notices of shareholders' meeting

The content of a proposal shall be within the scope of functions and powers of the shareholders' meeting, have definite topics and specific resolutions, and shall comply with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the relevant provisions of the Articles of Association.

Where the Company convenes a shareholders' meeting, the Board of Directors, the Board of Supervisors and shareholder(s) individually or jointly holding more than 1% voting shares of the Company shall be entitled to put forward proposals to the Company.

Shareholder(s) individually or jointly holding more than 1% of the voting shares of the Company may put forward provisional proposals and submit them in writing to the convener 10 days before a shareholders' meeting is convened. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days after receipt of the proposals and announce the contents of the provisional proposals and submit the provisional proposals to the shareholders' meeting for consideration, unless the proposal violates the provisions of the laws,

administrative regulations, the Hong Kong Listing Rules and other regulating rules of the place where the shares of the Company are listed or the Articles of Association or does not fall within the scope of the functions and powers of the shareholders' meeting.

Except as provided in the preceding paragraph, the convenor, after issuing the notice of the shareholders' meeting, shall neither modify the proposals stated in the notice of shareholders' meetings nor add new proposals.

Proposals that are not listed in the notice of the shareholders' meeting or that do not comply with the provisions of these Articles of Association shall not be put to a vote or resolved at the shareholders' meeting.

The convener shall notify each shareholder (including announcement) at least 21 days before the annual shareholders' meeting, and will notify each shareholder (including announcement) at least 15 days before the extraordinary shareholders' meeting.

When calculating the starting date, the date of the meeting shall be excluded but including the day on which the notice is issued. Where relevant laws, administrative regulations, the Hong Kong Listing Rules, or the securities regulatory authority of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

The notice of the shareholders' meeting shall include the following:

- i. the time, venue and duration of the meeting;
- ii. the matters and proposals to be considered at the meeting;
- iii. contain a prominent statement that all shareholders shall be entitled to attend and appoint in writing a proxy to attend and vote on his/her behalf and that proxy need not to be a shareholder;
- iv. specify the shareholding registration date on which the shareholders are eligible to attend the shareholders' meeting;
- v. list the name and the phone number of the permanent contact person of the meeting;
- vi. issue voting time and voting procedures through network or by any other means.

The notice and supplementary notice for the shareholders' meeting shall include the contents required by the securities regulatory rules applicable in the jurisdiction where the Company's shares are listed and these Articles of Association, and shall fully and completely disclose all detailed content of each proposal. If any matter to be discussed requires an independent non-executive director to express their opinion, the notice or supplementary notice for the shareholders' meeting shall concurrently disclose the independent non-executive director's opinions and the reasons thereof.

If the shareholders' meeting is conducted online or by other means, the notice of the shareholders' meeting shall explicitly specify the voting time and procedures for the online or other voting method.

The interval between the shareholding registration date and the date of the meeting shall not be more than seven working days. The shareholding registration date shall not be changed once confirmed.

The shareholders' meeting shall not be postponed or canceled and the proposals listed in the notice of shareholders' meetings shall not be canceled without justifiable causes after the notice of shareholders' meeting was sent out. In the case of any circumstance for postponement or cancellation of the meeting, the convener shall make an announcement and explain the reasons at least two working days before the original convening day.

The convention of shareholders' meeting

All shareholders in the register as at the shareholding registration date or their proxies shall have the right to attend a shareholders' meeting and exercise voting rights pursuant to relevant laws, administrative regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where shares of the Company are listed and the Articles of Association (except where individual shareholders are required by the securities regulatory rules of the place where shares of the Company are listed to waive their voting rights on certain matters).

According to applicable laws, regulations, and the Hong Kong Listing Rules, if any shareholder is required to waive their voting rights regarding a resolution, or if any shareholder is restricted to voting solely in favor of (or against) a resolution, then any votes cast by such shareholder or their representative in violation of such provisions or restrictions shall not be counted.

Shareholders may attend the shareholders' meeting in person or may appoint a proxy to attend and vote on their behalf. Each shareholder is entitled to appoint one proxy, and such proxy need not be a shareholder of the Company. The proxy, in accordance with the shareholder's instructions, may exercise the following rights:

- i. The right of the shareholder to speak at the shareholders' meeting;
- ii. The right to demand that a vote be taken, either individually or jointly with others;
- iii. Except as otherwise provided by relevant laws, administrative regulations, the listing rules of the securities exchange where the Company's shares are listed, or other securities laws and regulations, the right to exercise voting rights by a show of hands or by voting.

Individual shareholders attending the meeting in person shall present their identity cards or other valid identification documents/proofs certifying their identity. Representatives attending on behalf of shareholders shall present their valid identification documents along with a duly executed proxy form issued by the shareholder. Corporate shareholders or institutional shareholders shall be represented by their legal representative/executive managing partner or a proxy authorized by such legal representative/executive managing partner. Where the legal representative/executive managing partner attends the meeting, he/she shall present both his/her identity card and valid proof of his/her qualification as the legal representative/executive managing partner. Where a proxy is appointed, such proxy shall present his/her identity card together with a written proxy form duly executed in accordance with the law by the legal representative/executive managing partner of the corporate/institutional shareholder.

If the shareholder is a recognized clearing house or any of its agents as defined by relevant regulations in the laws of Hong Kong effective from time to time, the shareholder may authorize one or more persons as it thinks fit to act on its representative at any shareholders' meeting; however, where more than one person are authorized, the power of attorney shall contain the involved number and category of shares for which such persons are authorized, and could be signed by an authorized officer of the recognized clearing house. The person thus authorized may represent the recognized clearing house (or its proxy) in exercising its powers at any meeting (without being required to present share certificate, certified power of attorney and/or further evidence of due authorization), and enjoy legal rights same as those enjoyed by other shareholders (including the right to speak and vote), as if the persons individual shareholders of the Company.

The power of attorney issued by a shareholder to entrust a proxy to attend the shareholders' meeting shall include the following contents:

- i. name of the appointing shareholder, class and quantity of company shares held;
- ii. name of the proxy;
- iii. matters to be represented and scope of authorization, including the shareholder's specific voting instructions on voting for, against or abstention of voting for each agenda item of the shareholders' meeting, and explicit directions regarding voting rights on provisional proposals that may be included into the agenda of the shareholders' meeting (if voting rights apply, specific instructions on the exercise of such rights);
- iv. the issuance date and expiry date of the power of attorney;
- v. the signature (or seal) of the entrusting party. Where the entrusting party is a shareholder who is not a natural person, the seal of the entity of the entrusting party shall be affixed or signed by authorized party.

The proxy form shall expressly state whether the proxy may exercise discretionary voting rights in the absence of specific shareholder instructions. The proxy need not be a company shareholder.

Directors, supervisors, and senior management must attend the meeting upon the shareholders' request and respond to shareholder inquiries.

The shareholders' meeting shall be presided over by the chairman of the Board. If the chairman of the Board is incapable of performing or not performing his/her duties, a director jointly nominated by more than half of directors shall preside over the meeting.

Shareholders' meetings convened by the Board of Supervisors itself shall be presided over by the chairperson of the Board of Supervisors. If the chairperson of the Board of Supervisors is incapable of performing or not performing his/her duties, a member of the Board of Supervisors jointly nominated by more than half of members of the Board of Supervisors shall preside over the meeting.

Shareholders' meetings convened by shareholders themselves shall be presided over by the convener or representatives nominated by the convener.

When the shareholders' meeting is convened, if the presider of the meeting violates the rules of procedure and makes it impossible for the shareholders' meeting to continue, with the consent of a majority of the shareholders with voting rights present at the shareholders' meeting, The shareholders' meeting may elect one person to serve as the presider to continue the meeting.

Minutes of shareholders' meetings shall be kept and the secretary of the Board shall be responsible for them.

The minutes shall contain the following information:

- i. the time, place, agenda and name of the convener of the meeting;
- ii. the names of the presider of the meeting and the directors, supervisors and senior management who attending or present at the meeting;
- iii. the number of shareholders and proxies present at the meeting, the total number of voting shares held and the percentage to the total number of shares of the Company;
- iv. the deliberation progress, main points of speeches and voting results of each proposal;
- v. the shareholders' inquiries or suggestions and the corresponding replies or explanations;

- vi. names of the vote counters and poll watchers;
- vii. any other matters required by the provisions of the Articles of Association to be recorded in the minutes.

The convener shall ensure that the shareholders' meeting does not end until final resolutions have been concluded. In the event that the shareholders' meeting is adjourned or resolutions cannot be reached due to force majeure or other special circumstances, necessary measures shall be taken to reconvene the meeting as soon as possible or conclude the meeting directly, and the announcement shall be timely made in accordance with laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed.

Votings and resolutions at the shareholders' meeting

Resolutions of the shareholders' meeting include ordinary resolutions and special resolutions.

Ordinary resolutions at a shareholders' meeting shall be approved by more than half of the voting rights held by the shareholders (including proxies thereof) attending the shareholders' meeting.

Special resolutions at a shareholders' meeting shall be approved by at least two-thirds of voting rights held by the shareholders (including proxies thereof) attending the shareholders' meeting.

The following matters shall be approved by ordinary resolutions at the shareholders' meeting:

- i. work report of the Board of Directors and Board of Supervisors;
- ii. plans of earnings distribution and loss make-up schemes formulated by the Board of Directors;
- iii. appointment and dismissal of members of the Board of Directors and Board of Supervisors, and their remunerations and the method of payment thereof;
- iv. engagement, dismissal or non-renewal of auditing firms and their remuneration;
- v. annual report of the Company;
- vi. matters other than those required to be adopted by a special resolution by the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, or the provisions of the Articles of Association.

The following matters shall be approved by special resolutions at the shareholders' meeting:

- i. the increase or reduction of the registered capital of the Company;
- ii. division, spin-off, merger, dissolution and liquidation of the Company (including voluntary winding-up);
- iii. amendment to the Articles of Association;
- iv. the amount of purchase, disposal of material assets or providing guarantee in one year exceeding 30% of the latest audited total assets of the Company;
- v. equity incentive plan;
- vi. other matters as required by the laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed or the Articles of Association, or confirmed by an ordinary resolution at a shareholders' meeting that it may have a material impact on the Company and shall be passed by special resolutions.

When the shareholders' meeting reviews matters involving related-party transactions, related shareholders may make appropriate statements regarding such transactions but shall not participate in the voting. The shares they represent with voting rights shall not be counted in the total number of valid votes.

After the related shareholders recuse themselves, the remaining shareholders shall vote according to the voting rights they hold, and the corresponding resolution shall be passed in accordance with these Articles of Association. The procedures for recusal and voting by related shareholders shall be announced by the presider of the shareholders' meeting and recorded in the minutes.

In addition to the situation that the Company is in crisis or other special circumstances, the Company shall not enter into contracts with a person (other than a Director, the general manager and other senior management members) in relation to the handover of the administration of all business or the important business of the Company to that person without the approval of the shareholders' meeting by special resolution.

DIRECTORS AND BOARD OF DIRECTORS**Directors**

Directors of the Company shall be natural persons. The following persons shall not serve as a director of a company:

- i. a person without civil capacity or with limited civil capacity;
- ii. a person who has been sentenced to criminal punishment for corruption, bribery, embezzlement, misappropriation of property or disruption of the order of the socialist market economy, where less than five years have elapsed since the sentence was served, or who has been deprived of his/her political rights due to criminal offense, where less than five years have elapsed since the sentence was served, or where less than two years have elapsed since the date of expiration of the probationary period if such person is sentenced to probation;
- iii. a person who has served as a director, factory manager or manager of a company or an enterprise that was bankrupted and liquidated whereby such person assumed personal liability for the bankruptcy of the Company or enterprise, where less than 3 years have elapsed since the date of completion of the bankruptcy liquidation of such company or enterprise;
- iv. a person who was the legal representative of a company or an enterprise whose business license was revoked or which was ordered to be closed down due to its violation of law, and who was personally accountable, where less than 3 years have elapsed since such revocation of business license or closure by order of such company or enterprise;
- v. a person who is listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debts;
- vi. a person who has been banned by the CSRC from the securities market and the ban period has not expired;
- vii. other contents stipulated by laws, administrative regulations or departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed.

Where any director is elected or appointed in violation of the provisions in this Article, such election, appointment or employment shall be invalid. Where a director falls under the circumstances above during his/her term of office, the Company shall terminate his/her appointment.

Directors shall comply with laws, administrative regulations and the Articles of Association and shall take measures to avoid any conflict between their personal interests and the Company's interests, and shall not use their authority to secure improper gains.

Directors undertake the following fiduciary obligations towards the Company:

- i. not to expropriate the Company's property and misappropriate the funds of the Company;
- ii. not to deposit the funds of the Company into an account opened in his/her own name or the name of another individual;
- iii. shall not abuse their authority to engage in bribery or to receive any other illegal income;
- iv. shall not directly or indirectly enter into contracts or engage in transactions with the Company without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through a resolution of the Board of Directors or the shareholders' meeting in accordance with these Articles of Association;
- v. shall not use the convenience of one's position to obtain business opportunities that rightfully belong to the Company for oneself or for others, except where such business opportunity has been reported to the Board of Directors or the shareholders' meeting and approved by the shareholders' meeting, or where, in accordance with applicable laws, administrative regulations, or these Articles of Association, the Company is precluded from taking advantage of such business opportunity;
- vi. shall not operate or conduct a business similar to that of the Company either on one's own behalf or for others, without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through a resolution of the shareholders' meeting;
- vii. not to accept commissions in connection with the Company's transactions as his/her own;
- viii. not to disclose the secrets of the Company without authorization;
- ix. not to harm the interests of our Company through the use of his/her connected (related) relationship;
- x. other fiduciary obligations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

Income derived by a director from violation of the provisions of this Article shall belong to the Company; where the Company suffers losses thereto, the director shall be liable for compensation.

Directors shall comply with laws, administrative regulations, and the Articles of Association and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a typical manager is expected to exercise in acting in the best interests of the Company.

Directors shall undertake the following diligent obligations towards the Company:

- i. exercising the rights conferred by the Company prudently, seriously and diligently to ensure that the commercial activities of the Company comply with laws and administrative regulations of the State and the requirements of various economic policies of the State and the commercial activities shall not exceed the scope of business stipulated in the business license;
- ii. treating all shareholders equally;
- iii. timely understanding the business operations and management of the Company;
- iv. signing written confirmation for the Company's regular reports, to ensure that the information disclosed by the Company is true, accurate and complete;
- v. providing the relevant information and materials to the Audit Committee truthfully and not hindering the exercise of functions and powers by the Audit Committee;
- vi. other diligent obligations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

The Board of Directors

The Company shall set up a Board of Directors which shall be accountable to the shareholders' meetings.

The Board of Directors shall consist of nine directors, including three independent non-executive directors, and shall have one chairman. At all times, more than one-third of the board's members must be independent non-executive directors, with the total number of independent non-executive directors not falling below three. Among these, at least one independent non-executive director must possess the appropriate professional qualifications that meet regulatory requirements or have the required accounting or related financial management expertise as stipulated by the relevant regulatory requirements.

The Board of Directors shall exercise the following functions and powers:

- i. convening shareholders' meetings and reporting its work report at the shareholders' meeting;
- ii. to implement the resolutions of the shareholders' meeting;
- iii. to determine the operation plans, investment plans of our Company, and if the Company shall enter non-core business areas or change its existing core business;
- iv. to formulate the earnings distribution and loss offset plans of our Company;
- v. to formulate plans of the Company regarding the increase or reduction of the registered capital, issuance of bonds or other securities and listed;
- vi. to draft proposals for the Company's major acquisition, purchase of the Company's shares or merger, division, dissolving and change in corporate form of the Company;
- vii. to decide on, within the scope of authorizations granted by the shareholders' meeting, the Company's external investments, acquisition and sale of assets, mortgage of assets, external guarantees, entrusted wealth management, connected party transactions, external donations, etc.;
- viii. to decide on the setup of our Company's internal management organization;
- ix. to decide on the appointment or dismissal of the general manager of the Company and the secretary to the Board of Directors; to decide on the appointment or dismissal of deputy general manager and senior management personnel including person-in-charge of finance of the Company based on the nominations of the general manager, and decide on their emoluments, rewards and penalties;
- x. to formulate the basic management systems of our Company;
- xi. to formulate proposals for any amendment to these Articles;
- xii. to manage the disclosure matters of Company's information;
- xiii. to propose to the shareholders' meeting on the appointment or replacement of an accounting firm that provides audit services to the Company;
- xiv. to listen to the work report of the general manager of the Company and inspect the work of the general manager;
- xv. other functions and powers which are granted by the laws, administrative regulations, departmental regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of our Company are listed and these Articles, or the general shareholders' meeting.

Matters that exceed the scope of authority delegated by the shareholders' meeting shall be submitted to the shareholders' meeting for review.

The Board of Directors shall formulate its own meeting rules to ensure that the Board of Directors would implement the shareholders' meeting resolutions, improve working efficiency, and ensure sound decision-making.

These board meeting rules, which establish the procedures for convening and voting at board meetings, shall be attached to these Articles of Association, drafted by the board, and approved by the shareholders' meeting.

To ensure the effective performance of its duties, the Board of Directors shall establish three specialized committees — the Audit Committee, the Nomination Committee, and the Remuneration and Assessment Committee. The members of these specialized committees shall consist entirely of directors, and their composition must comply with the relevant requirements stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules in the jurisdiction where the Company's shares are listed or as prescribed by the relevant regulatory authorities. The board shall be responsible for formulating the working rules for these specialized committees to regulate their operations.

These specialized committees may engage intermediary institutions to provide professional advice, with the related expenses to be borne by the Company.

Each specialized committee is accountable to the Board of Directors, and the proposals of each specialized committee shall be submitted to the board for review and decision.

GENERAL MANAGER AND OTHER SENIOR MANAGEMENT PERSONNEL

The Company shall have one general manager appointed or dismissed by the Board of Directors.

In accordance with companies' operational and management needs, the Company shall have several deputy general managers appointed or dismissed by the Board of Directors. The Company's manager, deputy manager, person-in-charge of finance and the secretary of the Board of Directors shall be the Company's senior management personnel.

The general manager shall be accountable to the Board and exercise the following functions and powers:

- i. to reside over the production and operation management of the Company, organise and implement the resolutions of the Board of Directors, and report to the Board of Directors;
- ii. to organise for the implementation of the Company's annual business plans;

- iii. to formulate the structure scheme of the internal management agency of our Company;
- iv. to formulate the fundamental management system of the Company;
- v. to formulate the specific rules of our Company;
- vi. to propose to the Board of Directors appointment or dismissal of deputy general manager and person-in-charge of finance of the Company;
- vii. to decide on the appointment or dismissal of responsible management personnel other than those whose appointment or dismissal shall be decided by the Board of Directors;
- viii. to consider and approve transactions other than those to be considered and approved by the shareholders' meeting and the Board of Directors as provided for in the laws and regulations and the Articles of Association;
- ix. other functions and powers conferred by these Articles or the Board.

The general managers shall attend meetings of the Board of Directors.

The Company will be liable for any damage caused to others by senior management personnel in the performance of their duties for the Company; senior management personnel shall also be liable for compensation if they are intentional or grossly negligent.

If a senior management personnel in carrying out his/her duties in the Company infringes any law, administrative regulation, departmental regulations, the Hong Kong Listing Rules, other regulatory rules of the place where the Company's shares are listed or the requirements of these Articles, which results in damage to the Company, he or she shall be liable for compensation.

The Company's senior management personnel shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

If a Company's senior management personnel causes damage to the interests of the Company and shareholders due to failure to faithfully perform his/her duties or breach of his/her obligation of good faith, he or she shall bear liability for compensation in accordance with the law.

SUPERVISORS AND THE BOARD OF SUPERVISORS**Supervisors**

The circumstances set forth in these Articles of Association regarding disqualification from serving as a director shall apply equally to supervisors.

Directors, the General Manager, and other senior management personnel shall not concurrently serve as supervisors.

Supervisors shall comply with laws, administrative regulations, and these Articles of Association, owe fiduciary duties and duties of care to the Company, and shall not use their positions to solicit bribes or other illegal gains, nor shall they misappropriate the Company's assets.

If a supervisor, in the performance of his duties for the Company, violates laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other regulatory rules of the place where the Company's shares are listed, or the provisions of these Articles of Association and thereby causes loss to the Company, he or she shall be liable for compensation.

The Board of Supervisors

The Company shall establish a Board of Supervisors. The Board of Supervisors shall consist of three supervisors and shall have one chairperson. The chairperson of the Board of Supervisors shall be elected by a majority of all the supervisors. The chairperson of the Board of Supervisors shall convene and preside over the meetings of the Board of Supervisors; if the chairperson is unable to perform his duties or fails to perform his duties, a supervisor shall be jointly nominated by a majority of the supervisors to convene and preside over the meetings of the Board of Supervisors.

The Board of Supervisors shall include representatives of shareholders and a proper proportion of representatives of the Company's employees, among whom the proportion of employee representatives shall not be less than one-third. The supervisors representing shareholders shall be elected by the shareholders' meeting, and the supervisors representing employees shall be elected democratically by the employees of the Company through the Workers' Congress or other forms.

The Board of Supervisors shall be entitled to the following rights:

- i. to inspect the Company's finances;
- ii. to supervise the conduct of directors and senior management personnel in performing their duties for the Company, and to propose the removal of any director or senior management personnel who violates laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, these Articles of Association, or resolutions of the shareholders' meeting;

- iii. to require directors and senior management personnel to correct any actions that harm the Company's interests;
- iv. to propose the convening of an extraordinary shareholders' meeting, and to convene and preside over the shareholders' meeting when the Board of Directors fails to perform its statutory duties under the Companies Law to convene and preside over the shareholders' meeting;
- v. to submit proposals to the shareholders' meeting;
- vi. to initiate legal proceedings against directors and senior management personnel in accordance with Article 189 of the Companies Law;
- vii. to conduct investigations if any abnormality in the Company's operations is detected; and to engage professional firms such as accounting firms to assist in its work when necessary, with the costs borne by the Company;
- viii. to exercise any other powers that the Board of Supervisors is required to exercise under laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

The Board of Supervisors shall convene its meeting at least twice a year. A supervisor may propose to convene an extraordinary supervisors' meeting of the Board of Supervisors.

Resolutions of the Board of Supervisors shall be passed by a majority of all the supervisors.

The notice for convening a meeting or an extraordinary meeting of the Board of Supervisors may be given by personal delivery, letter, fax, email, or telephone. The notice period shall not be later than three days prior to the convening of a meeting or an extraordinary meeting of the Board of Supervisors. In case of emergency, where an extraordinary meeting of the Board of Supervisors needs to be convened promptly, the meeting notice may be given orally or by telephone at any time, provided that the convener explains the situation at the meeting. Resolutions of the Board of Supervisors shall be passed by a majority of the supervisors.

The Board of Supervisors shall establish rules of procedure for its meetings, specifying the manner of deliberation and voting procedures to ensure the efficiency and scientific decision-making of the Board of Supervisors.

The rules of procedure for the Board of Supervisors shall be annexed to the Articles of Association, drafted by the Board of Supervisors, and approved by the shareholders' meeting.

The Board of Supervisors shall keep minutes of the decisions made at its meetings, and the supervisors present at the meeting shall sign the minutes.

A supervisor shall have the right to request that his/her statements made at the meeting be recorded with explanatory notes. The minutes of the Board of Supervisors meetings shall be kept as company archives for a period of 10 years.

**FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION, INTERNAL AUDIT
AND APPOINTMENT OF ACCOUNTING FIRMS****Financial Accounting System**

The Company shall formulate its financial accounting system in accordance with laws, administrative regulations, the Hong Kong Listing Rules, other regulatory rules of the place where the Company's shares are listed and the requirements of relevant state departments. If the securities regulatory authority in the jurisdiction where the Company's shares are listed has other provisions, those provisions shall prevail.

The Company shall prepare its annual financial accounting reports within four months from the end of each accounting year, and its interim financial accounting reports within two months from the end of the first six months of each accounting year.

The aforementioned financial accounting reports shall be compiled and announced in accordance with the relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

Except for statutory accounts books, the Company shall not establish additional accounts books. The Company's assets shall not be deposited in any account opened in the name of any individual.

Profit Distribution

When the Company distributes current year's profit after tax, the Company shall allocate 10% of the profits as the statutory reserve fund of the Company. Such allocations may be stopped when the statutory reserve fund of the Company has accumulated to above 50% of the registered capital of the Company.

When the Company's statutory common reserve is not sufficient to make up for the losses of the previous years, current year profits shall be used to make up for the losses before allocating the statutory common reserve in accordance with the provisions of the preceding paragraph.

The Company may withdraw discretionary reserve fund from the after-tax profits pursuant to the resolution of the shareholders' meeting after having withdrawn the statutory reserve fund from the after-tax profits.

After the Company has made up for its losses and made allocations to its common reserve, the remaining after-tax profits could be available for distribution in proportion to the number of shares held by the shareholders, unless it is not permitted in these Articles of Association to distribute profits according to the proportion of shares held by shareholders.

Where the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; if any loss is caused to the Company, the shareholders and responsible directors and senior management shall be liable for compensation.

The shares of the Company held by the Company are not entitled to profit distribution.

The reserve fund of the Company shall be applied to make up for the Company's losses, expand its production and operation, or be converted to increase its registered capital. The discretionary reserve fund and statutory reserve fund shall be used first to cover the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

Upon the transfer of the statutory reserve fund into additional registered capital, the balance of the fund shall not be less than 25% of the registered capital of the Company before such transfer.

Upon passing of a resolution on the profit distribution plan by the shareholders' meeting, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within 2 months after the convening of the shareholders' meeting.

The Company's profit distribution focuses on providing shareholders with reasonable investment returns, and its profit distribution policy remains continuous and stable.

Provided that the conditions for cash dividends are met, and the Company's normal operations and long-term development are ensured, the Company shall, in principle, conduct a cash dividend once each year after the annual shareholders' meeting is held. The Board of Directors of the Company may, based on the Company's profitability and funding requirements, propose a mid-year cash dividend.

When the Company distributes dividends to its shareholders, it shall, in accordance with Chinese tax law, withhold and remit the applicable tax on shareholders' dividend income based on the distributed amount.

Internal Audit

The Company implements an internal audit system that clearly defines the leadership structure, responsibilities, powers, staffing, funding assurances, utilization of audit results, and accountability mechanisms for internal audit work.

The internal audit system shall be implemented upon its approval by the Board of Directors and disclosed externally.

The internal audit institution is accountable to the Board of Directors.

Appointment of Accounting Firm

The Company shall engage an accounting firm compliant with the provisions of the Securities Law, the Hong Kong Listing Rules, other laws, regulations, administrative regulations, normative documents, and other securities regulatory rules of the place where the shares of the Company are listed for auditing its accounting statements, conducting verification of net asset value and providing other relevant consulting services. The term of engagement shall be one year, from the time the Company's Annual Shareholders' Meeting approves until the conclusion of the following Annual Shareholders' Meeting which can be renewed if re-engaged.

The appointment and dismissal of the accounting firm shall, after receiving the consent of more than half of the members of the Audit Committee, be submitted to the Board of Directors for review and must be determined by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the shareholders' meeting has made its decision.

The Company shall ensure that the appointed accounting firm is provided with genuine and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or misrepresent any information.

The audit fees charged by the accounting firm shall be determined by the shareholders' meeting.

In the event that the Company dismisses or opts not to renew the appointment of the accounting firm, the Company shall notify the accounting firm ten days in advance. In addition, the circular recommending the dismissal or non-renewal of the accounting firm, together with any written statement from the accounting firm (if any), must be mailed to shareholders at least ten business days prior to the shareholders' meeting. When the shareholders' meeting votes on the dismissal of the accounting firm, the accounting firm shall be permitted to present its views.

If an accounting firm resigns from its position, it shall make representations at a shareholders' meeting whether there has been any impropriety on the part of the Company.

NOTICES AND ANNOUNCEMENTS

The notices of the Company shall be delivered by the following means:

- i. by personal delivery;
- ii. by post;
- iii. by way of an announcement;

- iv. by E-mail;
- v. by phone;
- vi. shall be conducted by publishing on the designated websites of the Company and the Hong Kong Stock Exchange provided that it complies with laws, administrative regulations, and the securities regulatory rules of the jurisdiction where the Company's shares are listed;
- vii. other forms as recognized by the securities regulatory authority in the jurisdiction where the Company's shares are listed, or as stipulated in these Articles of Association.

MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL, DISSOLUTION AND LIQUIDATION

Merger, division, increase and decrease of capital

Merger of the Company may take the form of absorption or establishment of a new company.

Where the consideration to be paid by the Company for the merger does not exceed ten percent of the net assets of the Company, it may not be subject to resolution of the shareholders' meeting, unless otherwise provided by these Articles of Association. If the Company conducts a merger in accordance with the preceding provisions without a shareholders' meeting resolution, it shall be resolved by the board of directors.

Upon the merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days from the date of the merger resolution and shall publish an announcement on the newspaper(s) or National Enterprise Credit Information Publicity System within thirty days from the date of such resolution. The creditors may, within thirty days as of the receipt of the notice or within forty-five days as of the date of the announcement if it fails to receive a notice, require the Company to clear off its debts or to provide corresponding guarantees.

Upon the merger, the credits and debts of the parties involved shall be succeeded by the Company that survives the merger or by the newly established company.

If the Company is divided, its properties shall be divided accordingly.

In the event of a division, the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days from the date of the division resolution and shall publish an announcement on the newspaper(s) recognized by the industry and commerce administrative authorities of the place where the Company is located or National Enterprise Credit Information Publicity System within thirty days thereafter.

Debts incurred by the Company before its division shall be jointly assumed by the companies after the division, unless it is otherwise prescribed by the Company and the creditors before the division with regard to the clearance of debts in written agreement.

Where the Company needs to reduce its registered capital, a balance sheet and an inventory of assets must be prepared.

The Company shall notify its creditors within ten days from the date of the resolution on the reduction of its registered capital and shall publish an announcement on the information disclosure newspaper designated by the Company within thirty days thereafter. The creditors are entitled to, within thirty days as of the receipt of the notice or within forty-five days as of the date of the announcement if it fails to receive a notice, require the Company to clear off its debts or to provide corresponding guarantees.

The Company's reduction of registered capital shall be effectuated by reducing the amount of contributions or the shares in proportion to the shareholders' shareholdings, except as otherwise provided by law or these Articles of Association.

For a reduction of registered capital carried out pursuant to Article 225 of the Company Law, the provisions of the second paragraph of this article shall not apply; however, the Company shall publish an announcement in the information disclosure newspaper designated by the Company within 30 days from the date the shareholders' meeting resolves to reduce the registered capital.

After reducing its registered capital in accordance with the preceding paragraph, the Company shall not distribute profits until the cumulative amount of the statutory reserves and discretionary reserves reaches 50% of the Company's registered capital.

If the registered capital is reduced in violation of the Company Law and other relevant provisions, the shareholders shall return the funds they have received, and if the capital contribution of the shareholders is reduced or waived, it shall be restored to its original state; if losses are caused to the Company, the shareholders and the directors and senior management who are held liable shall be held liable to compensate for the losses.

Where the merger or division of the Company involves changes in its registered particulars, such changes shall be filed with company registration authorities pursuant to the law. Where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with the laws. Where a new company is established, the Company shall apply for registration of incorporation in accordance with the laws.

If the Company increase or reduce its registered capital, the Company shall complete change registration formalities with the company registration authority in accordance with the laws.

Dissolution and liquidation

The Company dissolves for the following reasons:

- i. the events of dissolution specified in these Articles have occurred;
- ii. the shareholders' meeting resolves to dissolve the Company;
- iii. the Company is dissolved by reason of its merger or division;
- iv. the Company is subject to the revocation of business license, a closure order or elimination in accordance with laws;
- v. the Company's business management encounters serious difficulties such that its continued existence would result in significant harm to the interests of shareholders, and the issues cannot be resolved through other means, any shareholder holding more than 10% of all the voting rights may request that the People's Court dissolve the Company.

In the event of occurrence of any cause leading to the dissolution of the Company as stipulated in the preceding paragraph, such dissolution cause shall be published on the National Enterprise Credit Information Publicity System within ten days upon its occurrence.

Under the circumstances described in above items i and ii of these Articles, if no property has been distributed to its shareholders, the Company may continue to exist by amending these Articles or with approval of the shareholders' meeting.

The amendments to these Articles or obtaining approval of shareholders' meeting in accordance with the provisions described above shall require the approval of at least two-thirds of the voting rights of shareholders attending a shareholders' meeting.

If the Company is dissolved pursuant to the above items i, ii, iv or v of these Articles, it shall establish a liquidation committee within fifteen days after the dissolution circumstance arises to commence liquidation.

Members of the liquidation committee shall be composed of the directors or persons as determined by the shareholders' meeting.

If no liquidation committee is established after the said timeframe to commence liquidation, the interested party may apply to the people's court for the appointment of relevant persons to establish a liquidation committee to commence liquidation.

During liquidation, the liquidation committee shall exercise the following functions and powers:

- i. to clean up the properties of the Company and prepare a balance sheet and an inventory of properties separately;
- ii. to notify creditors by sending notice or by making an announcement;
- iii. to deal with the outstanding liquidation-related business of the Company;
- iv. to pay any tax overdue as well as tax amounts arising from the process of liquidation;
- v. to settle claims and debts;
- vi. to handle the surplus properties of the Company after its debts have been paid off;
- vii. to represent the Company in civil lawsuits.

The liquidation committee shall notify the creditors within ten days from the date of its establishment and shall publish an announcement on the newspaper(s) recognized by the industry and commerce administrative authorities of the place where the Company is located or National Enterprise Credit Information Publicity System within sixty days. The creditors shall declare their creditor's rights to the liquidation committee within thirty days as of the receipt of the notice or within forty-five days as of the date of the announcement if it fails to receive a notice.

Creditors declaring creditor's rights shall state the relevant information of the creditor's rights and provide evidentiary materials. The liquidation committee shall register the creditor's rights.

During the period for filing claims, the liquidation committee shall not make any payments to creditors.

Upon liquidation of the Company's property and preparation of the balance sheet and inventory of properties, if the liquidation committee becomes aware that the Company does not have sufficient properties to meet its liabilities, it shall apply to a people's court for a declaration of bankruptcy in accordance with the laws. Upon acceptance from the People's Court on the bankruptcy petition, the liquidation committee shall transfer all liquidation affairs to the bankruptcy administrator designated by the People's Court.

Liquidation of the Company declared bankrupt according to laws shall be processed in accordance with the laws on corporate bankruptcy.

AMENDMENTS TO THESE ARTICLES

Under any of the following circumstances, the Company shall amend these Articles:

- i. upon revision of the Company Law or the relevant laws, administrative regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed, the provisions in these Articles contradict the stipulations of the revised laws, and administrative regulations;
- ii. the Company's situation has changed and is inconsistent with the items recorded in these Articles;
- iii. the shareholders' meeting decides to amend these Articles.

Where any amendment to these Articles resolved by the shareholders' meeting is subject to review and approval of competent authorities, the amendment shall be submitted to the competent authorities for approval; where company registration matters are involved, change registration formalities shall be filed pursuant to the law.

The Board of Directors shall amend these Articles in accordance with the resolution of the shareholders' meeting on the amendments to these Articles and the approval opinions of relevant competent authorities.

The amendment to these Articles constitutes the information required to be disclosed by the laws and regulations and shall be announced in accordance with regulations.

FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**Incorporation**

Our Company was established as a joint stock limited company on May 29, 2015, under the laws of PRC. As of the Latest Practicable Date, the total share capital of the Company was RMB53,584,383 comprising 53,584,383 Shares of nominal value at RMB1.00 each.

Our principal place of business in Hong Kong is Room 1918, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. Our Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on May 22, 2025 with the Registrar of Companies in Hong Kong. Mr. Lui Wing Yat Christopher has been appointed as the authorized representative of our Company for the acceptance of service of process in Hong Kong whose address for service of process is Room 1918, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

As the Company was incorporated in the PRC, its operations are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and the Articles of Association is set out in the section headed “Regulatory Overview” and “Appendix III — Summary of Articles of Association”, respectively.

Changes in Share Capital

On May 29, 2015, our Company was incorporated as a joint stock limited company under the laws of the PRC with a registered capital of RMB20,000,000.

The following sets out the changes in the share capital of our Company within two years immediately preceding the date of this prospectus:

- (a) On August 16, 2024, our Company completed the SAMR registration in respect of the increase of its registered capital from RMB50,990,435 to RMB51,304,321.
- (b) On December 3, 2024, our Company completed the SAMR registration in respect of the increase of its registered capital from RMB51,304,321 to RMB53,584,383.
- (c) Immediately prior to the Listing, our Company expects to implement the Share Subdivision whereby each existing issued and unissued share capital with par value of RMB1.00 in the authorized share capital of our Company will be subdivided into two Shares with par value of RMB0.50 each and the authorized share capital of our Company will be altered to RMB53,584,383 divided into 107,168,766 shares with par value of RMB0.50 each. For more details, see “— History, Development and Corporate Structure” in this Prospectus.

Save as disclosed above, there has been no alteration in the share capital of our Company within two years immediately preceding the date of this prospectus.

Resolutions of our Shareholders

At the extraordinary general meeting of the Shareholders held on April 18, 2025, the following resolutions, among other things, were duly passed:

- (a) the issue by the Company of H Shares with a nominal value of RMB0.50 each and such H Shares be listed on the Hong Kong Stock Exchange;
- (b) the number of H shares to be issued shall be no more than 35,723,000, representing approximately 25% of the total issued share capital of our Company as enlarged by the Global Offering;
- (c) authorization of the Board or its authorized individual to handle all matters relating to, among other things, the Global Offering, the issue and the listing of H Shares on the Hong Kong Stock Exchange; and
- (d) subject to the completion of the Global Offering, the conditional adoption of the revised Articles of Association, which shall become effective on the Listing Date.

Changes in the Share Capital of our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 17 to the Accountants' Report as set out in Appendix I to this prospectus.

On August 20, 2024, the registered capital of Shanghai Sirius was increased from RMB2,000,000 to RMB5,000,000.

On November 28, 2024, the registered capital of New Vision Ningbo was increased from RMB25,000,000 to RMB125,000,000.

On May 30, 2025, the registered capital of GiraffeVision PTE. Ltd. was increased from 1,000 Singapore dollars to 10,000 Singapore dollars.

GiraffeVision Kft., a wholly-owned subsidiary of our Company, was established in Hungary on August 28, 2025 with the registered capital of 5,000,000 Hungarian Forint.

Giraffe Vision Co. Ltd (Giraffe Vision 株式會社), a wholly-owned subsidiary of our Company, was established in Japan on November 20, 2025 with the registered capital of 5,000,000 Japanese yen.

New Vision Shanghai, a wholly-owned subsidiary of our Company, was established in PRC on January 21, 2026 with the registered capital of RMB2,000,000.

Giraffe Vision GmbH, a wholly-owned subsidiary of our Company, was established in Germany on February 3, 2026 with the registered capital of EUR25,000.

Save as disclosed above, there has been no alteration in the share capital of the subsidiaries of the Company within two years immediately preceding the date of this prospectus.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this prospectus and are or may be material:

- (a) the cornerstone investment agreement dated March 12, 2026 entered into among our Company, Yingke No.1 (Hongkong) Limited (盈科壹號(香港)有限公司), Haitong International Capital Limited, CITIC Securities (Hong Kong) Limited, Haitong International Securities Company Limited, CLSA Limited and BOCI Asia Limited, with respect to a subscription of such number of H Shares at the Offer Price in the aggregate amount of HK\$55,000,000 (excluding brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee in respect of such number of H Shares of our Company);
- (b) the cornerstone investment agreement dated March 12, 2026 entered into among our Company, Hongkong High Tech Industrial (Beijing) Development Investment Co., Limited (香港高精尖產業(北京)發展投資有限公司), Haitong International Capital Limited, CITIC Securities (Hong Kong) Limited, Haitong International Securities Company Limited, CLSA Limited and BOCI Asia Limited, with respect to a subscription of such number of H Shares at the Offer Price in the aggregate amount of HK\$54,950,000 (excluding brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee in respect of such number of H Shares of our Company); and
- (c) the Hong Kong Underwriting Agreement.

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of registration	Rights holder	Category	Registration number	Expiration date
1. . . .	泽景	PRC	the Company	9	61314306	January 27, 2033
2. . . .	泽景	PRC	the Company	9	55200665	December 6, 2032
3. . . .	泽景	Thailand	the Company	7, 9, 12, 42	221112810	April 19, 2032
4. . . .	泽景	PRC	the Company	45	72427194	February 27, 2034
5. . . .	泽景	PRC	the Company	9	67697341	June 20, 2033

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

No.	Trademark	Place of registration	Rights holder	Category	Registration number	Expiration date
6. . . .	泽景	PRC	the Company	7	64211808	November 13, 2032
7. . . .		PRC	the Company	38	64193059	October 13, 2032
8. . . .		PRC	the Company	12	64215804	October 13, 2032
9. . . .		PRC	the Company	9	64196334	October 13, 2032
10. . .		PRC	the Company	7	64201463	October 13, 2032
11. . .	泽景	PRC	the Company	42	64205397	October 13, 2032
12. . .	泽景	PRC	the Company	38	64200909	October 13, 2032
13. . .	泽景	PRC	the Company	12	64198882	October 13, 2032
14. . .		Thailand	the Company	7, 9, 12, 42	221112814	April 19, 2032
15. . .		Japan	the Company	7, 9, 12, 42	6502075	January 20, 2032
16. . .		PRC	the Company	12	44399261	October 27, 2030
17. . .		PRC	the Company	35	44401406	October 27, 2030
18. . .	ZJCYBER	PRC	the Company	9	64692346	November 6, 2032
19. . .	泽景科技	PRC	the Company	36	67315864	February 27, 2034
20. . .	泽景 ZEJING	PRC	the Company	9	67605378	May 27, 2033
21. . .	泽景 ZEJING	PRC	the Company	12	67603786	May 27, 2033
22. . .	 SIRIUSMATIC	PRC	Shanghai Sirius	9	70316865	January 20, 2034
23. . .	 SIRIUSMATIC	PRC	Shanghai Sirius	42	70320559	November 13, 2033
24. . .	 SIRIUSMATIC	PRC	Shanghai Sirius	7	70312509	January 20, 2034
25. . . .	NEWISION	PRC	the Company	9	80400369	May 13, 2035

Copyright

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be or may be material to our business:

No.	Copyright	Copyright owner	Registration number	Date of registration
1. . .	Automotive HUD Software V1.0 (汽車HUD 軟件V1.0)	the Company	2018SR564539	July 18, 2018
2. . .	Head-up Display MCU Control Software V1.0 (抬頭顯示器MCU 控制軟件V1.0)	the Company	2018SR564474	July 18, 2018
3. . .	HUD iPhone Assistant Software ("HUD Assistant") V1.0 (HUD iPhone助手軟件[簡稱:HUD助 手]V1.0)	the Company	2016SR130431	June 3, 2016
4. . .	HUD Image Correction Software V1.0 (HUD圖像校正軟件V1.0)	the Company	2016SR206298	August 5, 2016
5. . .	HUD MCU Fault Detection Software V1.0 (HUD MCU故障 檢測軟件V1.0)	the Company	2017SR450876	August 15, 2017
6. . .	HUD Upper Computer Detection Software V1.0 (HUD上位機檢測 軟件V1.0)	the Company	2017SR450881	August 15, 2017
7. . .	HUD Graphics Driver Software V1.0 (HUD圖形驅動軟件V1.0)	the Company	2017SR450888	August 15, 2017
8. . .	AR-HUD Road Marking AR Software V1.0 (AR-HUD道路標 線AR軟件V1.0)	the Company	2017SR534142	September 20, 2017
9. . .	HUD Backlight Control Software V1.0 (HUD背光控制軟件V1.0)	the Company	2017SR599691	November 2, 2017
10. . .	HUD Distortion Calibration Upper Computer Software V1.0 (HUD 畸變標定上位機軟件V1.0)	the Company	2017SR600217	November 2, 2017
11. . .	Head-up Display Mirror Control Software V1.0 (抬頭顯示器反射 鏡控制軟件V1.0)	the Company	2017SR611069	November 8, 2017
12. . .	HUD Program Download Software V1.0 (HUD程序下載軟件V1.0)	the Company	2017SR638018	November 21, 2017
13. . .	HUD Distortion Correction Software V1.0 (HUD畸變矯正軟 件V1.0)	the Company	2017SR679698	December 11, 2017
14. . .	HUD SPI Peripheral Operation Software V1.0 (HUD SPI外設操 作軟件V1.0)	the Company	2017SR681929	December 12, 2017
15. . .	HUD Driving Environment Display Software V1.0 (HUD行車環境顯 示軟件V1.0)	the Company	2019SR0948094	September 11, 2019

No.	Copyright	Copyright owner	Registration number	Date of registration
16..	Head-up Display Navigation Information Display Software V1.0 (抬頭顯示器導航信息顯示軟件V1.0)	the Company	2019SR0948098	September 11, 2019
17..	HUD System State Machine Software V1.0 (HUD系統狀態機軟件V1.0)	the Company	2019SR1105346	October 31, 2019
18..	MATLAB Task Scheduling Software V1.0 with HUD Functional Module Modeling Architecture and Code Generation (MATLAB實現HUD功能模塊模型架構及生成代碼的任務調度軟件V1.0)	the Company	2019SR1106187	October 31, 2019
19..	HUD Image Brightness Adjustment Software V1.0 (HUD圖像亮度調節軟件V1.0)	the Company	2020SR0798822	July 20, 2020
20..	Automatic generation of Signal and Parameter from EXCEL to Workspace Script Software V1.0 (從EXCEL自動生成Signal和Parameter到Workspace的腳本軟件V1.0)	the Company	2020SR0821070	July 24, 2020
21..	HUD Fault Diagnosis and Monitoring Software 1.0 (HUD故障診斷監控軟件1.0)	the Company	2020SR1726096	December 3, 2020
22..	HUD LED Light Board Fault Detection Software 1.0 (HUD LED燈板故障檢測軟件1.0)	the Company	2020SR1726082	December 3, 2020
23..	MATLAB Module Software 1.0 with ARHUD Navigation Vision Display Function (MATLAB實現ARHUD導航遠景顯示功能模塊軟件1.0)	the Company	2020SR1726093	December 3, 2020
24..	HUD Image Height Adjustment Software V1.0 (HUD圖像高度調節軟件V1.0)	the Company	2021SR0034826	January 7, 2021
25..	Head-up Display ADAS Information Display Software V1.0 (抬頭顯示器ADAS信息顯示軟件V1.0)	the Company	2021SR0392046	March 15, 2021

Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent Name	Patentee	Place of registration	Patent number	Application date
1. . .	An Information Display Method and Device, Storage Media and Electronic Equipment (一種信息顯示方法及裝置、存儲介質、電子設備)	the Company	PRC	ZL202211453707.9	November 21, 2022
2. . .	A Warning Information Display Method, Device and Storage Media (一種預警信息展示方法、裝置及存儲介質)	the Company	PRC	ZL202310114328.5	February 14, 2023
3. . .	Display Control Method and Device, Electronic Equipment and Storage Media (顯示控制方法及裝置、電子設備、存儲介質)	the Company	PRC	ZL202310918591.X	July 25, 2023
4. . .	Navigation Information Display Method and Device, Storage Media and Electronic Equipment (導航信息顯示方法及裝置、存儲介質及電子設備)	the Company	PRC	ZL202311258811.7	September 27, 2023
5. . .	Information Display Control Method, Storage Media and Electronic Equipment (信息顯示控制方法、存儲介質及電子設備)	the Company	PRC	ZL202310381517.9	April 11, 2023
6. . .	Lane Navigation Information Display Method, Device, Electronic Equipment and Storage Media (車道導航信息展示方法、裝置、電子設備及存儲介質)	the Company	PRC	ZL202310753202.2	June 25, 2023
7. . .	A Panoramic Head-up Display Device, Display Control Method, Device and Media (一種全景抬頭顯示裝置、顯示控制方法、裝置及介質)	the Company	PRC	ZL202410897536.1	July 5, 2024

No.	Patent Name	Patentee	Place of registration	Patent number	Application date
8.	A Display Image Compensation Method, Device, Electronic Equipment and Storage Media (一種顯示畫面補償方法、裝置、電子設備及存儲介質)	the Company	PRC	ZL202210683313.6	June 17, 2022
9.	Image Processing Method, Device, Head-up Display and Storage Media (圖像處理方法、裝置、抬頭顯示器及存儲介質)	the Company	PRC	ZL202210838359.0	July 18, 2022
10.	Image Acquisition Device and Method, Head-up Display Device, Control and Judging Method (圖像獲取裝置及方法、抬頭顯示設備和控制及判斷方法)	the Company	PRC	ZL202410990312.5	July 23, 2024
11.	Image Generation Unit, Head-up Display Device and Monitoring Method (圖像生成單元、抬頭顯示設備及監控方法)	the Company	PRC	ZL202411143106.7	August 20, 2024
12.	Reflecting Mirror Transmission System and Head-up Display Device (反射鏡傳動系統及抬頭顯示設備)	the Company	PRC	ZL202211571496.9	December 8, 2022
13.	Reflecting Mirror Installation Structure and Head-up Display (反射鏡安裝結構及抬頭顯示器)	the Company	PRC	ZL202310578916.4	May 22, 2023
14.	An HUD Mirror Driving System (一種HUD鏡片驅動系統)	the Company	PRC	ZL202211633155.X	December 19, 2022
15.	Reflecting Mirror Locking Structure, Reflecting Mirror Transmission System and Head-up Display (反射鏡鎖止結構、反射鏡傳動系統及抬頭顯示器)	the Company	PRC	ZL202310990726.3	August 8, 2023

No.	Patent Name	Patentee	Place of registration	Patent number	Application date
16.	Display Control Method, Device and Projection Device, Computer-readable Storage Media (顯示控制方法、裝置及投影裝置、計算機可讀存儲介質)	the Company	PRC	ZL202410997921.3	July 24, 2024
17.	AR-HUD Imaging System and Image Display Control Method (AR-HUD成像系統及成像顯示控制方法)	the Company	PRC	ZL202310435398.0	April 21, 2023
18.	Image Processing Method, Device, HUD and Storage Media (圖像處理方法、裝置、HUD及存儲介質)	the Company	PRC	ZL202211584807.5	December 9, 2022
19.	Vehicle Information Acquisition Method, Device, Vehicle and Storage Media (車輛信息獲取方法、裝置、車輛及存儲介質)	the Company	PRC	ZL202211280572.0	October 19, 2022
20.	Height Adjustment Method for HUD Display Image, Device, Equipment and Storage Media (HUD顯示畫面的高度調節方法、裝置、設備和存儲介質)	the Company	PRC	ZL202210737982.7	June 28, 2022
21.	Display Method for Following Icon, Device, Head-up Display and Storage Media (跟隨圖標的顯示方法、裝置、抬頭顯示器及存儲介質)	the Company	PRC	ZL202210611420.8	June 1, 2022
22.	A Posture Correction Method, Device, Projection Equipment and Storage Media (一種姿態矯正方法、裝置、投影設備及存儲介質)	the Company	PRC	ZL202111506717.X	December 10, 2021
23.	An Image Display Method, Electronic Equipment and Storage Media (一種圖像展示方法、電子設備及存儲介質)	the Company	PRC	ZL202310524374.2	May 11, 2023

No.	Patent Name	Patentee	Place of registration	Patent number	Application date
24.	An Obstacle Warning Method, Device, Electronic Equipment and Storage Media (一種障礙物預警方 法、裝置、電子設備及存儲 介質)	the Company	PRC	ZL202310596908.2	May 24, 2023
25.	Driving Interaction Information Display Method and Device, Storage Media and Electronic Equipment (行車 交互信息顯示方法及裝置、 存儲介質及電子設備)	the Company	PRC	ZL202311266170.X	September 27, 2023

Domain names

As of the Latest Practicable Date, we owned the following domain names which we consider to be or may be material to our business:

No.	Domain names	Registered owner	Expiration date
1.....	zjautomotive.com.cn	the Company	June 16, 2028
2.....	zejingmotor.com.cn	the Company	June 16, 2028
3.....	zejingautomotive.com.cn	the Company	June 16, 2028
4.....	zjautomotive.cn	the Company	June 16, 2028
5.....	zejingautomotive.cn	the Company	June 16, 2028
6.....	zejingmotor.cn	the Company	June 16, 2028
7.....	zejingmotor.com	the Company	June 16, 2028
8.....	zejingautomotive.com	the Company	June 16, 2028
9.....	zjautomotive.com	the Company	June 16, 2028
10.	giraffevision.cn ⁽¹⁾	the Company	June 9, 2026
11.	giraffevision.com.cn ⁽²⁾	the Company	June 9, 2026
12.	giraffe-vision.com ⁽³⁾	the Company	June 9, 2026

Note: (1) (2) (3) This domain name will be renewed before its expiration. Our PRC Legal Advisor is of the view that no significant difficulties are expected in the renewal process.

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights which were material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS**Particulars of the Service Contracts**

We have entered into a contract with each of our Directors and Supervisors in respect of, among other things (i) compliance of relevant laws and regulations, (ii) observance of the Articles of Association, and (iii) provisions on arbitration.

Save as disclosed above, none of the Directors or Supervisors has entered into any service contracts as a director or supervisor with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

Directors' and Supervisors' Remuneration

The Directors and Supervisors receive remuneration in the forms of salaries, allowances and benefits in kind, performance related bonuses, share-based payment expenses, and pension scheme contributions.

The aggregate amount of remuneration (including salaries, allowances and benefits in kind, performance related bonuses, share-based payment expenses, and pension scheme contributions) paid to our Directors and Supervisors for the three years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025 were approximately RMB4.7 million, RMB22.9 million, RMB5.8 million and RMB4.7 million, respectively.

Disclosure of interests

Immediately following completion of the Global Offering (assuming Share Subdivision is completed), the interests and/or short positions of our Directors, Supervisors and chief executive in our Shares, underlying shares and debentures of our Company and its associated corporations, within the meaning of Part XV of the SFO, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, will be as follows:

Interest in Shares

Name of Director, Supervisor or Chief Executive	Nature of Interests	Number and Description of Shares ⁽¹⁾	Approximate percentage of Shareholding following the completion of the Global Offering (%)	
			In the Domestic Unlisted Shares/H Shares	In the total issued share capital of our Company
Mr. Zhang Tao ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	Beneficial owner	1,907,072 Domestic Unlisted Shares	13.28%	1.55%
		4,449,836 H Shares	4.08%	3.61%
	Interest in a controlled corporation	5,201,953 Domestic Unlisted Shares	36.23%	4.22%
		12,137,891 H Shares	11.13%	9.84%
	Interest held jointly with another person	7,249,212 Domestic Unlisted Shares	50.49%	5.87%
		16,914,832 H Shares	15.51%	13.71%
Mr. Zhang Bo ⁽²⁾⁽³⁾	Beneficial owner	2,669,672 Domestic Unlisted Shares	18.59%	2.16%
		6,229,236 H Shares	5.71%	5.05%
	Interest held jointly with another person	11,688,565 Domestic Unlisted Shares	81.41%	9.47%
		27,273,323 H Shares	25.01%	22.10%
Mr. Hu Bin ⁽²⁾⁽³⁾⁽⁶⁾	Interest of spouse	14,358,239 Domestic Unlisted Shares	100%	11.64%
		33,502,557 H Shares	30.73%	27.15%
Mr. Fan Xin ⁽⁴⁾	Interest in a controlled corporation	2,270,522 Domestic Unlisted Shares	15.81%	1.84%
		5,297,884 H Shares	4.86%	4.29%
Mr. Zhang Ningbo (張寧波) ⁽⁵⁾	Beneficial owner	74,490 Domestic Unlisted Shares	0.52%	0.06%
		173,810 H Shares	0.16%	0.14%

Notes:

- (1) All interests are long positions.
- (2) As of the Latest Practicable Date, Mr. Zhang Tao was the general partner of Yangzhou Zewu and Yangzhou Zeying. Therefore, Mr. Zhang Tao is deemed to be interested in the 4,885,719 and 3,784,203 Shares held by each of Yangzhou Zewu and Yangzhou Zeying under the SFO.
- (3) Pursuant to the acting-in-concert agreement dated February 1, 2021, Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian are parties acting in concert in respect of their shareholding interests in our Company. Therefore, each of Mr. Zhang Tao, Mr. Zhang Bo, Mr. Wang Zhenggang, Mr. Lyu Tao, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian is deemed to be interested in the interest of each other under the SFO.
- (4) As of the Latest Practicable Date, the partnership interest of Yangzhou Zeying was held as to (i) 16.44% by Mr. Zhang Tao as the general partner; (ii) 39.64% by Mr. Fan Xin as a limited partner, and (iii) 43.92% by 42 other limited partners, none of which holds more than 30% interest therein.
- (5) As of the Latest Practicable Date, the partnership interest of Yangzhou Zewu was held as to (i) 0.55% by Mr. Zhang Tao as the general partner; (ii) 2.54% by Mr. Zhang Ningbo, our Supervisor, as a limited partner; and (iii) 96.91% by 46 limited partners, none of which holds more than 30% therein.
- (6) Mr. Hu Bin and Ms. Ye Jing are spouses, and hence are deemed to be interested in the interest of each other under the SFO.

Save as disclosed above, none of the Directors, Supervisors or the chief executive of the Company will, immediately following completion of the Global Offering, has any interests and/or short positions in the Shares, underlying Shares and debentures of our Company's associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Substantial Shareholders

For information on the persons who will, immediately following the completion of the Global Offering, having or be deemed or taken to have beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, see the section headed "Substantial Shareholders" in this prospectus.

So far as the Directors are aware, the persons (other than our Directors, the chief executive of our Company, and any member of our Group) will, immediately following the completion of the Global Offering, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of the members of our Group (other than our Company):

Our subsidiaries	Name of substantial shareholder	Approximate percentage of interest (%)
Shanghai Sirius	Yangzhou Siruijing	15%
New Vision Jilin	Changchun Zhizhonghe Science and Trade Co., Ltd (長春至中和科貿有 限公司)	49%

OUR INCENTIVE SCHEMES

A. Share Incentive Scheme

The following is a summary of the principal terms of the employee share incentive scheme (the “**Share Incentive Scheme**”) of our Company approved by the Shareholders on April 17, 2020. The terms of Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve any grant of awards by our Company after our Listing. Save as otherwise disclosed, the terms of the Share Incentive Scheme are substantially similar and are summarized below.

As of the Latest Practicable Date, our Company has established two employee shareholding platforms under the Share Incentive Scheme, namely Yangzhou Zewu and Yangzhou Zeying, which in aggregate directly held 8,669,922 Shares (or 17,339,844 Shares after the completion of the Share Subdivision). For details, see “History, Development and Corporate Structure” in this prospectus.

(i) Purpose

The purpose of the Share Incentive Scheme is to improve our Group’s corporate governance structure and incentivize management, key business personnel, and core technical staff to achieve a sustained and long-term development of our Group. The Share Incentive Scheme is implemented to promote the stable, continuous and rapid growth of our Group.

(ii) Administration

The Share Incentive Scheme is executed by the Board subject to the authorization by the Shareholders.

(iii) Eligibility and Participation

The participants of the Share Incentive Scheme (the “**Participants**”) will consist of Directors (excludes independent non-executive Directors), management and key employees of our Group as the Board determines from time to time to receive awards under the Share Incentive Scheme.

The incentive Shares are granted under the Share Incentive Scheme to the Participants as an award. The award incentive shares are directly held by Yangzhou Zewu and Yangzhou Zeying. After the grant of the awards, the Participants have become limited partners of Yangzhou Zewu and Yangzhou Zeying and are indirectly interested in the incentive shares under the terms and conditions contained in relevant agreements of Share Incentive Scheme.

(iv) Lock-up and vesting of the shares

The awards are subject to regulatory lock-up requirement and a stipulated lock-up period commencing from the grant date until 36 months after listing of the Company. During the lock-up period of the Share Incentive Scheme, the Participants shall not dispose of, or pledge, or otherwise encumber under the Share Incentive Scheme, their limited partnership interests in Yangzhou Zewu and Yangzhou Zeying.

(v) Repurchase of Shares Granted

The partnership interests granted to the Participants may be repurchased by Mr. Zhang Tao, as the general partner of Yangzhou Zewu and Yangzhou Zejing, in the event of, including but not limited to (i) the death of the Participants, or his/her death or disappearance has been declared by the People’s Court; (ii) termination of labor or employment relationship; (iii) the Participants’ involvement in criminal activities, administrative penalties, or public security punishments; (iv) the Participant have seriously neglected his/her duties, which has caused significant damage to our Company; and (v) violation of our Company’s regulations on non-competition or restriction of non-competition during the period of his/her employment and (vi) other misconducts that harm our Company’s interests or reputation, or cause direct or indirect economic losses to our Company.

(vi) Details of the Awards Granted

As of the date of this prospectus, details of the incentive Shares under the Share Incentive Scheme are set out as below.

Name	Position(s) held within our Group	Number of incentive Shares held	Approximate percentage of enlarged issued share capital of our Company immediately after completion of the Global Offering⁽¹⁾
<i>Connected persons and Senior Management</i>			
Mr. Zhang Tao (張濤)	Executive Director and chairperson of the Board	648,769 Shares (or 1,297,538 Shares after the completion of the Share Subdivision)	1.05%
Mr. Zhang Bo (張波)	Executive Director and deputy general manager	39,015 Shares (or 78,030 Shares after the completion of the Share Subdivision)	0.06%
Mr. Fan Xin (范鑫)	Executive Director and general manager	1,500,000 Shares (or 3,000,000 Shares after the completion of the Share Subdivision)	2.43%
Mr. Zhang Ningbo (張寧波) .	Chairperson of the Supervisory Committee and employee representative Supervisor	124,150 Shares (or 248,300 Shares after the completion of the Share Subdivision)	0.20%
Mr. Wang Zhenggang (王正剛)	Deputy general manager	524,934 Shares (or 1,049,868 Shares after the completion of the Share Subdivision)	0.85%
Mr. Lyu Tao (呂濤)	Chief technology officer	5,784 Shares (or 11,568 Shares after the completion of the Share Subdivision)	0.01%
Mr. Bu Yingqi (卜英奇) . . .	Financial director	120,500 Shares (or 241,000 Shares after the completion of the Share Subdivision)	0.20%
Ms. Ma Hairong (馬海蓉) . .	Board secretary and joint company secretary	61,010 Shares (or 122,020 Shares after the completion of the Share Subdivision)	0.10%

Name	Position(s) held within our Group	Number of incentive Shares held	Approximate percentage of enlarged issued share capital of our Company immediately after completion of the Global Offering ⁽¹⁾
<i>Other Participants</i>			
Other Key Employees	–	5,645,760 Shares (or 11,291,520 Shares after the completion of the Share Subdivision)	9.15%
Total		8,669,922 Shares (or 17,339,844 Shares after the completion of the Share Subdivision)	14.05%

Note:

- (1) The calculation is based on the assumption that the Share Subdivision is completed, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and Listing.

B. Sirius Share Scheme

The following is a summary of the principal terms of the Sirius Share Scheme approved by the Shareholders of the Company on September 20, 2023. The terms of Sirius Share Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve any grant of awards by our Company or Shanghai Sirius after our Listing. Save as otherwise disclosed, the terms of the Sirius Share Scheme are substantially similar and are summarized below.

As of the Latest Practicable Date, Shanghai Siruijing had been established as the employee shareholding platform, which directly held 750,000 Shares of Shanghai Sirius. For details, see “History, Development and Corporate Structure” in this prospectus.

(i) Purpose

The purpose of the Sirius Share Scheme is to incentivize management, key business personnel, and core technical staff of Shanghai Sirius to achieve a sustained and long-term development of our Group.

(ii) Administration

The Sirius Share Scheme is executed by the board of Shanghai Sirius.

(iii) Eligibility and Participation

Participants will consist of management and key employees of Shanghai Sirius as the board of Shanghai Sirius determines from time to time to receive awards under the Sirius Share Scheme.

The incentive shares are granted under the Sirius Share Scheme to the participants as an award. The award incentive shares are directly held by Shanghai Siruijing. After the grant of the awards, the participants have become limited partners of Shanghai Siruijing and are indirectly interested in the incentive shares under the terms and conditions contained in relevant agreements of Sirius Share Scheme.

(iv) Details of the Awards Granted

As of the date of this prospectus, details of the awards granted under the Sirius Share Scheme are set out as below.

Name	Position(s) held within our Group	Number of incentive shares of Shanghai Sirius granted	Approximate percentage of issued share capital of Shanghai Sirius
<i>Connected persons and Senior Management</i>			
Mr. Wang Zhenggang (王正剛)	Deputy general manager	500,000 shares	10.00%
<i>Other Participants</i>			
Other Key Employees	—	250,000 shares	5.00%
Total		<u>750,000 shares</u>	<u>15.00%</u>

Disclaimers

- (a) Save as disclosed in the section headed “History, Development and Corporate Structure,” none of the Directors, Supervisors nor any of the experts referred to in “— Other Information — Qualifications and Consents of Experts” below has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by, or leased to, any member of the Group, or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

- (b) Save in connection with the Underwriting Agreements, none of the Directors, Supervisors nor any of the experts referred to in “— Other Information — Qualifications and Consents of Experts” below, is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group.
- (c) No cash, securities or other benefit has been paid, allotted or given within the two years preceding the date of this prospectus to any promoter of the Company nor is any such cash securities or benefit intended to be paid, allotted or given on the basis of the Global Offering or related transactions as mentioned.
- (d) none of our Directors or Supervisors or their close associates (as defined in the Listing Rules) or the existing Shareholders (who, to the knowledge of our Directors, owns more than 5% of our issued share capital) has any interest in any of the five largest customers or the five largest suppliers of our Group.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Group.

Litigation

So far as our Directors are aware, no litigation or claim of material importance is pending or threatened against any member of our Group.

Joint Sponsors

The Joint Sponsors have made an application on our behalf to the Stock Exchange for the listing of, and permission to deal in, our Shares in issue, our Shares to be issued pursuant to the Global Offering.

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Gold Investment and Anhui Jiaokong are Pre-IPO Investors with an aggregate shareholding of approximately 2.20% of our total issued share capital as of the Latest Practicable Date. Please refer to the section headed “History, Development and Corporate Structure — Pre-IPO Investments — Information about the Pre-IPO Investors” for further details of the ultimate beneficial owners of Gold Investment and Anhui Jiaokong. Gold Investment, Anhui Jiaokong and CITIC Securities (Hong Kong) Limited (a Joint Sponsor) are members of a “sponsor group” as defined under the Listing Rules. As the aggregate shareholding of Gold Investment and Anhui Jiaokong in our Company is (and will remain so

up to the Listing Date) below the threshold under Rule 3A.07(1) of the Listing Rules nor does it give rise to any circumstances under Rule 3A.07 of the Listing Rules, CITIC Securities (Hong Kong) Limited satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

As none of the circumstances set out in Rule 3A.07 of the Listing Rules exists, CITIC Securities (Hong Kong) Limited satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between the Company and each of the Joint Sponsors, we have agreed to pay the Joint Sponsors an aggregate sponsor fee of US\$800,000 to act as the sponsors of our Company in connection with the proposed listing on the Hong Kong Stock Exchange.

Qualifications and Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Haitong International Capital Limited	Licensed to conduct Type 6 (advising on corporate finance) of the regulated activity under the SFO
CITIC Securities (Hong Kong) Limited	A licensed corporation under the SFO to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Ernst & Young	Certified Public Accountants
Allbright Law Offices	PRC legal advisor
Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyō).	International Sanctions Legal Advisor
China Insights Industry Consultancy Limited	Independent industry consultant

As of the Latest Practicable Date, none of the experts named above has any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

BINDING EFFECT

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

BILINGUAL PROSPECTUS

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

PROMOTERS

The promoter of our Company is Mr. Wang Zhenggang, Ms. Ye Jing, Ms. Guo Hui, Ms. Lyu Xianglian and Ms. Cui Jin.

Save as disclosed in the section headed “History, Development and Corporate Structure” in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the Global Offering or the related transactions described in this prospectus.

PRELIMINARY EXPENSES

The Company did not incur material preliminary expenses for the purpose of the Listing Rules.

NO MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material change in our financial or trading position since September 30, 2025.

MISCELLANEOUS

- (a) Save as disclosed in “Changes in Share Capital” above, within the two years immediately preceding the date of this prospectus:
- (i) no share or loan capital or debenture of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid other than in cash or otherwise;
 - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and

- (iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries.
- (b) there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries;
- (c) no share or loan capital or debenture of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (d) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries by our Company for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of our Company or any of our subsidiaries;
- (e) Save as disclosed in the paragraph headed “Further Information about our Business — Summary of Material Contracts” in this section, none of our Directors or experts (as named in this prospectus), have any interest, direct or indirect, in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group. Save as disclosed in this prospectus, no equity or debt securities of any company within our Group is presently listed on any stock exchange or traded on any trading system nor is any listing or permission to deal being or proposed to be sought;
- (f) Our Company has no outstanding convertible debt securities or debentures;
- (g) There is no arrangement under which future dividends are waived or agreed to be waived; and
- (h) There has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) the written consents referred to in “*Appendix IV — Statutory and General Information — Other Information — Qualifications and Consents of Experts*”; and
- (b) a copy of each of the material contracts referred “*Appendix IV — Statutory and General Information — Further Information about our Business — Summary of Material Contracts*”.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at www.hkexnews.hk and our website at www.zjautomotive.com during a period of 14 days from the date of this prospectus:

- 1. the Articles of Association;
- 2. the Accountant’s Report prepared by Ernst & Young, the text of which is set forth in Appendix I to this Prospectus;
- 3. the audited consolidated financial statements of our Company for the financial years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2025, respectively;
- 4. the report from Ernst & Young on the unaudited *pro forma* financial information of our Group, the text of which is set forth in Appendix IIA to this Prospectus;
- 5. the material contracts in “*Appendix IV — Statutory and General Information — Further Information about our Business — Summary of Material Contracts*”;
- 6. the written consents referred to in “*Appendix IV — Statutory and General Information — Other Information — Qualifications and Consents of Experts*”;
- 7. the service contracts referred to in “*Appendix IV — Statutory and General Information — Further Information about our Directors, Supervisors, Senior Management and Substantial Shareholders — Particulars of the Service Contracts*”;
- 8. the legal opinions issued by Allbright Law Offices, our PRC Legal Advisor, in respect of, among other things, the general corporate matters and the property interests of our Group under PRC law;
- 9. the legal memorandum issued by Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo), our International Sanctions Legal Advisor, in respect of certain International Sanctions and U.S. tariffs matters of our Group;

10. the industry report issued by China Insights Industry Consultancy Limited, the summary of which is set forth in the section headed “*Industry Overview*” in this Prospectus; and
11. the PRC Company Law, the PRC Securities Law, and the Overseas Listing Trial Measures, together with their respective unofficial English translations.



江蘇澤景汽車電子股份有限公司
JIANGSU NEW VISION AUTOMOTIVE ELECTRONICS CO., LTD.



锦天城律师事务所

ALLBRIGHT LAW OFFICES

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www.allbrightlaw.com

March 16, 2026

The Board of Directors

Jiangsu New Vision Automotive Electronics Co., Ltd. (江苏泽景汽车电子股份有限公司) (the Company")

Building 1, Automobile Electronics

Industry Park

3 Tianyue Road, Automobile Industry Park

Yizheng, Yangzhou, Jiangsu Province

PRC

Dear Sirs/Madams,

We, Allbright Law Offices, as the Company's legal advisor as to PRC law in connection with the Company's proposed global offering and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), refer to the prospectus of the Company dated ~~March 16, 2026~~ (the "**Prospectus**").

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus by the Company, with the inclusion therein of all references to our name, qualifications, confirmations and opinions in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus.

We also consent to a copy of this letter and our PRC legal opinions being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

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锦天城律师事务所
ALLBRIGHT LAW OFFICES

For and on behalf of
Allbright Law Offices

Name: 杨妍婧/Yanjing Yang
Title: Partner



Ashurst Horitsu Jimusho
Gaikokuho Kyodo Jigyo
Shiroyama Trust Tower
30th Floor
4-3-1 Toranomon
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Tel +81 3 5405 6200
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Direct line:
+81 3 5405 6210
Email:
alexander.dmitrenko
@ashurst.com

March 16, 2026

The Board of Directors

Jiangsu New Vision Automotive Electronics Co., Ltd. (江蘇澤景汽車電子股份有限公司) (the "**Company**")

Building 1, Automobile Electronics

Industry Park

3 Tianyue Road, Automobile Industry Park

Yizheng, Yangzhou, Jiangsu Province

PRC

Dear Sirs/Madams,

We, Ashurst Tokyo (Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo), as the Company's international sanctions legal advisor as to international sanctions laws and U.S. tariffs in connection with the Company's proposed global offering and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), refer to the prospectus of the Company dated March 16, 2026 (the "Prospectus").

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus by the Company, with the inclusion therein of all references to our name, qualifications, confirmations and opinions in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus.

We also consent to a copy of this letter and our international sanctions and U.S. tariffs legal memorandum being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

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Yours faithfully,
For and on behalf of
Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyo

A handwritten signature in black ink, appearing to read 'Alexander Dmitrenko', written over a horizontal line.

Name: Alexander Dmitrenko
Title: Office Managing Partner, Tokyo

March 16 2026

The Board of Directors

Jiangsu New Vision Automotive Electronics Co., Ltd. (江苏泽景汽车电子股份有限公司) (the Company")

Building 1, Automobile Electronics

Industry Park

3 Tianyue Road, Automobile Industry Park

Yizheng, Yangzhou, Jiangsu Province

PRC

Dear Sirs/Madams,

We, China Insights Industry Consultancy Limited, as the industry consultant in connection with the Company's proposed global offering and the proposed listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), refer to the prospectus of the Company dated March 16 2026 (the "Prospectus").

We hereby give, and confirm that we have not withdrawn, our consent to the issue of the Prospectus by the Company with the inclusion therein of all references to our name, qualifications, confirmations, opinions and reports in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus.

We also consent a copy of this letter and our industry report being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

-signature page to follow-

For and on behalf of
China Insights Industry Consultancy Limited



Name: Leon Zhao
Title: Partner