
BUSINESS

OVERVIEW

Who We Are

We are a leading PRC-based manufacturer of enterprise-grade financial intelligent printing and document processing equipment. We focus on the design, research and development, manufacturing and marketing of three highly synergistic product lines: (i) mission-critical specialised printers and all-in-one printing & scanning equipment, (ii) smart kiosks & terminals, and (iii) consumables, spare parts and other products. Our products are primarily deployed in the banking and financial sector for printing deposit certificates and bills. We sell our products globally through both distributorship and direct sales models. As of the Latest Practicable Date, we had served over 186 customers worldwide, with products distributed across more than 54 countries and regions. In terms of our global market position in the professional financial intelligent printing and document processing equipment industry, please see “Our Strengths – Global Market Leadership in Professional Financial Intelligent Printing Equipment” for details.

The financial intelligent printing and document processing industry is evolving from standalone printing and scanning devices toward integrated intelligent terminals driven by digital transformation and the development of smart banking branches. In response to this trend, our product portfolio is designed to provide highly reliable, scenario-adaptable and full-life cycle document processing solutions. Compared with general printing applications, financial scenarios require higher standards of operational reliability, security, standardised document processing and compatibility with diverse specialised media. Our products integrate printing, scanning, recognition, magnetic stripe reading and writing, and human-machine interaction functions, while supporting media up to 2.6 mm in thickness and one-plus-six-ply carbonless processing. Through reliable hardware performance, compliance with industry standards and strong adaptability to complex banking environments, our products provide one-stop document processing solutions for teller counters, smart branches and self-service terminals.

Our products have obtained various domestic and international certifications and filings, including CCC, CB, NRTL and CE certifications, as well as selected energy-efficiency filings and certifications. We also maintain ISO 9001 and ISO 14001 certifications covering our headquarters and manufacturing facilities. Supported by our research and development capabilities, compliance with applicable regulatory requirements in multiple markets and seamless integration with customers’ existing financial systems, we have established long-term customer relationships and a strong position in the global financial intelligent printing and document processing equipment market.

Our Business Model

We operate an integrated business model covering the design, research and development, manufacturing and global commercialisation of mission-critical specialised printers and all-in-one printing & scanning equipment, smart kiosks & terminals, and consumables, spare parts and other products. Leveraging our proprietary technologies and vertically integrated manufacturing capabilities, we maintain end-to-end control over key aspects of product development, production and quality assurance. This integrated operating model supports product reliability, cost efficiency, supply chain resilience and rapid customisation for customers operating in mission-critical environments. We sell our products globally through a combination of authorised distributors and direct sales channels, primarily serving the banking and financial sector.

Our mission-critical specialised printers and all-in-one printing & scanning equipment form the foundation of our revenue base and global installed footprint, while smart kiosks & terminals support our expansion into digital and intelligent self-service applications. Supported by our extensive installed base, consumables, spare parts and other products generate recurring revenue through replacement demand, maintenance and life cycle support. Together, these complementary product categories create an integrated equipment-and-services ecosystem that supports long-term customer relationships, recurring customer demand and the sustainability of our business.

BUSINESS

Our Market Opportunities

We are well positioned to capture opportunities in the global smart branch solutions, mission-critical smart branch solutions and financial smart printing and scanning equipment markets. According to Frost & Sullivan, the global smart branch solutions market reached approximately US\$80.0 billion in 2025 and is expected to grow to approximately US\$100.3 billion by 2030, representing a CAGR of approximately 4.6%. Within this market, the global mission-critical smart branch solutions market was approximately US\$48.2 billion in 2025 and is expected to increase to approximately US\$73.3 billion by 2030, representing a CAGR of approximately 8.8%. The global financial smart printing and scanning equipment market was approximately US\$134.0 million in 2025 and is expected to reach approximately US\$184.0 million by 2030, representing a CAGR of approximately 6.5%.

According to Frost & Sullivan, growth in these markets is supported by the increasing importance of business continuity, continued demand for reliable document and material handling, customers’ focus on long-term equipment operability and life cycle support, and the deployment of standardised solutions across broader geographic networks. Demand for financial smart printing and scanning equipment is further driven by paperless operations, workflow automation, equipment replacement and the adoption of integrated terminals. Asia-Pacific is expected to remain the largest regional market, with a market size of approximately US\$75.0 million in 2025 and an expected global share of approximately 59.0% by 2030, supported by its extensive bank branch network, increasing financial inclusion and the ongoing digital and intelligent transformation of physical branches.

OUR STRENGTHS

Global Market Leadership in Professional Financial Intelligent Printing Equipment

We hold a leading global market position in the professional financial intelligent printing and document processing equipment industry. Our products have been widely deployed in more than 54 countries and regions, with a large and stable installed base across global financial institutions, postal operators and public sector entities.

Based on cumulative shipments from 2016 to 2025, our installed base of mission-critical printing and scanning equipment reached 748,518 units. According to Frost & Sullivan, it represents approximately 4.9% of the relevant global installed base and ranking first in the industry; we ranked first globally in terms of revenue within the financial smart printing and scanning equipment market with a market share of approximately 10.1% in 2025. We also maintained leading market positions in key regions including Europe and the Asia-Pacific region. In the Asia-Pacific financial smart printing and scanning equipment market, we ranked first in terms of revenue in 2025 with a market share of approximately 9.9%. In the Europe financial smart printing and scanning equipment market, we ranked first in terms of revenue in 2025 with a market share of approximately 20.0%. Our extensive market penetration, proven track record in large-scale delivery and long-term presence in high-reliability scenarios enable us to consolidate our leading competitive position.

Proprietary Core Technologies and High Technical Barriers

We have developed a comprehensive proprietary technology platform covering precision mechanics, Magnetic Ink Character Recognition (“**MICR**”), anti-counterfeiting technologies and embedded control systems, enabling us to provide highly reliable intelligent printing and document processing solutions for mission-critical financial applications. For the patents we possess in relation to comprehensive proprietary technology platform, see “Appendix V Statutory and General Information – 2. FURTHER INFORMATION ABOUT OUR BUSINESS – B. Intellectual Property Rights – (c) Patents” in the document.

BUSINESS

Our precision mechanics and media handling technologies support the stable processing of complex financial documents, while our proprietary embedded firmware and control algorithms enable seamless integration with banking systems and customised deployment across different customer environments. Among our core technologies, MICR and anti-counterfeiting capabilities represent a key differentiator from ordinary office equipment. We have integrated MICR reading, and secure data processing directly into our devices, supporting both E13B and CMC7 international standards and enabling accurate document authentication, transaction verification and risk control.

These capabilities require a high degree of expertise in media transport stability, recognition accuracy, hardware-software integration and banking-system compatibility. Given the limited number of vendors capable of providing such end-to-end solutions, our proprietary technologies create significant barriers to entry and support our long-term competitive position in the financial intelligent printing and document processing market.

Extensive Global Distribution Network and Localised Operational Capabilities

We have established an extensive global sales and distribution network covering Asia, Europe, North America and other countries and regions. Through a dual-channel model comprising authorised distributors and direct sales to direct sales customers, our products have been distributed to more than 54 countries and regions, serving over 186 customers worldwide as of the Latest Practicable Date.

Our international platform combines broad market coverage with localised operational capabilities. In addition to maintaining long-term relationships with professional distributors across key markets, we have established subsidiaries in Hong Kong and Italy, which support regional business development, customer relationship management, technical support and operational coordination, enabling us to respond more efficiently to customer needs in overseas.

Our global network also supports cross-border contract execution, logistics coordination and after-sales services, backed by localised service arrangements and spare-parts support. We believe that our extensive international presence, established channel relationships and localised operating capabilities strengthen customer proximity, enhance market penetration and provide a competitive advantage in expanding our global business.

High Customer Loyalty and Significant Switching Costs

We have established long-term and stable relationships with our customers and distribution partners, with many of our major distributors maintaining business relationships with us for over ten years. Through our close collaboration with distributors, we continuously receive feedback regarding evolving end-user requirements, market trends and application scenarios. Leveraging such market insights, we continuously enhance product features, upgrade technologies and develop customised solutions to better address customer needs and support changing industry requirements.

Our products are often integrated into operational workflows of end users in the banking and financial sector. Our ongoing provision of customised firmware, technical support, spare parts and life cycle services further enhances our customers and end users retention, as replacing existing suppliers may involve additional implementation costs, operational adjustments and system integration efforts. We believe that our long-standing customer relationships, customer-driven innovation model and deep operational integration contribute to high customer loyalty and significant switching costs.

Vertically Integrated Intelligent Manufacturing and End-to-End Operational Control

We operate a vertically integrated intelligent manufacturing base in Zhuhai, China that covers precision processing, SMT, print head production, final assembly and full-process quality testing. This integrated layout enables us to maintain direct control over the entire production chain from core components to finished products. Self-production of key components and modules supports strict quality control, higher production efficiency, improved cost effectiveness and more reliable delivery. We have

BUSINESS

implemented lean production, full-process traceability and stringent international-standard quality management systems to further guarantee consistent performance and high reliability demanded by professional financial scenarios. Our high level of internal production reduces dependence on external suppliers, mitigates supply chain risks and enhances supply chain resilience, while enabling shorter production cycles, faster order response and stable fulfilment of large-scale orders. Such end-to-end control over production and quality assurance strengthens our overall operational competitiveness and customer trust, laying a solid foundation for our sustainable global business expansion.

Experienced and Stable Senior Management Team with Deep Industry Expertise

Our experienced and stable management team possesses deep industry expertise and extensive international business experience. Our executive Directors and senior management have an average of over ten years of industry experience and have served the Group for many years, ensuring continuity in strategic execution and business development. Our chairman and executive director, Mr. Zheng Xiaohui (鄭曉暉), has led the Group since its establishment and oversees international operations, while key management members possess over 20 years of experience in the financial equipment and electronics industries. Certain senior executives previously held leadership positions at established financial equipment enterprises, bringing extensive market insights and industry resources. Our experienced leadership team enables us to capture market opportunities, strengthen customer relationships and support our long-term growth strategy.

OUR STRATEGIES

Strategic Transformation into an Integrated Digital & Intelligent Solution Provider

We will implement a comprehensive strategic transformation from a traditional hardware-focused manufacturer to an integrated digital and intelligent solution provider serving the global financial printing industry. We will develop and deliver an integrated business model covering hardware, firmware, software and services, and build a connected industry ecosystem as we shift our core business logic from simple product sales to scenario-based and value-driven solutions. We plan to accelerate the promotion of cashless self-service terminals, intelligent printing solutions and other emerging businesses, with the aim to significantly improve their revenue contribution over the next three to five years. In the long run, we will fully align our product and service capabilities with the digital transformation needs of financial institutions worldwide, thereby enhancing the sustainability, stability and profitability of our business.

Enhancing Our R&D Investment and Technology Innovation

We will continue to invest in research and development to strengthen our technological capabilities and support the long-term competitiveness of our products and solutions. As industry demand increasingly shifts toward quieter operation, higher output quality and broader media compatibility, inkjet printing is emerging as an important technology direction for specialised printing applications. Non-impact printing technologies, particularly inkjet printing, have established application foundations in passport, certificate and booklet personalisation scenarios and are expected to gradually penetrate financial, postal and government service environments.

In line with this trend, we have initiated the development of a next-generation multifunctional printing and scanning device based on inkjet technology and will further develop and commercialise our MB2 Inkjet Printer as a high-performance alternative to traditional impact printers (dot matrix printers). According to Frost & Sullivan, compared with conventional dot matrix printing, inkjet technology offers significantly faster printing speeds, as well as lower noise levels, helping reduce customer waiting time and improve the working environment in bank branches. Through the adoption of inkjet-based solutions, we aim to help end users in financial sector lower operating costs, enhance customer experience and support their digital transformation initiatives. We believe these products will create additional opportunities in branch automation and productivity enhancement while further strengthening our competitive position in specialised printing markets. We will also advance the intelligent upgrading of our core product portfolio and strengthen our proprietary technology and firmware development capabilities to improve product performance, reliability and adaptability across diverse application scenarios.

BUSINESS

Expansion into High-Value Application Scenarios

We will actively expand and upgrade our presence in high-value and high-growth application scenarios, including high-end intelligent finance, advanced government services, digital office and border control, to create new and sustainable growth engines. We will launch more integrated intelligent devices integrating professional printing, scanning, identification and interaction functions to satisfy the multi-functional and automated operational needs of banks and government entities, and to support the ongoing digital transformation and intelligent upgrading of financial and public service environments.

We will further promote the application of our proprietary EMR interaction technology in digital office and intelligent interaction scenarios. We will also develop identity security and document verification products to penetrate into border control, government services and compliance-related markets. In addition, we will accelerate the commercialisation of cashless self-service terminals, intelligent counters and other automated financial equipment to capture market opportunities arising from the intelligent upgrading of global banking outlets.

Vertical Integration of the Industrial Chain

We will deepen the vertical integration of our industrial chain to strengthen supply chain control, improve operational efficiency and optimise cost structure. We will increase the independent research and development and self-production ratio of key high-value components, thereby reducing reliance on external suppliers, enhancing supply chain stability and improving gross profit margin. We will further optimise production processes, quality management systems and production efficiency through intelligent manufacturing and lean management. By strengthening control over core links of the industrial chain, we aim to enhance our comprehensive anti-risk capability, ensure stable delivery capacity and support sustainable business expansion globally.

Steady Globalisation and Expanding to Overseas Market Penetration

We intend to continue strengthening and consolidating our presence in overseas markets and further expand our global market influence through enhancing cooperation with local partners, optimising our product offerings and improving our overseas operational capabilities. We plan to focus on emerging markets along the Belt and Road Initiative, including South Asia, Southeast Asia, Africa and UAE, where we seek to capture growth opportunities arising from increasing demand for professional financial intelligent printing and document processing solutions.

To support our overseas expansion, we will continue to deepen collaboration with local distributing partners, while enhancing our product adaptation capabilities to better address local customer requirements and local industry trends. We also plan to explore the establishment of localised SKD and CKD assembly, technical support and service capabilities in overseas markets, with the aim of improving delivery efficiency, reducing logistics costs and enhancing customer responsiveness. Through these initiatives, we believe we can strengthen customer relationships, increase global market share and further enhance our long-term competitiveness in the global market.

OUR PRODUCTS

Positioned as a global industry leader in professional financial intelligent printing and document processing equipment, our product portfolio is structured into three categories: (i) mission-critical specialised printers and all-in-one printing & scanning equipment, (ii) smart kiosks & terminals, and (iii) consumables, spare parts and other products.

We offer mission-critical specialised printers and all-in-one printing & scanning equipment that handle passbooks, cheques, multi-copy forms and other financial media, with integrated magnetic stripe read/write, auto-alignment and thickness adaptation for secure, stable operation in bank counters and self-

BUSINESS

service terminals. We also provide intelligent information collection, human-computer interaction, self-service terminal integration and full-life cycle support to deliver high stability, strong compatibility and scenario-specific adaptability for finance, retail, public services and other demanding sectors.

The following table sets forth the breakdown of our revenue by product categories during the Track Record Period.

	Year ended December 31,			
	2024		2025	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Mission-critical specialised printers and all-in-one printing & scanning equipment	120,674	84.4	112,050	85.2
Smart kiosks & terminals	8,105	5.7	5,216	4.0
Consumables, spare parts and other products	14,164	9.9	14,249	10.8
Total	142,943	100.0	131,515	100.0

During the Track Record Period, the majority of our revenue was generated from the sales of mission-critical specialised printers and all-in-one printing & scanning equipment. For detailed analysis of our revenue by product categories, please refer to “Financial Information – Description of Consolidated Statements of Profit or Loss and Other – Revenue – Revenue by goods type” in this document.

Our revenue may fluctuate from period to period, and there can be no assurance that our revenue will grow or remain stable in the future, as our operating results and business performance are subject to various factors. For details on the risks relating to our future performance, see “Risk Factors – Risks Relating to Our Business and Industry – A significant portion of our revenue is derived from international markets and we are therefore subject to any material adverse changes to these markets.” and “– Our sustainable growth depends on effective development and optimisation of global sales network and customer relationships.”

Mission-critical specialised printers and all-in-one printing & scanning equipment

Mission-critical specialised printers and all-in-one printing & scanning equipment represent our main product line and largest revenue contributor. According to Frost & Sullivan, “mission-critical” refers to solutions that must maintain high reliability and service continuity, as disruptions may directly affect essential customer services, transaction processing or regulatory compliance. Our mission-critical specialised printers and all-in-one printing & scanning equipment consists of four product series including PR2 Plus, PR9, MB2 and PR4 Series. Engineered for long-life, high-stability and continuous operation in professional environments, being capable of processing a wide spectrum of media types, including passbooks, bills, vouchers, receipts, cheques and multi-copy documents, our mission-critical specialised printers and all-in-one printing & scanning equipment are designed to address the rigorous demands of financial institutions, retail networks and service outlets.

For the year ended December 31, 2025, the revenue generated from the products of the PR2 Plus, PR9, and MB2 Series amounted to RMB108.7 million representing 82.6% of total revenue generated from our mission-critical specialised printers and all-in-one printing & scanning equipment. These products are designed and developed for the application in financial institutions. Anchored by the PR2 Plus, PR9, and MB2 Series products, we have built a well-structured and progressively advanced professional financial printing equipment product matrix, covering all scenarios from traditional counters to digital branches. Specifically: (i) the PR2 Plus, our flagship financial passbook and document printer, is one of our core

BUSINESS

products and has been supplied to customers in multiple countries and regions; (ii) the PR9, our adaptive financial printer launched for the high-end market, is designed for large-scale, high-volume processing scenarios such as banking transaction and financial document processing; and (iii) the MB2, an intelligent terminal integrating high-speed printing, high-definition duplex scanning, financial document recognition, security verification, and data acquisition, supports our strategic transformation initiatives.

The PR2 Plus

The PR2 Plus is a professional printer designed for bank teller and front-office scenarios, handling complex financial media such as single-page, plus 6 multi-copy documents, and passbooks. When a user inserts a passbook or document, the PR2 Plus adjusts printing parameters via an automatic alignment and thickness monitoring system, then prints at a maximum speed of 660 characters per second using a new-generation print head, supporting magnetic stripe reading and MICR reading. The PR2 Plus is equipped with a long-life 24-pin print head designed to last the entire machine's lifespan, capable of handling a workload of over 300 transactions per day under standard usage conditions.

Unmatched Market Leadership and Proven Performance

The PR2 Plus has been widely deployed across global financial institutions, firmly securing its position as the comprehensive, stable, and highly productive passbook printer in the banking automation industry. It has been deployed in critical environments across leading European banks, and demonstrated its industry benchmark for reliability and performance under high-intensity transaction volumes.

Product Versatility Across Regions and Scenarios

Beyond its exceptional performance, the PR2 Plus offers remarkable product flexibility. It can be configured with various options and customised firmware (FW) versions to meet diverse end-user requirements across different regions and application scenarios. In South Asia and Central Asia, PR2 Plus with different configuration have been supplied at a volume exceeding 30,000 units during the Track Record Period, supporting dual USB port shared printing to enable seamless connectivity and printer sharing among multiple workstations in high-density teller environments.

Industry Benchmark Solution

With its combination of unmatched installed base, field-proven reliability, flexible configuration options, and high-volume deployment track record across Europe, South Asia, and the Middle East, the PR2 Plus stands as the industry benchmark product for financial institutions seeking to standardise their teller printing operations while minimising total cost of ownership and maximising operational productivity.

Our PR2 Plus is generally designed for a 5-year lifespan under standard use conditions. The price range of our PR2 Plus printers is from US\$198 to US\$400 during the Track Record Period.

Product showcase	Specification	Features
PR 2 Plus 	• Maximum printing speed: 660 cps • MTBF: 10,000 h • Noise Level: <52 dBA	• Automatic paper feeding, automatic alignment, automatic thickness monitoring • Designed specifically for bank counters and front-end office use • Multi-simulation compatibility, supports customisation • One of the smallest and quietest models in its product class

BUSINESS

The PR9

The PR9 is a high-end specialised printer designed for banking transactions and financial services, and is one of the most competitive products in the market at present. It is capable of handling a wide range of document formats and thicknesses, including single sheets up to A4 size, passbooks, vouchers, tickets, and multi-copy forms. Beyond its core handling capabilities, the PR9 features an adaptive paper path mechanism that automatically adjusts to different media types and conditions, minimising paper jams and misalignments even when handling worn or deformed passbooks. Its lightweight and compact design enables easy integration into space-constrained teller counters and self-service kiosks, while reducing shipping costs and simplifying on-site deployment. The combination of adaptive intelligence and mechanical simplicity translates into lower maintenance requirements and higher operational uptime for financial institutions. Our PR9 is generally designed for a 5-year lifespan under standard use conditions. The price range of our PR9 printers is from US\$214 to US\$570 during the Track Record Period.

Product showcase	Specification	Features
PR9 	- Maximum printing speed: 570 cps - MTBF: 10,000 h - Noise Level: <54 dBA	- Automatic paper feeding, automatic alignment, automatic thickness monitoring - Designed specifically for banking transactions and financial services - Supports original documents + 6 copies, meeting the needs of multi-copy printing of financial documents - Low cost of ownership, superior document handling capabilities, easy integration

Case Study

PR9 is our high-end product model designed for customers requiring advanced functionality and customised solutions. Benefiting from its hardware configuration and customised firmware capabilities, PR9 has established a presence in Hong Kong and Taiwan, China and has maintained relatively stable pricing.

In Hong Kong, PR9 has been deployed within the branch network of a prominent PRC state-owned bank, demonstrating its ability to support the operational requirements of financial institutions. In Taiwan, China, PR9 has been adopted by customers, with procurement volumes generally ranging from approximately 3,000 to 5,000 units during the Track Record Period. To meet local operational requirements and banking workflows, we have developed customised firmware tailored to customer needs, which requires continuous R&D investment and technical expertise. Such localisation efforts have enabled us to maintain long-term relationships with customers in the region.

Our experience in serving customers in Hong Kong and Taiwan, China has enabled us to accumulate expertise in language support, transaction workflow integration and compatibility with local clearing systems. Through continuous investment in product development and localisation, we seek to enhance customer satisfaction and strengthen our relationships with customers in these markets. The accumulated know-how and ongoing customisation capabilities associated with PR9 contribute to our competitiveness and support the sustainable development of our business in the relevant regions.

BUSINESS

The MB2

The MB2 is an integrated universal printer designed specifically for bank front offices. With its ultra-compact dimensions and extensive functional integration, the MB2 significantly simplifies front-office equipment deployment and supports new applications at bank branches. As an ideal tool for document platform solutions, the MB2 enables tellers to capture text and images directly. Optional features include optical character recognition (OCR) and magnetic code line recognition (MICR), among others. Furthermore, the MB2 is fully compatible with existing applications currently running on the PR2 series printers, allowing customers to achieve seamless equipment upgrades without replacing their underlying systems. Our MB2 is generally designed for a 5-year lifespan under standard use conditions. The price range of our MB2 printers is from US\$286 to US\$683 during the Track Record Period.

Product showcase	Specification	Features
MB2 	- Maximum printing speed: 660 cps - MTBF: 10,000 h - Noise Level: <54 dBA	- A4 duplex scanner, black/white, greyscale and colours up to 600 dpi 24-dot matrix printer with auto-border and auto-alignment - Three-port USB 2.0 HUB, including a front-facing port - Operator display for machine messages and application messages

Case Study

One representative deployment of MB2 is its application in the branch modernisation initiative undertaken by a leading postal service operator in Italy (“**Italian Customer**”). During the Track Record Period, we supplied MB2 devices to support the ongoing upgrade of branch network of the Italian Customer, with delivery volumes generally ranging from approximately 2,000 to 4,000 units. MB2 was selected in part due to its compatibility with applications previously deployed on our PR2 platform, enabling the customer to upgrade branch workstations while minimising modifications to existing software systems and operational processes. MB2 integrates multiple functions, including document scanning, OCR and MICR processing capabilities, which support the digitisation of paper-based transactions within branch operations. Through these functionalities, MB2 assists customers in enhancing operational efficiency and facilitating workflow digitalisation initiatives.

Our experience serving the Italian Customer demonstrates our capability to provide products that support large-scale deployment across extensive branch networks and to deliver solutions tailored to customers’ operational requirements. The project has also enabled us to accumulate experience in supporting financial institutions and postal service operators undergoing branch modernisation and digital transformation.

Smart kiosks & terminals

Beyond our core pillar of mission-critical specialised printers and all-in-one printing & scanning equipment, we have been proactively developing our smart kiosks and terminals product line as a new growth engine. Our development strategy follows a dual approach: (i) financial service kiosks, which leverage our existing customer base and deep domain expertise in financial printing equipment to expand horizontally within the banking sector, offering smart terminal solutions that address the digital transformation needs of the same financial institutions we already serve; and (ii) Universal self-service kiosks targeting broader markets such as government, retail and community applications, can provide convenient services such as identity verification, bill payment, and card recharge. This dual-pronged strategy allows us to capture growth both within and beyond the banking sector. The selling prices of our smart kiosks ranged from US\$765 to US\$3,217 in 2024 and 2025.

BUSINESS

	Financial Service Kiosks	Universal Self-Service Kiosks
Product Model/Series	Smart Banking Kiosk, Cheque Deposit Kiosk, Passbook Updating Kiosk, PY728M, PY7763	Smart Self-Service Kiosk Omni, Self-service Terminal, Wall-Mounting Kiosk
Key Functions	Automatic passbook updating, Automated cheque processing, Data encryption and real-time synchronisation banking system	Biometric verification, Self-checkout, Bill payment, Invoice printing
Deployment Scenario	Bank self-service area	Government service hall, Retail outlets, Community convenience stores
Typical End Customers	Banks	Government, Property management company, Chain retail convenience store
Key Differentiator	Handle bank-specific transactions (passbooks, checks)	Handle general self-services (payment, inquiry)

Sample Image



BUSINESS

Financial Service Kiosks

Our financial service kiosks are designed to support the digital transformation of financial institutions. They fall into two primary usage scenarios:

- **Counter-based interactive terminals** (the PY728M and PY7763) are deployed at service counters of the financial institution to enable electronic signatures, identity verification, and paperless workflows through teller-customer collaboration. The Counter-based interactive terminals are equipped with 10 inches screen, the device supports the display of all kinds of information including bank teller ID, the transaction information, as well as advertisement. In addition, they provide rich functions including E-signature, password input, service comments, and multimedia display, etc.
- **Self-service banking kiosks** (the Smart Banking Kiosk and Cheque Deposit Kiosk) are customer-operated, unattended devices engineered for core banking scenarios including passbook updating and cheque deposit. Leveraging our integrated printing, scanning and secure code recognition technologies, these kiosks feature secure code reading, encrypted identity verification, real-time banking system integration, automated document handling and secure data encryption. Widely deployed in bank branches and self-service zones, they reduce counter pressure, shorten waiting periods and improve overall service efficiency.

Universal self-service kiosks

Universal self-service kiosks are versatile, customer-operated terminals engineered for government, retail, petrol station and commercial scenarios. Leveraging modular integration technologies and standardised interfaces, they support flexible configuration of identity verification, self-service checkout, bill payment, invoice printing, scanning, card reading and other functions. Featuring industrial-grade reliability, high compatibility and remote management, these kiosks serve as general-purpose self-service hubs, reducing equipment costs and improving operational efficiency across diverse public and commercial settings.

As an extension of our counter-based interactive terminal offerings, we have developed the Benmi Stylus, an active stylus leveraging our proprietary passive electromagnetic resonance (EMR) technology. Powered by a standard AAA battery with a battery life of up to 18 months, the Benmi Stylus offers economical and convenient long-term use. It supports high-precision handwriting, pressure sensitivity, and palm rejection, delivering a natural pen-on-paper writing experience. The Benmi Stylus is compatible with a wide range of mainstream computing devices, including selected models from Dell, HP, ASUS, Acer and Microsoft Surface series and is widely adopted in financial and government scenarios requiring secure, reliable electronic signature capture.

Consumables, spare parts and other products

Supported by our proprietary material and structural technologies, our consumables and spare parts ensure full compatibility, high durability and stable performance for our products. Our consumables, spare parts and other products serve as critical supporting components for our mission-critical specialised printers and all-in-one printing & scanning equipment and smart kiosks & terminals, forming a closed-loop ecosystem of equipment, proprietary consumables and spare parts. Together with our two major product categories, we provide a full-chain solution covering equipment procurement, daily operation and maintenance, addressing customers’ needs for stable performance, cost efficiency and convenient replacement throughout the full equipment life cycle.

BUSINESS

Original Consumables

We provide a full range of printing lifespan specifications to match low, medium and high-volume business scenarios. These consumables are fully compatible with the PR2 Plus, PR9, MB2 and PR4 Series, as well as the smart banking kiosk equipped with an internal printer, effectively eliminating equipment damage or performance degradation caused by non-original consumables.

Featuring high wear resistance and low breakage rates, our original consumables reduce replacement frequency and maintenance costs. Their deep compatibility with our equipment ensures stable and continuous operation in financial counters, 24-hour self-service terminals and other mission-critical scenarios.

Spare Parts and Others

We provide spare parts covering core components and peripheral accessories for our entire product portfolio, including print heads, scanner modules, paper feeding rollers and sensors. Manufactured in accordance with original equipment quality standards, these spare parts maintain consistent technical specifications with factory components to ensure reliable performance after replacement. We also provide customised spare part based on customers’ usage frequency and application scenarios, supporting both bulk procurement and on-demand distribution.

Key Operating Data

The following table sets forth our sales volume and average selling price (ASP) of our major product categories during the Track Record Period.

	Year ended December 31,			
	2024		2025	
	Sales volume	ASP	Sales volume	ASP
	Units	RMB	Units	RMB
Mission-critical specialised printers and all-in-one printing & scanning equipment	61,722	1,951.1	57,984	1,930.2
Smart kiosks & terminals	2,557	3,205.0	5,460	961.6
Consumables, spare parts and other products	611,386	23.4	717,822	20.0
Total	675,665		781,266	

Mission-critical specialised printers and all-in-one printing & scanning equipment. The ASP of our mission-critical specialised printers and all-in-one printing & scanning equipment decreased slightly in 2025. Such decrease mainly attributable to changes in product mix and more competitive pricing strategies adopted in certain markets to support business expansion. The sales volume decreased from 61,722 units in 2024 to 57,984 units in 2025. The decrease in sales volume primarily due to reduced demand from certain customers, order delays in certain overseas markets and the contraction of certain product series, offsetting the growth in sales volume of products series.

Smart kiosks & terminals. The sales volume of our smart kiosks & terminals increased in 2025 primarily due to the expansion of the BP magnetic card device deployment and continued demand of the self-service terminals, while the ASP of our smart kiosks & terminals decreased significantly in 2025 primarily attributable to a significant shift in product mix towards lower-priced BP magnetic card devices and a higher proportion of such products in overall sales, together with pricing adjustments in certain markets.

BUSINESS

Consumables, spare parts and other products. The ASP of our consumables, spare parts and other products decreased in 2025 primarily due to intensified market competition in certain regions, which led to lower product selling prices. The sales volume increased primarily due to growing sales of proprietary chip-managed specialised consumables in countries such as Pakistan and Thailand.

We are implementing below strategies to maintain competitiveness both locally and internationally:

Scalable Production and Supply Chain Localisation. We continuously optimise our production processes through scalable manufacturing techniques and lean management practices, enabling us to reduce production costs while maintaining consistently high quality standards. In addition, through our collaboration with overseas distributors, we are able to localise after-sales services and to better serve regional markets. We are also progressively upgrading our manufacturing facilities by introducing advanced production lines, further enhancing operational efficiency.

Flexible Pricing Strategies. We have adopted flexible pricing strategies to strengthen our value proposition. By leveraging entry-level products, we seek to attract a wider customer base, while concentrating our higher-end offerings on profitability. In response to diverse customer needs and budget levels, we have consistently introduced new product series, including the MB2 plus, MB 2 in-jet and auto-turn page mechanism, with price points ranging from approximately US\$800 to US\$860 per unit. This strategy positions us to further extend our product portfolio into both lower-priced and higher-priced segments. Looking ahead, we will continue to refine our brand positioning, with ongoing emphasis on user experience and the enhancement of marketing efficiency.

Strengthening Core Technology Self-Sufficiency. We continue to invest in the research and development of core components, including print heads, control boards and embedded firmware, with a view to enhancing our technological capabilities and supporting the development of our products. Through the in-house development and manufacturing of certain key components, we are able to maintain greater control over product design, quality management and product iteration processes. Our capabilities in developing core components also enable us to better align product specifications with customer requirements and support the customisation of products for different markets and application scenarios. In addition, such capabilities help us manage supply chain risks associated with certain key components and support the stability of our product development and manufacturing activities.

According to Frost & Sullivan, the average selling prices of our products are in line with our market peers.

RESEARCH AND DEVELOPMENT

Our research and development efforts are in line with our three product categories: (i) mission-critical specialised printers and all-in-one printing & scanning equipment, (ii) smart kiosks & terminals, and (iii) consumables, spare parts and other products. Substantially core functions, modular architectures, print head technologies, scanning algorithms, passive electromagnetic writing modules and embedded firmware of our products are derived from our in-house R&D achievements.

As of December 31, 2025, our R&D team consisted of 11 dedicated talents with industry expertise, who play a critical role in the research and development of our products by driving product innovation, technological advancement, and the continuous enhancement of our product offerings. We adhere to a customer-oriented R&D philosophy, with all our R&D initiatives designed to accurately meet the functional and operational requirements of financial, retail and public service scenarios. We have established a standardised full-process R&D system and independently developed a comprehensive core technology system that directly supports the performance, reliability and compatibility of our full product portfolio.

We invested significant resources into the R&D of our products and technologies. In 2024 and 2025, our total R&D expenses amounted to RMB8.9 million and RMB11.7 million, respectively.

BUSINESS

R&D Team

As of the Latest Practicable Date, our R&D team comprises 11 members, including 9 members based in PRC and 2 members based in Italy. Core members possess an average of more than ten years of industry experience with professional qualifications including Senior Engineer, PMP, MSP Foundation and Microsoft Certified System Engineer. We maintain a complete talent echelon of technical experts, backbones and reserve engineers to support continuous product iteration.

Implementation of Our R&D Procedures

Our R&D process comprises six key stages: (i) project initiation, (ii) solution design, (iii) detailed design, (iv) prototype development, (v) testing and evaluation, and (vi) productisation. The process is supported by standard operating procedures, technical templates and internal guidelines. Senior management and the technical leadership team monitor, review and approve deliverables at key milestones. To ensure seamless integration between R&D and other functions, we have established cross-departmental collaboration mechanisms involving product, marketing, manufacturing, quality assurance and supply chain teams.

Technology System and Product Application

We have developed robust in-house R&D capabilities and built a substantial portfolio of proprietary technologies. Our technology architecture encompasses a range of foundational fields, including mechanical design, electronic systems, and firmware.

Precision mechanics and media handling technology

We have developed an integrated suite of precision mechanics and media processing technologies that form the foundation of our high-reliability financial printers. This suite encompasses three core capabilities: (i) long-life dot-matrix print head design (including 24-pin and 9-pin configurations), enabling high-speed printing, bidirectional logic seeking and extended operational life; (ii) flat paper path design, which reduces paper bending and jam risks while supporting passbooks, multi-copy forms, cards and other complex media; and (iii) automatic skew correction and positioning technology, which utilises sensors to detect paper edges and entry positions, enabling automatic alignment, edge finding and precise print positioning without manual intervention.

In the financial industry, printing equipment is a mission-critical operational tool. Banks, post offices and other financial institutions process thousands of passbooks, cheques and multi-copy vouchers daily, requiring printers to operate continuously under high-intensity workloads with near-zero downtime. Print head failure, paper jams or print misalignment during a teller transaction can lead to service interruption, customer queue buildup and operational inefficiency.

Our precision mechanics and media processing technology directly addresses these pain points:

- (i) The long-life print heads are engineered to endure years of heavy-duty use without frequent replacement, reducing maintenance costs and service disruptions for our customers. The high-speed printing control enables rapid transaction processing, improving teller productivity and reducing customer waiting time.
- (ii) The flat paper path design minimises paper bending and jams, ensuring stable handling of passbooks, multi-ply forms, cards and other non-standard media that generic printers cannot reliably process. It supports thick media such as passbooks and passports, and one-plus-six ply carbonless printing, fully satisfying the diversified media processing demands of financial counters.

BUSINESS

- (iii) The automatic skew correction and positioning technology eliminates the need for manual document alignment, allowing tellers to insert documents without precise positioning while ensuring accurate print output every time. This reduces operator error, accelerates transaction speed and enables unattended self-service applications.

For financial institutions, every printed passbook and cheque must be accurate, legible and reliably processed. Our integrated precision mechanics and media processing technology ensures that our printers deliver consistent, high-quality output over their entire service life, providing the operational stability, media flexibility and low total cost of ownership that financial customers demand.

Magnetic Ink Character Recognition (MICR) and Micro-Perforation Anti-Counterfeiting Technology

In financial institutions, cheques remain a critical payment instrument that carries sensitive clearing information, including account numbers, routing data, and cheque amounts. A standard cheque contains magnetic ink characters printed along its baseline, encoded in either E13B or CMC7 format, which are machine-readable for automated processing. In addition, high-security cheques incorporate microscopic perforation patterns (MICR HOLE) as an advanced anti-counterfeiting feature, making unauthorised replication extremely difficult.

For a financial printer or document processing device to be fully effective at a bank teller counter, it must be able to read the magnetic ink characters from a cheque, authenticate the cheque’s validity (including micro-perforation verification), and process the transaction. By integrating MICR reading and secure data transmission directly into our printers, we eliminate the need for external devices, enabling tellers to complete cheque-based transactions on a single machine. For the patents we possess in relation to our MICR and micro-perforation anti-counterfeiting technology, see “Appendix V Statutory and General Information – 2. FURTHER INFORMATION ABOUT OUR BUSINESS – B. Intellectual Property Rights – (c) Patents” in the document.

Our MICR and micro-perforation anti-counterfeiting technology is implemented through a combination of specialised hardware modules and embedded firmware:

MICR reading for cheque processing: We integrate a dedicated MICR reading module into the printer’s paper path. When a cheque is inserted, the device automatically transports the document and reads the magnetic ink characters using high-precision magnetic sensing. Our MICR module supports both international standards – E13B (used in the United States, Canada, the United Kingdom, and other regions) and CMC7 (predominantly used in Europe, Latin America, and elsewhere) – ensuring global compatibility across different financial institutions.

MICR HOLE micro-perforation anti-counterfeiting: In addition to standard MICR reading, our technology incorporates MICR HOLE for advanced cheque authentication. This feature identifies microscopic perforation patterns embedded in cheques, which are virtually impossible to replicate with conventional printing or copying equipment, adding an essential layer of security for cheque-based transactions.

Proprietary Embedded Control Technology

This technology is principally applied to our full series of printers and smart kiosks & terminals as the core control system. We develop proprietary embedded firmware, control algorithms and multi-emulation compatibility, enabling high integration, low power consumption and stable connection with mainstream host systems.

BUSINESS

Beyond our standard firmware platform, we provide customised firmware development tailored to the specific requirements of individual banks and financial institutions. Our engineering team works closely with customers to understand their unique transaction workflows, security policies, printing formats, and host system interfaces. Based on these requirements, we develop and deploy dedicated firmware versions that optimise device behaviour for each customer's operational environment.

In addition, our firmware supports over 70 languages, including complex character sets such as Chinese, Japanese, Arabic, Thai, Vietnamese, and Cyrillic-based languages. This extensive language coverage enables seamless deployment of our printers and terminals in diverse geographical markets, ensuring that bank tellers and self-service users can interact with the devices in their local languages without additional software development or system modifications.

Third-Party R&D Collaboration

Beyond our in-house R&D, we actively collaborate with entity engaging in research and experimental development during the Track Record Period. Our third-party cooperation partner during the Track Record Period include a high-tech enterprise incorporated in Guangzhou, with whom we cooperate to develop the passbook page-turning module.

We generally enter into research and development agreements with the third-party R&D cooperation partners on a project-specific basis. The agreement is structured to protect our intellectual property, ensure regulatory compliance, and align incentives toward successful development outcomes. Key terms commonly included in the research and development agreement entered into by and between us and our third-party R&D cooperation partner are summarised below:

- **Term.** Development agreements are project-specific rather than recurring framework arrangements. If our partners fail to deliver a conforming prototype within three months beyond the agreed timeline, we may terminate and demand a full refund.
- **Payments.** We make payments in installments based on milestones. Each payment is linked to a milestone delivery, and we typically conduct acceptance checks on interim results.
- **Intellectual property rights.** We secure ownership of intellectual property generated under our development agreements. Depending on the specific terms negotiated with each partner, the IP arising from a project may be jointly owned by both parties or exclusively owned by us.
- **Confidentiality.** We secure stringent confidentiality commitments from our partners, requiring the protection of all our proprietary information, with these obligations often extending indefinitely beyond the term of the agreement.
- **Quality assurance.** We require our partners to adhere to agreed technical specifications. If deliverables fail acceptance, the developer must rectify defects free of charge.
- **Allocation of liability.** Our partners are responsible for ensuring non-infringement of third-party patents and must resolve any patent disputes arising from the deliverables.

BUSINESS

RAW MATERIAL PROCUREMENT

During the Track Record Period, our raw materials primarily consisted of motors, printed circuit boards, power supplies, plastic materials, metal structural parts, electronic components and packaging materials, the substantial majority of which were sourced from China.

We typically engage reputable suppliers to ensure product quality. When selecting suppliers, we consider a comprehensive set of factors, including technological expertise, product quality after-sales service and commercial reputation. We also conduct periodic supplier reviews to assess their performance in multiple aspects including quality of deliverables, timeliness of delivery, price and service. In addition, we implement measures to continuously monitor final product quality. See “– Quality Control” for details.

Our procurement team is primarily responsible for formulating procurement plans based on the anticipated sales forecast and master production schedule provided by our sales and marketing team, which are used by our purchasing personnel to coordinate with suppliers in order placing. After that, delivered materials undergo our quality inspection before being accepted, processed and stored.

We generally enter into framework agreements with our raw material suppliers, which set forth the general terms and conditions of purchase.

- *Term, Renewal and Termination.* The framework agreement usually includes an automatic renewal mechanism, under which the agreement remains in force from the effective date and continues to be valid unless and until a new agreement is signed by both parties.
- *Product specifications.* We generally specify quantity, price, specification, delivery timeline, and other detailed contractual terms in the purchase orders we send to our suppliers. Suppliers are required to comply with our agreed specifications, drawings and quality standards. Suppliers are fully liable for quality defects, non-compliance and any related losses.
- *Minimum Purchase Commitment.* We have not entered into any minimum purchase commitment arrangements with suppliers for fixed purchase volume requirements over specific periods.
- *Pricing and Payment.* We generally provide for payments based on mutually agreed prices specified in the purchase order. We are generally granted a credit period of 30-90 days for the payments.
- *Delivery and logistics.* Our suppliers are typically responsible for the delivery of products to our specified locations in the purchase orders.
- *Inspection and returns.* Product inspection shall be carried out within the specified period upon delivery. We have the right to return defective materials that fail to meet agreed quality standards, and the supplier shall provide remedies, including returns and/or exchanges.

We verify the legitimacy and compliance of material sources and do not use materials from illegal or non-compliant sources.

BUSINESS

Our raw material prices fluctuate due to a variety of factors, including supply and demand dynamics, our ability to negotiate prices with suppliers and other factors. We usually work with multiple suppliers to reduce risks associated with product supply. During the Track Record Period, we did not experience any significant shortages of raw material supplies, and the raw materials provided by our suppliers did not have any significant quality issues. During the Track Record Period and as of the Latest Practicable Date, we had not experienced any material breach of the agreements with our raw material suppliers, nor had there been any material disputes between us and such suppliers.

PRODUCTION

During the Track Record Period, we maintained in-house production of our core mission-critical specialised printers and all-in-one printing & scanning equipment, as well as key components such as print heads, PCB assemblies and precision mechanical parts, at our vertically integrated Zhuhai manufacturing base. For non-core items, including certain structural and electronic components, and the majority of our smart kiosks & terminals, we engaged third-party manufacturers due to considerations of production efficiency, capacity constraints and overall economic viability. Under these outsourcing arrangements, we supply the raw materials and technical designs where the third-party manufacturers perform the required processing. To ensure stable and safe production across both in-house and outsourced operations, we have established a comprehensive set of internal management systems, including production safety objectives, target management systems and a production safety accountability system.

Production Processes

Our production process consists of six main stages: (i) material preparation and picking; (ii) core module assembly; (iii) final assembly; (iv) testing and calibration; (v) quality inspection and packaging; and (vi) warehousing.

In the first stage, raw materials and components are stored in our warehouse and managed through a digital inventory system, which monitors stock levels and supports real-time allocation. Upon receiving production orders, materials are picked and delivered to designated production lines in accordance with the bill of materials.

The second stage involves the assembly of core modules, including mechanical frames, print head assemblies, paper feeding mechanisms, PBCA magnetic reading module and scanning module, each completed in dedicated workstations.

The sub-assembled modules are then integrated into complete units in the third stage, which focuses on the alignment, fastening and cable plugging of the printer, preparing the device for functional testing.

In the fourth stage, each unit undergoes comprehensive functional testing to verify printing accuracy, media handling (including passbook alignment and thickness adaptation), magnetic stripe reading and writing, and scanner operation where applicable. Performance calibration is conducted to ensure print quality, paper feeding consistency and overall system stability.

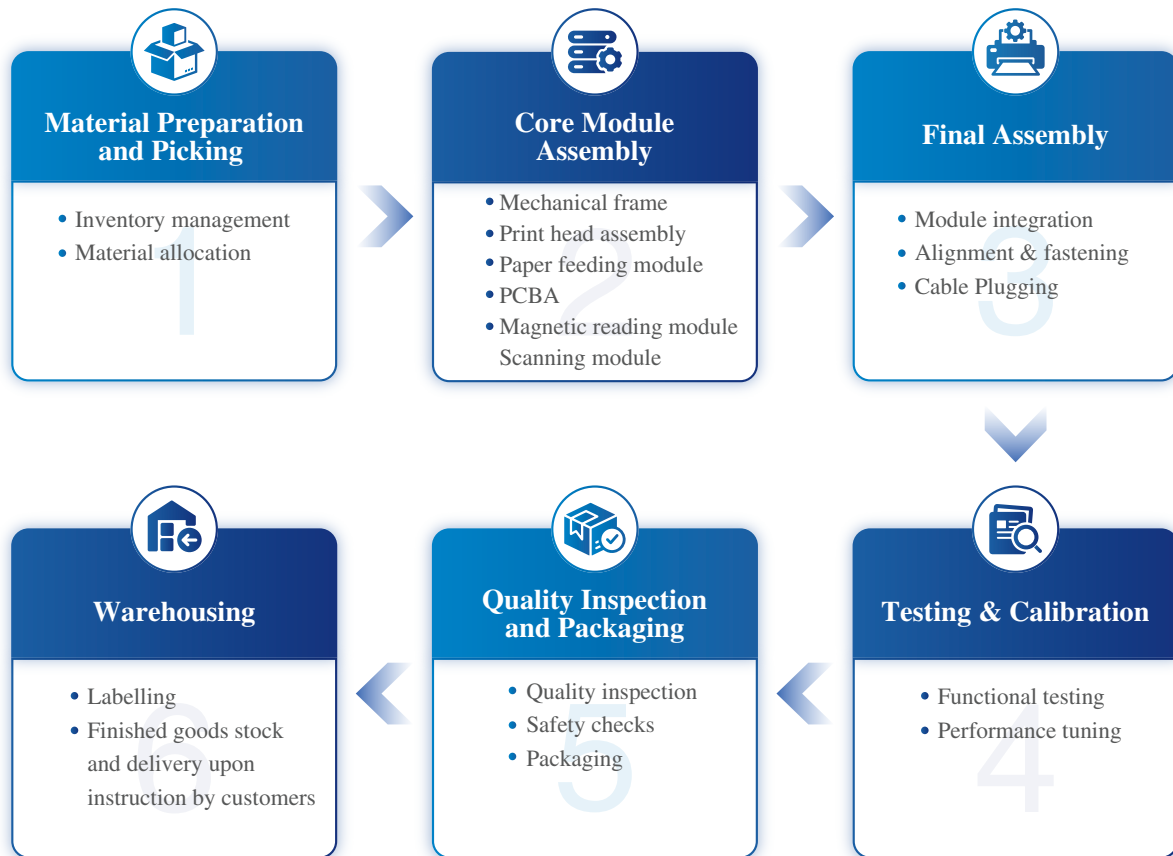
Finished units are further subject to appearance inspection, safety checks (including electrical safety and EM compatibility where required), and functional re-verification in the fifth stage. Qualified products are then packaged with accessories and user manuals in accordance with standard shipping protocols.

After packaging, finished goods are labeled and transferred to the finished goods warehouse in the final stage, awaiting distribution based on order dispatch schedules.

BUSINESS

Production Flow Chart

The following diagram illustrates the key stages of our production process for our products:



During the Track Record Period, we outsourced certain non-core production processes to third-party manufacturers to achieve optimal cost-efficiency. The outsourced production processes primarily included the manufacturing of certain structural and electronic components, and the majority of our smart kiosks & terminals. These processes are not considered core procedures or critical technologies, as our key competitive advantages lie in in-house capabilities such as print head design, embedded firmware development, precision mechanical assembly and system integration.

Production Equipment

We maintain a full set of self-owned production and testing equipment covering precision processing, modular pre-assembly, final assembly and quality inspection. Our equipment configuration is tailored to each workshop's requirements, featuring advanced performance, high automation and precision. Key equipment is either imported or high-end domestic, supporting our independent production of core components.

BUSINESS

The table below summarises our core production and testing equipment by workshop:

Workshop	Key Equipment
Hardware Workshop	25T-200T punching machines, grinders, milling machines
Injection Molding Workshop	6T-600T injection molding machines, CNC milling machines, EDM machines, hydraulic presses
SMT Workshop	Panasonic high-speed SMT lines, wave soldering and reflow equipment
Print Head Workshop	Laser welding machines, winding machines, pin insertion machines, performance testers
Assembly Workshop	Three assembly lines, calibration tools

All core production facilities are self-owned, and there are no ownership disputes or rights restrictions.

We have established a regular maintenance system, including daily patrol inspections by operators and daily inspections by operators and periodic maintenance performed as needed by our equipment management department. For core imported equipment, we follow manufacturers' after-sales standards for professional maintenance. During the Track Record Period, we experienced no significant production interruptions due to equipment failures, and all required maintenance was performed in a timely manner, ensuring operational continuity and stability.

We will adjust our equipment upgrade plans in response to market demand, technological developments and operational needs to ensure that our production capacity remains aligned with our scale and process requirements.

Production Facilities

Our production base is located in Zhuhai, China, situated on our self-owned land parcel with a land area of 16,665.0 sq.m. and a total gross floor area of 10,291.5 sq.m. We adopt an intensive, assembly line-oriented layout with adjacent workshops to facilitate efficient material turnover and minimise logistics bottlenecks.

We divide the production base into a core production area and a supporting facility area by function. The core production area covers the hardware workshop, injection molding workshop, SMT workshop and print head workshop, assembly workshop, and general warehouse, with each area having a clear functional positioning and equipment configuration highly matching the production process. The supporting facility area is mainly staff dormitories, which provide on-site living support for production personnel and ensure the stability of the production team and the continuity of production operations.

The key functions of each core production area are set out as follows:

- **Hardware Workshop:** Undertakes the processing, inspection and temporary storage of metal structural parts for all product categories, and realises efficient material turnover due to its adjacency to the general warehouse.
- **Injection Molding Workshop:** Undertakes the full-process processing of plastic structural parts and axle parts, with an independent mold maintenance and repair area.

BUSINESS

- **SMT Workshop and Print Head Workshop:** A core high-precision production area that carries out the processing and testing of PCB assembly boards and dot matrix print heads by function, with an independent dust-free area and a precision testing area.
- **Assembly Workshop:** Equipped with three professional product assembly lines to realise the integrated operation of modular pre-assembly, complete machine assembly, testing and packaging.
- **General Warehouse:** Responsible for the unified warehousing and distribution of raw materials, semi-finished products, outsourced standard parts and finished products, adopting a classified warehousing design to ensure the accuracy of material management.

Our production base is equipped with a full set of advanced production, manufacturing and testing equipment, enabling the full-chain independent production of core components and complete machines. The production capacity of each production link is allocated in a coordinated manner, which can support the simultaneous production of multiple product series and flexibly respond to market order demands.

Capacity and Utilisation Rate

Capacity allocation is fully aligned with the production demand of mission-critical specialised printers. Mission-critical specialised printers and all-in-one printing & scanning equipment represent our primary in-house manufactured products. Smart kiosks & terminals and consumables are primarily produced through outsourced contract manufacturing. For selected individual products, partial production procedures are supported by the coordinated operation of our SMT workshop and injection molding workshop.

The designed production capacity, actual output and capacity utilisation rate of each product category during the Track Record Period are set out in the following table:

	Year ended December 31,	
	2024	2025
Mission-critical specialised printers and all-in-one printing & scanning equipment		
– Designed production capacity (<i>unit</i>) (<i>note 1</i>)	87,500	87,500
– Actual production volume (<i>unit</i>) (<i>note 2</i>)	60,168	59,342
– Utilisation rate (%) (<i>note 3</i>)	68.8	67.8

Notes:

1. The designed production capacity is calculated on the basis of the statutory working days in the PRC, calculated as 250 working days per year, combined with the daily designed capacity and the number of production lines dedicated to each product category, with the planned equipment maintenance and reasonable shutdown days excluded.
2. The actual annual volume refers to the quantity of qualified products produced and inspected for each product category in the current year.
3. The formula for calculating the capacity utilisation rate of each of our product categories is as follows: the capacity utilisation rate equals the actual annual output in the same period divided by the designed production capacity in the same period and then multiplied by one hundred percent.

The production utilisation rate of mission-critical specialised printers and all-in-one printing & scanning equipment remained largely stable with minor fluctuations in 2025 as compared with 2024, primarily attributable to the dynamic balance between stable production capacity supply and corresponding order demand under our make-to-order production model. Our theoretical production capacity remained nearly unchanged over the two years due to fixed equipment service life and annual working day arrangements. The overall order volume only varied slightly by 0.9%, indicating steady operation of our production system.

BUSINESS

We believe that in case of increase in demand and hence purchase orders by our customers, we are able to interchange our production lines for different products at our Zhuhai production base or to cope with the increased demand of a particular product or business need in the future principally by way of (i) adjusting and streamlining the machinery and equipment; and (ii) adjusting the production staff with relevant assembling experience.

Product Life Cycle

Our product life cycle varies by product type. Our mission-critical specialised printers and all-in-one printing & scanning equipment have a relatively long-life cycle of five to eight years. This is attributable to the high reliability requirements of professional scenarios such as banking counters. During the Track Record Period, these products remained in the maturity phase with stable market demand. Our smart kiosks and terminals are subject to ongoing product upgrades and enhancements in response to technological developments and evolving customer requirements. Our consumables, spare parts and other products are supplied to support the operation, maintenance and replacement requirements of the related equipment, which may give rise to repeat purchases by customers.

Third-Party Manufacturers

During the Track Record Period, we procured certain structural and electronic components, as well as the majority of our smart kiosks & terminals and consumables, from third-party manufacturers, who manufacture such products in accordance with our designs and specifications. We conduct quality inspections before integrating these products or selling them under our brand. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant shortage in the supply of such products. As of the Latest Practicable Date, we had no material disputes, litigation or intellectual property infringement claims against or with any third-party manufacturer in connection with such outsourced products.

We adopt procurement agreements with our third-party manufacturers, which set forth the general terms and conditions of purchase.

- *Term.* The procurement agreements we enter into with our third – party manufacturers generally do not have a fixed term. Besides, some procurement agreement may remain in force from the effective date and continue to be valid unless and until a new agreement is signed by both parties.
- *Quality Assurance and Compliance Responsibility.* Our third-party manufacturers are required to manufacture products in strict accordance with our technical specifications, quality standards, and applicable laws and regulations. They bear full liability for any quality defects or non compliance, and must maintain relevant certifications as agreed.
- *Pricing and Payment.* We generally are required to pay a deposit upon order placement with the balance paid before shipment.
- *Delivery and logistics.* Our third-party manufacturers are typically responsible for the delivery of products to our specified locations.
- *Inspection and returns.* Product inspection shall be carried out within the specified period upon delivery. We have the right to return defective products that fail to meet agreed quality standards, and our third-party manufacturers shall provide remedies, including returns and/or exchanges.

BUSINESS

- *Confidentiality.* Confidentiality provisions are included in our agreements with our third-party manufacturers during the Track Record Period, with confidentiality obligations potentially extending beyond agreement expiration.

To the best knowledge of our Directors, all of the third-party manufacturers were Independent Third Parties during the Track Record Period and up to the Latest Practicable Date.

OUR SUPPLIERS

During the Track Record Period, our suppliers included both third party manufacturers that produced certain structural and electronic components, as well as the majority of our smart kiosks & terminals, in accordance with our designs and specifications, and raw material suppliers that provided us with motors, printed circuit boards, power supplies, plastic materials, metal structural parts, electronic components and packaging materials. During the Track Record Period, most of our suppliers were located in the PRC, primarily in Guangdong, Jiangsu and Shandong provinces. For the key terms of our supplier agreements, please see “– Raw Material Procurement” and “– Third-Party Manufacturers” for details.

We have established formal internal policies governing supplier qualification, selection, evaluation and procurement management. Our supplier assessment criteria include product quality, pricing, delivery reliability, production capacity, technical capabilities, compliance performance and historical cooperation records. We review relevant certifications and compliance documents, and for key component suppliers, we also conduct comprehensive assessments of their production facilities and quality control systems. We regularly review our supply chain arrangements to maintain stability, quality assurance and operational efficiency.

To mitigate supply concentration risk, we maintain multiple qualified suppliers for our major components and raw materials. We manage price volatility through long-term cooperation arrangements, periodic price negotiations, alternative supplier validation and safety stock strategies. We believe we have sufficient alternative suppliers capable of providing comparable products on commercially reasonable terms.

During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material shortage, significant delay or disruption in our supply of components and raw materials that materially adversely affected our business.

Major Suppliers

For the years ended December 31, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB21.0 million and RMB14.9 million, accounting for 30.3% and 24.2% of the total procurement amount, respectively. In particular, for the years ended December 31, 2024 and 2025, purchases from our largest supplier amounted to RMB5.2 million and RMB3.7 million, accounting for 7.4% and 6.0% of our total purchases, respectively.

The following tables set forth details of our five largest suppliers for each year during the Track Record Period:

BUSINESS

For the year ended December 31, 2024

Supplier	Region	Background	Products procured	Purchase Amount	As % of total purchase	Year of commencement of business relationship	Payment method	Credit period
				(RMB'000)				
Shenzhen Hongnuo Zhuanxian Technology Co., Ltd. (深圳市鴻諾專顯科技有限公司)	PRC	A private company based in Shenzhen, which is primarily engaged in the development and sales of LCD and display products.	Self-service Terminals	5,162	7.4%	2018	Bank Transfer	30 to 60-day credit period
Supplier A	Belgium	A company based in Belgium, which is primarily engaged in offering electronic components such as semiconductors, interconnect, passive, electromechanical.	Integrated Circuits	5,128	7.4%	2017	Bank Transfer	60 to 90-day credit period
Guangzhou Ruibao Electrical Co., Ltd. (廣州市瑞寶電器有限公司)	PRC	A high-tech enterprise primarily engages in the R&D, design, manufacturing and sales of control motors, servo motors and drive systems.	Motor Components	3,798	5.5%	2013	Bank Transfer	60-day credit period
ESIGNWORLD SRL	Italy	A company incorporated in Italy, principally engaged in providing secure electronic Signature solutions and onboarding.	Signature Tablets	3,798	5.5%	2024	Bank Transfer	50% in advance, 50% upon delivery
Weihai Hualing OPTO-ELECTRONICS Co., Ltd. (威海華菱光電股份有限公司)	PRC	A high-tech enterprise which is primarily engaged in the manufacturing of advanced image sensors and precision sensing products.	Sensors	3,113	4.5%	2016	Bank Transfer	Full payment before delivery
Total				<u>20,999</u>	<u>30.3%</u>			

For the year ended December 31, 2025

Supplier	Region	Background	Products procured	Purchase Amount	As % of total purchase	Year of commencement of business relationship	Payment method	Credit period
				(RMB'000)				
Guangzhou Ruibao Electrical Co., Ltd. (廣州市瑞寶電器有限公司)	PRC	A high-tech enterprise primarily engages in the R&D, design, manufacturing and sales of control motors, servo motors and drive systems.	Motor Components	3,682	6.0%	2013	Bank Transfer	60-day credit period
Supplier A	Belgium	A company based in Belgium, which is primarily engaged in offering electronic components such as semiconductors, interconnect, passive, electromechanical.	Integrated Circuits	3,052	5.0%	2017	Bank Transfer	60-day credit period
MORER D.O.O.	Slovenia	A private company incorporated in Slovenia, engaging in production of plastic products, printing ribbons and other products.	Ink ribbon cartridges	2,886	4.7%	2016	Bank Transfer	30-day credit period
Shenzhen Onda Precision Circuit Co., Ltd. (深圳市奧仕達精密線路有限公司)	PRC	A company based in Shenzhen, which is primarily engaged in the trading of PCB boards and related electronic components.	PCBs	2,620	4.3%	2017	Bank Transfer	60-day credit period
Guangzhou Yinsu Supply Chain Management Co., Ltd. (廣州銀塑供應鏈管理有限公司)	PRC	A company based in Guangzhou, which is primarily engaged in supply chain management and wholesale trade of chemical products and plastic products.	Plastic Raw Materials	2,572	4.2%	2020	Bank Transfer	30-day credit period
Total				<u>14,812</u>	<u>24.2%</u>			

BUSINESS

Each of our five largest suppliers in each year during the Track Record Period is an Independent Third Party. To the best of our directors’ knowledge, none of our directors, their respective close associates, or any shareholder owning more than 5% of our issued share capital had any direct or indirect interest in any of our five largest suppliers during the Track Record Period.

During the Track Record Period and as of the Latest Practicable Date, we had no dispute with our major suppliers, or any material breach of the framework agreements we entered into with our suppliers that would have a material adverse effect on our business, financial condition, or results of operations.

SALES AND MARKETING

We operate our global sales through two independent, parallel sales channels: (i) distributorship model and (ii) direct sales model. Our international sales and technical support teams are based in Kunming and Beijing in the PRC, and Ivrea in Italy. No sales personnel are deployed outside these locations.

The following table sets forth the breakdown of our revenue by geographical locations of our customers during the Track Record Period.

	Year ended December 31,				Sales Model
	2024		2025		
	Amount	%	Amount	%	
	(RMB in thousands, except percentages)				
Chinese Mainland	8,623	6.0	10,874	8.3	Distributorship
Asia (other than Chinese mainland) ¹	94,020	65.8	78,949	60.0	Distributorship
Europe ²	11,657	8.2	30,930	23.5	Distributorship and direct sales
North America ³	14,947	10.5	5,838	4.4	Distributorship
Others ⁴	13,696	9.5	4,924	3.8	Distributorship
Total revenue	142,943	100.0	131,515	100.0	

Note:

1. Asia (other than Chinese Mainland) mainly included India, Turkey, Taiwan, China, Singapore, Pakistan, and UAE.
2. Europe mainly included Italy and Spain.
3. North America mainly included Mexico.
4. Others included countries and regions in Africa, South America, Oceania and elsewhere.

Our revenue remained geographically diversified, with Asia (other than Chinese Mainland) being our largest market throughout the Track Record Period. In particular:

Revenue from Chinese Mainland increased by RMB2.3 million or 26.1%, from RMB8.6 million in 2024 to RMB10.9 million in 2025, which was mainly attributable to increased purchases by our three major customers in Chinese Mainland during the year, such as PR2 Plus series and MB2 series.

Revenue from Asia (other than Chinese Mainland) decreased by RMB15.1 million, or 16.0%, from RMB94.0 million in 2024 to RMB78.9 million in 2025, mainly attributable to a reduction in revenue generated from customers in India during the year. Even though we experienced a decrease from Asia (other than Chinese Mainland) in 2025, we continued to develop business opportunities in the other Asian markets.

BUSINESS

In Europe, revenue increased by RMB19.2 million, or 165.3%, from RMB11.7 million in 2024 to RMB30.9 million in 2025. The increase was primarily attributable to increased sales through our Italian subsidiary during the year.

Revenue from North America decreased by RMB9.1 million, or 60.9%, from RMB14.9 million in 2024 to RMB5.8 million in 2025. The decrease was primarily attributable to lower order volume from existing customers and the absence of significant purchases from certain customers during the year.

Revenue from Others decreased by RMB8.8 million, or 64.0%, from RMB13.7 million in 2024 to RMB4.9 million in 2025, primarily due to reduced procurement activities and lower order volume from existing customers, as well as the absence of significant purchases by certain customers in certain markets in Africa and South America. For detailed analysis, please refer to “Financial Information – Description of Consolidated Statements of Profit or Loss and Other – Revenue – Revenue by geographic location” in this document.

While the geographic concentration aligns with our business strategy, we acknowledge potential risks that if market conditions in these regions deteriorate, trade policies change, or key customer relationships are terminated, our revenue may be materially affected. To mitigate this, we have adopted a more focused market expansion strategy by prioritising regions with stronger growth potential and higher customer demand. In 2025, we strategically diversified our geographical revenue mix by expanding our presence in Europe and reducing our relative reliance on other Asian markets. Revenue contribution from Europe increased significantly from 8.2% in 2024 to 23.5% in 2025, primarily driven by enhanced market development efforts, customer expansion, and increased sales to customers in the region. Meanwhile, the revenue contribution from other Asian countries and regions decreased from 65.8% to 60.0%, reflecting our continued efforts to diversify our customer base and optimise regional sales allocation.

The following table sets forth a breakdown of our revenue by sales channels during the Track Record Period.

	Year ended December 31,			
	2024		2025	
	Amount	%	Amount	%
	<i>(RMB in thousands, except percentages)</i>			
Direct sales	13,853	9.7	21,237	16.1
Distribution	129,090	90.3	110,278	83.9
Total revenue	<u>142,943</u>	<u>100.0</u>	<u>131,515</u>	<u>100.0</u>

During the Track Record Period, revenue from distributorship accounted for 90.3% and 83.9% of our total revenue in 2024 and 2025, respectively, representing a decrease of 6.4%. Direct sales contributed 9.7% and 16.1% of our total revenue in 2024 and 2025, respectively, reflecting an increase of 6.4%. The shift in channel mix aligns with our long-term strategy to expand our direct sales capabilities and strengthen customer relationships.

To the best knowledge and information of our Directors, all of the distributors and direct sales customers were Independent Third Parties during the Track Record Period. None of them are controlled by our Directors, senior management, Shareholders holding 5% or more of our issued Shares, or their respective associates. We have not provided any financial assistance, advances, loans, guarantees or any form of financial support to any channel partners.

BUSINESS

Our Sales Channels

Distributorship Model

We sell to distributors under an authorised buyout model, which is standard in the global professional financial printing industry. Distributors purchase products from us on a buy-sell basis and resell to end customers within their authorised territories. During the Track Record Period, we have not engaged any sub-distributors. We are responsible for R&D, manufacturing, quality control, technical support and marketing training, while distributors undertake local promotion, sales execution, inventory management, delivery and after-sales services.

We have adopted a distributorship model for a combination of commercial considerations. The distributorship model is a standard practice in the global professional financial printing industry and aligns with market norms. By leveraging our distributors’ local expertise and resources, we are able to expand our global footprint efficiently without establishing wholly-owned sales and service networks in each overseas market. At the same time, the distributorship model shifts inventory risks to distributors, reducing our exposure to market fluctuations and enhancing cash flow stability. This arrangement also allows us to concentrate our internal resources on product innovation, quality control and brand building – the very areas that underpin our competitive advantages.

Our products sold through distributors include our mission-critical specialised printers and all-in-one printing & scanning equipment (PR2 Plus, PR9, MB2 and PR4 Series), as well as smart kiosks & terminals, consumables and spare parts.

We enter into written Annual Sales Framework Agreements with each distributor. The principal terms are summarised as follows:

- **Term and Renewal.** We generally enter into distribution agreements with terms ranging from five to ten years, with automatic renewal for successive one-year or three-year periods unless either party gives notice of termination prior to the expiration date.
- **Authorised Territory.** Defined geographic regions; cross-region sales are strictly prohibited.
- **Pricing.** Based on prices mutually agreed between both parties in writing.
- **Title and Risk.** Title to the products and risk of loss or damage shall pass to the distributor upon delivery in accordance with the applicable trade term (EXW, FOB or CIF) as specified in the purchase order. Under EXW, delivery and risk transfer occur when the products are made available at our factory. Under FOB and CIF, delivery and risk transfer occur when the products are loaded onto the vessel at the named port of shipment. In all cases, the distributor bears all costs and risks thereafter, including transportation, insurance, customs clearance and any loss or damage occurring after risk transfer.
- **Minimum Purchase.** Our distribution agreements typically include minimum purchase requirements. For example, certain agreements require minimum annual purchase volumes, with the specific volume reviewed periodically. Failure to meet the agreed minimum purchase volume may result in termination of the distributorship.
- **Forecast.** Distributors provide product demand forecasts on monthly basis.
- **Returns.** Returns and exchanges are limited to products with confirmed quality defects.
- **Termination.** Either party may terminate the agreement in the event of material breach, insolvency, bankruptcy.

BUSINESS

Under such distribution agreements, we generally retain control of products and bear the relevant legal risks until the products are delivered and accepted by the distributors, at which time revenue is recognised. To the best of our knowledge, these arrangements are in line with industry practice.

The following table sets forth the key metrics of our distributors during the Track Record Period:

	Year ended December 31,	
	2024	2025
Number of distributors at the beginning of the year	113	116
Number of new distributors	36	22
Number of exiting distributors	33	38
Number of distributors at the end of the year	116	100

We believe that the entry and exit of distributors is a normal market phenomenon, primarily driven by the following factors: (i) Proactive optimisation strategy. We regularly review our distributor network, proactively eliminating distributors with consistently substandard performance, insufficient marketing efforts, or those that do not align with our company’s brand image, in order to concentrate resources on supporting core partners. In some regions, we have conducted channel consolidation, selecting agents with stronger logistics and technological capabilities, thereby reducing the number of distributors while improving the overall quality of the network; and (ii) Distributor’s own operational adjustments. Some distributors have terminated their cooperation due to their own business transformation, mergers and acquisitions, or other reasons.

During the Track Record Period, there were no long-term business interruptions or major returns between us and our distributors due to significant product quality defects, legal proceedings, or malicious breach of contract.

During the Track Record Period and up to the Latest Practicable Date, we did not experience material breaches of distribution agreements that significantly affected our business, nor did we have any material disputes or unexpected large-scale returns that materially adversely affected our operating results.

Direct Sales Model

Under our direct sales model, we sell directly to financial institutions and postal operators. This model enables closer customer relationships, tailored configurations and full-life cycle services. We communicate directly with customers to understand their operational needs, provide tailored product configurations, and directly deliver products to them. Our products sold through direct sales include our mission-critical specialised printers and all-in-one printing & scanning equipment.

Our customer acquisition for direct sales is mainly through direct negotiation. We typically enter into framework agreements and purchase orders with direct customers. The principal terms are summarised as follows:

- **Term.** The framework agreement is usually valid for a term of 12 months. Our customer may issue purchase orders based on its actual needs during the term, and any renewal is subject to mutual negotiation rather than automatic renewal.
- **Minimum purchase amount.** Our customers are not required to purchase a specified minimum purchase amount.
- **Product specifications.** Customised models, technical parameters and interface protocols based on customer scenarios.

BUSINESS

- **Pricing.** The contract price is generally determined through negotiation between both parties.
- **Title and Risk:** The title to the products and risk of loss or damage shall pass to the customer upon delivery. We bear all costs and risks associated with transportation, insurance, customs clearance and any loss or damage to the products until they are delivered to the customer’s specified location.
- **Delivery.** We are responsible for all transportation, insurance and customs clearance costs. Each shipment must be accompanied by a transport document specifying the quantity and serial numbers of the equipment delivered.
- **Payment.** Payment shall be made within 60 days from the date of receipt of the invoice.
- **Termination.** In the event of our bankruptcy, liquidation, change in legal form, business transfer, or violation of financial traceability, confidentiality, or subcontracting obligations, our customer has the right to terminate the agreement.

We provide technical support, production management and quality control to ensure consistent and compliant delivery of our products to our direct customers.

Pricing

We adopt differentiated pricing strategies based on customer type and business scenario:

Distributors. Prices are negotiated on an arm’s length basis and set out in official price lists (EXW, FOB or CIF). We do not interfere with distributors’ resale pricing decisions.

Direct sales to direct sales customers. Pricing is generally determined through arm’s length negotiations, based on equipment proposals, configurations and after-sales service arrangements.

When formulating prices, we consider cost structure (raw materials, production, R&D, logistics, after-sales service), market competition, product specifications and customisation, order volume, customer type and cooperation history, and regional differences.

Marketing and Branding

We conduct targeted marketing initiatives to promote our products globally. Our marketing activities primarily include participation in international industry exhibitions, provision of marketing materials, product training and sales support to our distributors, as well as targeted business development customisation for key institutional customers.

We have inherited an extensive global sales network through the acquisition of the banking & postal business of [REDACTED], which enables us to effectively expand our market coverage, enhance customer proximity and strengthen our overall market competitiveness. Our brand and market reputation further support our business development with direct sales customers and distributors, facilitating the long-term sustainable growth of our business.

BUSINESS

Channel Management

Management of Distributors

We operate under a strict buyout model, pursuant to which distributors assume full inventory risks and other related operational risks. We regularly communicate sales and market information with our distributors to avoid excessive inventory accumulation or insufficient stock levels that would impair timely order fulfilment for end customers. We generally do not accept product returns from our distributors. Our distributor evaluation criteria focus on marketing capabilities, service performance and product expertise, rather than purely on purchase volume. Based on our internal controls and inventory monitoring arrangements, we confirm that no material channel stuffing occurred during the track record period.

Each distributor is assigned a clearly defined authorised territory, and cross-region sales are prohibited. When selecting our distributors, we take into consideration their respective geographic coverage as well as distribution channels in order to avoid potential competition among the distributors within a region. Distributors are not allowed to conduct sales beyond their authorised territories. We conduct regular compliance monitoring and may terminate distribution agreements in the event of material breaches. We maintain compliance with applicable competition laws and do not impose mandatory resale prices on our distributors.

Our distribution arrangements are generally non-exclusive. Overlaps in certain market territories are permitted under our non-exclusive arrangements and do not constitute channel conflicts. Territorial overlaps have not given rise to any material channel conflicts or market cannibalisation among distributors throughout the track record period.

Distributors are selected based on criteria including industry reputation, local customer network, financial strength, sales capability and after-sales service capacity. We provide regular product and technical training to distributors and conduct periodic business reviews and on-site visits to monitor their performance. Distributors with persistent underperformance may have their authorisation adjusted or terminated. During the Track Record Period, we have not engaged any sub-distributors. Our distributors may cooperate with independent local resellers from time to time for its own downstream distribution activities. All arrangements with such local resellers are entered into solely by the relevant distributor independently. We have no contractual rights or obligations in relation to, or control over such resellers, and does not conduct any performance assessment or provide support to them.

Management of Direct Sales Customers

We maintain standardised processes for customer verification, contract negotiation and after-sales support to our director sales customers. Direct sales customers are primarily institutional customers with stable credit standing, and we conduct credit assessments on these customers when we enter into sales agreement with them.

After-sales Services

We have consistently enhanced our after-sales services alongside the expansion of our product portfolio, aiming to deliver timely, effective and market oriented support that meets customers’ needs.

Given the global distribution of our products and the importance of providing timely after-sales support, after-sales services for end users are primarily provided by our distributors. To support the delivery of after-sales services by our distributors, we provide training and remote technical guidance. Our technical support personnel work closely with distributors to facilitate timely responses to the needs of end users and maintain consistent service quality across different markets, including key markets across Asia Pacific and Europe.

BUSINESS

OUR CUSTOMERS

Our customer base is geographically diversified, reflecting our global sales network across Chinese Mainland, Asia (other than Chinese Mainland), Europe, North America and other countries and regions. Our customers primarily comprise distributors, financial institutions and postal operators. During the Track Record Period, no single customer accounted for an excessively high proportion of total revenue that may pose material customer concentration risk.

Major Customers

For the years ended December 31, 2024 and 2025, revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB69.3 million and RMB59.4 million, accounting for 48.5% and 45.2% of our total revenue, respectively. In particular, for the years ended December 31, 2024 and 2025, revenue generated from our largest customer amounted to RMB20.9 million and RMB15.0 million, accounting for 14.6% and 11.4% of our total revenue, respectively. All of our five largest customers during the Track Record Period were distributors.

The following tables set forth the details of the five largest customers in each year during the Track Record Period:

For year ended December 31, 2024

Customer	Region	Backgrounds	Products	Sales Amount	% of Total Revenue	Year of Commencement of Business Relationship	Payment Terms	Credit Period
				(RMB'000)				
Bharat IT Services Ltd	India	An Indian IT solutions provider specialising in hardware, infrastructure services, and banking technology peripherals.	Mission-critical specialised printers and all-in-one printing & scanning equipment	20,911	14.6%	2016	Bank Transfer	90-day credit period
Americom Technologies Private Limited	Pakistan	A Pakistan-based importer and distributor specialising in banking technology peripherals, printer consumables, and IT hardware solutions.	Mission-critical specialised printers and all-in-one printing & scanning equipment	18,116	12.7%	2016	Bank Transfer	45-day credit period
UROMAX (SINGAPORE) PTE LTD.	Singapore	A Singapore-based trading company specialising in the wholesale distribution of computer hardware, peripherals, and telecommunications equipment.	Mission-critical specialised printers and all-in-one printing & scanning equipment	11,293	7.9%	2016	Bank Transfer	45-day credit period
Customer A	UAE	A company registered in the UAE. Business activities including: Trading and distribution of multi-brand products; import and export operations; regional brand representation for the Middle East market; and logistics and supply chain services	Mission-critical specialised printers and all-in-one printing & scanning equipment	9,834	6.9%	2016	Bank Transfer	TT in Advance
Customer B	Algeria	An Algerian technology and business solutions provider, operating in the Software & Internet industry	Mission-critical specialised printers and all-in-one printing & scanning equipment, Smart kiosks & terminals	9,181	6.4%	2020	Bank Transfer	L/C at Sight
Total				69,335	48.5%			

BUSINESS

For year ended December 31, 2025

Customer	Region	Backgrounds	Products	Sales Amount	% of Total Revenue	Year of Commencement of Business Relationship	Payment Terms	Credit Period
				(RMB'000)				
Customer C	Turkey	A Turkish company specialising in uninterruptible power supply (UPS) solutions, data backup services, and computer hardware manufacturing.	Mission-critical specialised printers and all-in-one printing & scanning equipment	14,994	11.4%	2016	Bank Transfer	60-days after arrival
TOP INFORMATION TECHNOLOGIES CO.,LTD. (鼎盛資料股份有限公司)	Taiwan, China	A Taiwanese company in the computer hardware and IT peripherals industry, specialises in the trading, maintenance, and leasing of computers, terminals, peripheral equipment, and office automation products.	Mission-critical specialised printers and all-in-one printing & scanning equipment	12,521	9.5%	2016	Bank Transfer	30-day credit period
Bharat IT Services Ltd.	India	An Indian IT solutions provider specialising in hardware, infrastructure services, and banking technology peripherals.	Mission-critical specialised printers and all-in-one printing & scanning equipment	12,502	9.5%	2016	Bank Transfer	90-day credit period
Lipi data systems Ltd.	India	One of India's top 3 IT peripheral companies and a leading manufacturer of printing and automation solutions.	Mission-critical specialised printers and all-in-one printing & scanning equipment	10,497	8.0%	2018	Bank Transfer	90-day credit period
UROMAX (SINGAPORE) PTE LTD.	Singapore	A Singapore-based trading company specialising in the wholesale distribution of computer hardware, peripherals, and telecommunications equipment.	Mission-critical specialised printers and all-in-one printing & scanning equipment	8,930	6.8%	2016	Bank Transfer	45-day credit period
Total				<u>59,444</u>	<u>45.2%</u>			

For details of the salient terms of the sales agreements entered into by us and our customers, please refer to “Sales and Marketing – Our Sales Channels – Distributorship Model” and “– Direct Sales Model” in this section.

During the Track Record Period and as of the Latest Practicable Date, we had no dispute with our major customers, or any material breach of the contract we entered into with our customers that would have a material adverse effect on our business, financial condition, or results of operations.

Each of our five largest customers in each year during the Track Record Period is an Independent Third Party. To the best of our Directors’ knowledge, none of the Directors, their respective close associates, or any Shareholder, whom to the Directors’ best knowledge, owns more than 5% of our Company’s issued capital, had any interest in the five largest customers in the years during the Track Record Period.

INVENTORY

Our inventory comprises raw materials and finished goods. We maintain a disciplined inventory control system, including order-based procurement, appropriate safety stock levels, regular inventory counting. We use an ERP system and warehouse management system to monitor inventory levels and movements.

In 2024 and 2025, our inventory turnover days were approximately 160.4 days and 152.3 days, respectively. We maintain an inventory provision practice for slow-moving, obsolete or damaged inventory based on inventory aging, market demand, technological obsolescence and net realizable value assessment. Please see the section headed “Financial Information” for the breakdown of inventory by category, carrying amounts and reasons for changes.

We engage independent third-party logistics providers for the transportation of raw materials and finished goods. We monitor their service quality and delivery performance to ensure stable and efficient supply chain operations.

BUSINESS

THIRD PARTY PAYMENT

Background

During the Track Record Period, the Group had an isolated case in which payment for goods was settled by a third party on behalf of a customer. Such arrangement was not a pre-arranged payment method adopted by the Group at the inception of the transaction. Rather, it arose under specific commercial and compliance circumstances and was incidental in nature. It did not form part of the Group’s ordinary course of business.

In July 2023, a customer established in the UAE (the “**Customer**”) purchased PR4 series printer products from our Company with a total purchase price of US\$318,500. At the inception of the transaction, the Customer was the contracting party, the recipient of the goods and the party responsible for payment. The Group duly delivered the products in accordance with the contractual terms.

During the settlement process, the Customer made multiple attempts to remit payment to the Group. However, such remittances were repeatedly rejected and returned by the relevant banks due to cross-border compliance reviews, incomplete supporting documentation and discrepancies between the remitting party and the contracting party. As a result, the outstanding amount could not be successfully settled.

The Group subsequently requested that the Customer complete the payment in its own name to ensure consistency among the sales, delivery and settlement parties. The Group later became aware that, as a result of business restructuring, the Customer had ceased operations and had been deregistered, and that its business operations had been assumed by an affiliated company (the “**Third-Party Payer**”). Under such circumstances, the Customer was no longer in a position to discharge its payment obligations in its own name.

Prior to such arrangement being approved by our Company, the Third-Party Payer had attempted to settle the outstanding amount on behalf of the Customer without prior notification to the Group. For compliance purposes and to ensure consistency of trade documentation, the Group rejected such request from the Customer and the Third-Party Payer. After reviewing the background of the transaction, understanding the relationship between the Customer and the Third-Party Payer, obtaining explanatory documents and supporting materials, and completing our internal approval procedures, the Group agreed to accept settlement from the Third-Party Payer on behalf of the Customer in respect of the outstanding amount, thereby giving rise to the third-party settlement arrangement.

To the best knowledge of our Directors, the Customer and the Third-Party Payer were affiliated parties. The manager of the Customer held a 49% equity interest in the Third-Party Payer and also served as its manager. The Customer and the Third-Party Payer were Independent Third Parties to the Group. Based on the explanatory documents provided by the Customer and the Third-Party Payer, together with the supporting documents obtained by the Group, our Directors are satisfied that the payments made by the Third-Party Payer were solely in settlement of amounts arising from the underlying transaction between the Customer and the Group involving genuine purchases of goods. The arrangement did not involve any new transaction, financing arrangement, loan arrangement or any transfer of funds unrelated to the underlying transaction.

During the Track Record Period, the above third-party settlement arrangement involved only one customer and one third-party payer. As of December 31, 2024, the total purchase price relating to the Customer amounted to US\$318,500, representing approximately 1.6% of the total revenue of the Group for the year ended December 31, 2024. As at the Latest Practicable Date, the Third-Party Payer had settled an aggregate amount of US\$170,000 to the Group, representing approximately 53.4% of the total purchase price relating to the Customer, while the outstanding balance amounted to US\$148,500. The Group has continued to follow up on the outstanding receivables while the impairment provisions in respect of such receivables were made by the Group as of December 31, 2024, in accordance with our accounting policies.

BUSINESS

Our Directors are of the view that: (i) the third-party settlement arrangement arose under specific commercial and compliance circumstances and was supported by a reasonable commercial rationale; (ii) the underlying transaction was genuine and the flow of goods, contracts and funds was consistent, traceable and supported by relevant documentary evidence; and (iii) the arrangement did not contravene any applicable laws and regulations, including those relating to foreign exchange control, anti-money laundering and trade compliance, nor was it intended to circumvent any regulatory requirements or constitute a disguised financing arrangement. Accordingly, the arrangement did not have any material adverse effect on the authenticity of the underlying transaction or the Group's financial performance during the Track Record Period.

Our Directors confirm that the above third-party settlement arrangement was an isolated case which was a one-off arrangement.

Save for the arrangement disclosed above, the Group did not enter into any other third-party settlement arrangements during the Track Record Period. Considering that the total amount of the aforementioned transaction accounted for less than 5% of our total revenue for the year ended December 31, 2024, our Directors are of the view that there was no material adverse impact on our Group's ordinary business operations.

To the best knowledge of our Directors, we had not been the subject of any investigations, enquiries, penalties, surcharges or additional tax payments as a result of the third-party settlement arrangement during the Track Record Period and up to the Latest Practicable Date.

Internal Control Measures

To safeguard our interest against risks associated with third party payment arrangements, we have implemented various internal control measures to mitigate the relevant risks, including but not limited to the followings:

- prior to accepting any payment from a third-party payer, the relevant departments are required to conduct appropriate due diligence on the payer, including reviewing its background information and relationship with the customer, and to retain the relevant assessment records and management approval records. Where appropriate, the Group may require the execution of an authorisation or entrustment letter to safeguard the security of the Group's funds;
- the relevant departments are required to obtain and review supporting documents relating to the third-party payment arrangement, including the background information of the customer and the third-party payer and any entrusted payment agreement or other supporting documents (where applicable), and to complete the relevant internal approval procedures in accordance with the Group's internal policies;
- where considered necessary, the Group will require the customer and the third-party payer to enter into a tripartite agreement with the Group to clearly set out the rights and obligations of the parties and the details of the payment arrangement, so as to safeguard the Group's interests;
- in the event that any third-party payment arrangement without prior consent from the Group is identified, the Group will arrange for a refund of the relevant payment and require the customer to make payment directly to the Group; and
- the procedures and approval requirements relating to third-party payment arrangements have been incorporated into the Group's internal management policies. Such policies have been duly approved and circulated to relevant employees, who are required to comply with the prescribed procedures and documentation requirements when handling third-party payment arrangements.

BUSINESS

PRODUCT RETURNS AND WARRANTY

Our warranty arrangements vary by sales channels. In terms of our sales to distributors, we generally do not provide warranties. The distributor assumes full responsibility for warranty (including any subsequent repairs or replacements) and after-sales service to their respective customers without our involvement. In terms of our sales to end user customers, we provide one to five years warranties to certain end user customers for general repairs of defects occurring during the warranty period. We do not accept product returns for any products sold.

During the Track Record Period, we did not have any material product recalls, material liability claims or material customer complaints. Any minor complaints or quality issues were promptly addressed through root-cause analysis, corrective actions and internal control improvements to prevent recurrence. All customer complaints, returns and warranty records are properly maintained for regulatory and internal review purposes.

EMPLOYEES

As of December 31, 2025, we had a total of 119 full-time employees. The majority of our employees are based in Zhuhai, China, where our core operational team is concentrated. The table below sets forth a breakdown of our employees by function as of the same date.

Function	Number	Percentage of Total Number (%)
Management	8	6.7
Sales & Marketing	6	5.0
Operations	69	58.0
Technical	11	9.3
Functional Support	25	21.0
Total	119	100.0

The following table sets forth the geographical distribution of our employees as of December 31, 2025.

Location	Zhuhai, PRC	Kunming, PRC	Shenzhen, PRC	Beijing, PRC	Hong Kong	Italy	Total
Number of Employees	86	14	6	4	2	7	119

Recruitment and Training

Our success depends on our ability to attract, retain and motivate qualified talents. We recruit through rigorous procedures via multiple channels, including online recruitment and internal referrals. We provide comprehensive training covering onboarding, professional skills, product knowledge, sales capabilities and on-the-job practice. We have a formal performance assessment system adopting annual process reviews and annual comprehensive evaluations, covering sales performance, client development, operational delivery and teamwork. Assessment results are directly linked to remuneration, bonuses and promotions. We offer competitive compensation packages based on employees’ qualifications, experience, position and performance.

BUSINESS

Employment Terms and Labour Relations

We have entered into employment contracts with all employees in compliance with PRC labour laws. Such contracts include confidentiality provisions for our key employees, particularly those in the sales department. We maintain a stable and harmonious working relationship with our employees. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material labour disputes or material difficulties in recruitment.

Social Insurance Fund and Housing Provident Fund

PRC laws and regulations require us to participate in various employee benefit plans, including pension insurance, unemployment insurance, medical insurance, maternity insurance, work-related injury insurance and the housing provident fund and pay social insurance and housing provident fund contributions in amounts equal to certain percentages of salaries of employees specified by the local government. During the Track Record Period, we did not make social insurance and housing provident fund contributions in full amount for our employees as required by relevant PRC laws and regulations.

As advised by our PRC Legal Adviser, according to the applicable PRC laws and regulations: (i) with respect to social insurance, the relevant government authorities may order us to pay the outstanding amounts within the prescribed time period with a late charge at the daily rate of 0.05% on the outstanding amounts, and if and only if we fail to do so, they may impose a fine or penalty ranging from one to three times of the outstanding amounts; and (ii) with respect to housing provident funds, the relevant government authorities may order us to pay the outstanding amounts within the prescribed time period, and they may apply to competent court for enforcement of the outstanding amounts if we fail to do so.

We had received confirmations from the competent government authorities that we have not been subject to any penalty for violations of laws and regulations regarding social security or housing provident fund during the Track Record Period and up to the Latest Practicable Date. As of December 31, 2025, no government notice had been received by us and no administrative penalties had been imposed on us with respect to the shortfall of social insurance and housing provident fund contributions, nor had we experienced any material claim raised by employees regarding such shortfall.

Based on the confirmations we received from the competent government authorities, our PRC Legal Adviser is of the view that the likelihood of us being subject to any material penalties due to the failure to provide the outstanding historical social insurance and housing provident fund contributions in full amount for our employees is remote, according to the applicable regulatory policies, provided no claims or complaints are filed against us by our employees. Therefore, we did not make any provision for the shortfall of our social insurance fund contributions and housing provident fund contributions during the Track Record Period in our financial statements. If we receive notice from competent government authorities requiring us to pay the outstanding contributions, we will take immediate measures as required and such payment would not have a material adverse impact on our business, financial condition or results of operations. Our Controlling Shareholders Mr. Zheng Xiaohui and Ms. Zhao Hui have also undertaken to indemnify us against all of such penalties in the event that we are required to pay any penalties imposed by the relevant PRC authorities.

Labour Dispatch

Pursuant to the Labour Contract Law and the relevant PRC laws and regulations, dispatched workers are only intended to be a supplementary form of employment, the number of which shall not exceed 10% of the employer's total workforce., otherwise, we may be ordered by the relevant authorities to rectify within a specified period of time and may be subject to a penalty ranging from RMB5,000 to RMB10,000 per dispatched worker exceeding the 10% threshold. During the Track Record Period, we engaged limited number of dispatched staff by signing labour dispatch service agreements with third-party dispatch agencies. These dispatched staff were mainly hired for positions with a supporting nature. These dispatched staff entered into labour contracts with the dispatch agencies and not with us, and the relevant costs of social insurance and housing funds for the dispatched staff were not borne by us either. During the Track Record Period, the number of our dispatched workers exceeded 10% of the total number of our total workforce as prescribed under relevant PRC laws and regulations. We have subsequently implemented

BUSINESS

rectification measure to ensure our compliance with applicable PRC laws and regulations. As of the Latest Practicable Date, the number of our dispatched workers remained below 10% of the total number of our total workforce.

During the Track Record Period and up to the Latest Practicable Date, we had not received any notice or been subject to any administrative penalties or other disciplinary actions relating to labour dispatch from the relevant government authorities. We have formulated and implemented a plan to contain the number of dispatched workers and stay compliant. Specifically, we limit the use of dispatched workers to temporary, auxiliary, or replacement roles in accordance with applicable regulations. Our Controlling Shareholders Mr. Zheng Xiaohui and Ms. Zhao Hui have also undertaken to indemnify us against all of such penalties in the event that we are required to pay penalties in relation to the labour dispatch non-compliance issue imposed by the relevant PRC authorities. Our PRC Legal Adviser is of the view that the likelihood of us being subject to any material penalties due to the labour dispatch issue is remote.

INSURANCE

Pursuant to the relevant PRC social insurance laws and regulations, we make contributions for mandatory social insurance and housing provident fund for our employees in the PRC.

In respect of our export business, we arrange cargo transportation insurance for goods delivered under CIF terms in accordance with customary international trade practice. Such insurance generally covers major risks of loss of or damage to goods during international transportation, including risks relating to natural disasters, accidents, theft and breakage, on a warehouse to warehouse basis. Certain general exclusions apply, including risks of rust and surface scratches for unpackaged or naked goods. For goods sold under EXW or FOB terms, customers are responsible for arranging and bearing the cost of cargo insurance, which represents our division of liability with counterparties under standard trade terms.

We consider our current insurance coverage adequate for our business scale and operational needs, and consistent with general industry practice for companies of similar size and business nature in our industry. During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material insurance claims. Nevertheless, we may still face potential claims and liabilities beyond the scope of our existing insurance coverage, which could have a material adverse effect on our business and financial condition. For further information, please refer to “Risk Factors – Risks Relating to Our Business and Industry – Our insurance policies may not be adequate to cover all risks of loss associated with our business operations.”

INTELLECTUAL PROPERTY

We believe that our intellectual property rights are crucial to our continued success, as they underpin our core technologies, product competitiveness and market position in the financial intelligent printing and document processing industry. We protect and manage our intellectual property through a comprehensive IP management system covering registration, protection, monitoring, employee training, and clear ownership and confidentiality provisions to safeguard our innovations and rights throughout their life cycle.

As of the Latest Practicable Date, we have 49 granted patents, 7 registered trademarks and 1 domain name in PRC and overseas, and 14 software copyrights in PRC, which we consider are material to our business. For our portfolio of material intellectual property rights as of the Latest Practicable Date, see “Appendix V – Statutory and General Information – 2. Further Information about our Business – B. Intellectual Property Rights”.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any threatened or pending disputes, litigation or arbitration relating to infringement of intellectual property rights, or claims challenging the validity, ownership or enforceability of our intellectual property rights, which would have a material adverse effect on our business, financial condition, or results of operations.

BUSINESS

PROPERTIES

Owned Properties

Land

As of the Latest Practicable Date, we owned and occupied the land use rights of one land parcel in Zhuhai, China, with an aggregate site area of approximately 16,665 sq. m., which were mainly used as our warehouses, production base and offices.

As of the Latest Practicable Date, we had obtained all valid land use right certificates for all land parcels we owned and occupied. Our PRC Legal Advisers have confirmed that such land use rights are legal, valid and enforceable, and there are no title defects, legal impediments or material risk of eviction or forfeiture in relation thereto.

Buildings or Units

As of the Latest Practicable Date, we owned three properties on our land in Zhuhai, China, with an aggregate GFA of approximately 10,291.5 sq. m., which were mainly used as our production base, office space, warehouses and staff dormitories.

As of the Latest Practicable Date, we had obtained all valid building ownership certificates for all buildings we owned. Our PRC Legal Advisers have confirmed that such properties are free from title defects and any material legal claims, encumbrances or risks of eviction.

Leased Properties

PRC

As of the Latest Practicable Date, we leased 8 properties in Shenzhen, Zhuhai, Beijing, Kunming and Qingdao, with an aggregate GFA of approximately 852.47 sq. m., which were mainly used as our office space and staff dormitory. Our lease terms generally range from one year to three years. We are generally allowed to terminate lease agreements with prior notice, which provides us with operational flexibility, albeit usually at the cost of forfeiting deposits or paying a termination fee.

Pursuant to the applicable PRC laws and regulations, property lease agreements shall be registered with the relevant local branches of the Ministry of Housing and Urban-Rural Development of the PRC. As advised by our PRC Legal Adviser, we may be subject to fines from RMB1,000 to RMB10,000 for each such lease agreement for failure to register. Therefore, the maximum exposure to penalties or fines for lacking of lease agreement registration would be RMB10,000. As of the Latest Practicable Date, we have endeavored to complete lease registration procedures for our leased properties in China. Nevertheless, for certain property leases, the lessors are unable to provide assistance to complete the relevant filing and registration procedures. Our PRC Legal Advisers are of the opinion that the absence of registration will not affect the validity of the lease agreements, and such non-registration circumstances do not constitute a material risk to our operations nor result in any interruption to our business.

Overseas

As of the Latest Practicable Date, we leased one office premise in Ivrea, Turin, Italy, one office premise and one warehouse in Hong Kong. These leased properties were used in connection with our business operations. The lease terms of these leased properties generally range from 2 to 6 years, and the relevant leases were valid and in full force and effect.

As of the Latest Practicable Date, there were no pending or threatened disputes, defaults, penalties or claims in relation to these leased properties, and no material impediments to our continued use of such properties for our business operations.

BUSINESS

We do not hold any idle land, civil defense properties or land for resettlement purposes. Save for an area of approximately 2,000 sq. m. of land adjacent to our Zhuhai industrial park which is subject to potential government acquisition for road construction, none of our properties, whether in the PRC or overseas, have defective titles. Such land is situated outside the boundary wall of our industrial park, and the relevant acquisition is not expected to exert any material adverse effect on our daily operations. The Directors confirm that there are no material contingent liabilities, risks of eviction or other material adverse impacts in relation to our remaining land and properties.

Property Valuation

Pursuant to Rule 8.01A(2) of the GEM Listing Rules, where a property interest does not form part of the issuer’s property activities and the carrying amount of such property interest is at or above 15% of the issuer’s total assets, the issuer must include a valuation of such property interest in its [REDACTED] document. As at December 31, 2025, being the date to which the most recent audited consolidated statements of the financial position of our Group were made up to, the carrying amount of our property comprising a parcel of land and 3 buildings located at No. 689, Gongye Avenue, Jing’an Town, Doumen District, Zhuhai, Guangdong Province, the PRC exceeded 15% of our total assets. Thus, a property valuation report in respect of such property is included in this document, the text of which is set out in Appendix III to this document. According to the Property Valuation Report, the valuation of this property was approximately RMB45.8 million as at May 31, 2026.

LICENSES, APPROVALS AND PERMITS

We are required to hold various licenses, approvals and permits for the operation of our business. We regularly review our compliance position to ensure that we maintain all material requisite licenses, approvals and permits necessary for our business.

Our PRC Legal Advisers have confirmed that, during the Track Record Period and up to the Latest Practicable Date, we have obtained all material licenses, approvals and permits from the relevant PRC regulatory authorities required for our operations in all material respects, and such licenses, approvals and permits are in full force and effect.

Our PRC Legal Advisers have further advised that there is no material legal impediment to the renewal of our existing licenses, approvals and permits that are subject to renewal. We expect to renew such licenses, approvals and permits in the ordinary course of business prior to their expiry dates in accordance with applicable PRC laws and regulations.

The following table sets forth the material licenses, approvals and permits held by us as at the Latest Practicable Date.

License/approval/permit	Holder	Granting authority	Grant date	Expiry date	Renewal required
China Compulsory Product Certification Certificate (2015010904752429)	Pu Ying Innovation, Zhuhai Puying	China Quality Certification Center	2015-02-06	2029-11-11	Yes
China Compulsory Product Certification Certificate (2017010904952822)	Pu Ying Innovation, Zhuhai Puying	China Quality Certification Center	2017-03-31	2027-01-17	Yes
China Compulsory Product Certification Certificate (2018010904049634)	Pu Ying Innovation, Zhuhai Puying	China Quality Certification Center	2018-03-07	2028-03-21	Yes

BUSINESS

License/approval/permit	Holder	Granting authority	Grant date	Expiry date	Renewal required
Product Certification Certificate (China Energy Conservation Certification) (CQC25701472476)	Pu Ying Innovation, Zhuhai Puying	China Quality Certification Center	2025-05-22	2027-05-18	Yes
Product Certification Certificate (China Energy Conservation Certification) (CQC25701490731)	Pu Ying Innovation, Zhuhai Puying	China Quality Certification Center	2025-11-03	2030-11-02	Yes
C TUV US(NRTL) (U8 098303 0001 Rev.00)	Pu Ying Innovation	TUV SUD	2018-12-28	N/A	Yes
CB (CN66691)	Pu Ying Innovation	China Quality Certification Centre	2024-08-07	N/A	No
CB (CN66788)	Pu Ying Innovation	China Quality Certification Centre	2024-08-16	N/A	No
CB (CN53177)	Pu Ying Innovation	China Quality Certification Centre	2024-06-24	N/A	No

(1) “N/A” represents certificates that do not have an expiration date and will remain valid unless revoked.

(2) “Yes” or “No” indicates whether renewal is required upon expiry.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We are involved in two litigations brought against our Italian subsidiary by Italian Social Security Authority (“INPS”) claiming the incorrect calculation of the social security contribution for years 2018–2021 and 2022–2023 respectively, in relation to an executive in the Italian subsidiary of his improper application of the ceiling social security contribution.

In terms of the first litigation relating to year 2018–2021, as of the Latest Practicable Date, our Italian subsidiary has filed petition in front of the Supreme Court to challenge the decision of the Court of Appeal of Turin, which ordered our Italian subsidiary to pay EUR256,439.98 to INPS. Our Italian subsidiary has not paid such amount since the legal proceeding is still pending. As advised by our Italian Legal Adviser, such litigation may be possible to have an unfavourable outcome and, in the event of the unfavourable outcome, the amounts claimed by INPS, in respect of social security contributions and penalties, may amount to EUR256,439.98, without prejudice to the possibility that the claim may be upheld only in part, with a consequent reduction of the applicable penalties or of the contribution debt.

BUSINESS

In terms of the second litigation relating to year 2022–2023 (in which the total amount requested by INPS is EUR118,607.25), on February 26, 2026, the first hearing was held in front of the Court of Ivrea, at the outcome of which the Judge postponed the case to May 8, 2026, to discuss the evidentiary motions and examine the documentation related to the pending case before the Supreme Court. As advised by our Italian Legal Adviser, such litigation may be possible to have an unfavourable outcome and, in the event of the unfavourable outcome, the amounts claimed by INPS, in respect of social security contributions and penalties may amount to EUR118,607.25, without prejudice to the possibility that the claim may be upheld only in part, with a consequent reduction of the applicable penalties or of the contribution debt.

As advised by our Italian Legal Adviser, it cannot be fully excluded that INPS may seek a recalculation of the social security contributions owed by our Italian subsidiary in relation to the executive in our Italian subsidiary for the years following the above two litigations referring to. As of the Latest Practicable Date, our Italian subsidiary has recognised appropriate provisions to address the aforementioned economic exposure.

Save as the above, neither our Group nor our Directors is involved in any material litigation, arbitration or administrative proceedings that may have a material adverse effect on our Group’s business, financial condition or results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, except for the legal proceedings aforementioned which is still under process, our Group has complied in all material respects with applicable laws and regulations in the jurisdictions where it operates. No material breach of laws or regulations has occurred, and no material penalties, fines or sanctions have been imposed on our Group.

International Sanctions and Anti-Money Laundering Compliance

Our Group is committed to compliance with applicable economic sanctions, trade controls and anti-money laundering laws and regulations, including those promulgated by the United Nations, the European Union, and the United States.

During the Track Record Period, our Group conducted immaterial amounts of sales to certain jurisdictions subject to international sanctions or enhanced regulatory scrutiny. All such sales were made to non-sanctioned commercial customers and distributors that are not listed on any applicable public sanctions lists, and none of the counterparties are owned or controlled by sanctioned persons or entities.

Our Group’s products are civilian-use office and financial transaction printers and related equipment with no military, nuclear, prohibited or sensitive end-use applications. Our Group does not conduct business with any sanctioned individuals, entities or governments.

To ensure compliance, our Group has implemented the following internal control measures:

- Regular screening of customers, distributors and transactions against publicly available sanctions lists;
- Enhanced due diligence and background checks for counterparties in higher-risk jurisdictions;
- Prior review and approval of all sales orders involving higher-risk jurisdictions by senior management;
- Use of legitimate and reputable international banks for settlement;

BUSINESS

- Maintenance of complete transaction documents and internal compliance records;
- Periodic internal reviews of cross-border sales activities.

As of the Latest Practicable Date, our Group has not received any inquiry, investigation, penalty, sanction or enforcement action from any regulatory authorities in connection with its international sales. The Directors confirm that our Group’s international sales are conducted in compliance with applicable laws and regulations, and no material sanctions risk exists in relation to our Group’s business.

Our Company confirms and undertakes not to enter into any future business or make any future sales to any sanctioned countries or targets that would implicate restrictions under International Sanctions. Our Directors are of the view that, and as concurred by the Sole Sponsor, the above measures are adequate and effective for us to comply with applicable International Sanctions laws and to address sanctions risks, and our transactions with the customers during the Track Record Period did not result in, and we are not subject to, any material sanctions risk.

Transfer Pricing and Related Party Transactions

Our Group has adopted internal policies for related party transactions and transfer pricing to ensure compliance with applicable tax laws and the arm’s length principle. All intercompany transactions are conducted based on normal commercial terms, consistent with transactions between Independent Third Parties.

Our Group has implemented internal controls to review, approve and monitor related party transactions on an ongoing basis. Our Directors confirm that our Group’s transfer pricing arrangements are consistent with the functions, assets and risks of each Group entity and do not involve improper profit shifting.

DATA SECURITY AND PRIVACY

In the course of our business, we collect, store and process business data and transaction data. As we only make transactions with enterprises, we do not collect or process personal data. We believe that the confidentiality, integrity and availability of data are vital to our business operations. To mitigate data security risks, we have implemented a comprehensive approach that includes stringent data encryption, secure data storage protocols and strict transmission policies to ensure the confidentiality and integrity of sensitive information.

We have set up a comprehensive internal data protection framework which is designed to manage and control access to confidential information effectively. To this end, we have established clear and detailed protocols that govern the use, storage and sharing of corporate data, ensuring that only employees with the appropriate authorisation can access sensitive information on a need-to-know basis. Employees are granted access to data strictly according to their roles and are required to use this data solely for the performance of their job duties. Furthermore, our employees are required to sign confidentiality agreements as part of their employment, which strictly prohibit the unauthorised disclosure of any company-related confidential information. This policy ensures that our employees understand the critical nature of safeguarding company data and are held accountable for maintaining confidentiality.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data leakage or data loss, nor did we experience any material unauthorised use of customers’ or distributors’ personal information.

BUSINESS

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Overview

As a technology company, our Group provides intelligent printing equipment, counter intelligent terminals and digital solutions for the finance, postal and taxation sectors. We conduct all our business activities and operations in compliance with applicable national and local laws and regulations, including those relevant to ESG matters. We have formulated comprehensive internal policies covering environmental, social and governance aspects. We are committed to meeting applicable ESG requirements and maintaining transparency in stakeholder engagement and disclosure.

Governance

ESG Governance

Our Board of Directors sits at the highest governance level and is responsible for overseeing ESG and climate-related matters. The Board is responsible for formulating and overseeing our Group’s ESG and climate-related governance policies, goals and strategies, including the processes for identifying, assessing, prioritising and managing material ESG and climate-related matters that encompass the risks and opportunities relevant to our Group’s business, to ensure they are appropriately considered within our Group’s overall business strategy and risk management framework. The Board holds regular meetings to review the effectiveness of implemented measures, monitors progress against integrated ESG and climate-related targets, and makes adjustments as appropriate.

The Board has delegated authority to senior management for the day-to-day oversight of ESG and climate-related matters, including monitoring the implementation and progress of related initiatives. All departments across our Group support senior management in the daily execution of such responsibilities and provide regular reports to senior management on progress, challenges and key developments, to ensure effective oversight and timely follow-up.

Materiality Assessment

Our Group regularly undertakes materiality assessments to proactively identify and prioritise ESG matters that are relevant to our business operations and sustainable long-term development. These assessments take into account our strategic objectives, industry practices, stakeholder expectations, and evolving sustainability trends. The outcomes provide important guidance for the development of our ESG strategy and the determination of our reporting focus.

ESG Goals and Targets

In line with our Group’s strategic development, industry characteristics, and sustainable development priorities, we have identified five key ESG areas, each with defined objectives:

- **ESG Governance:** Maintain robust ESG governance structures and maintain a strict zero-tolerance approach against corruption.
- **Operation Responsibility:** Maintain high product quality standards, ensure responsible and sustainable supply chain operations and safeguard intellectual property rights.
- **Environment Responsibility:** Minimise emissions and adverse environmental impacts, while enhancing resource efficiency.
- **Social Responsibility:** Provide a safe, fair and inclusive workplace for all employees.
- **Community Investment and Engagement:** Support community programs and participate in public welfare initiatives.

BUSINESS

Business Ethics

Our Group commits to adherence to the national and local laws and regulations. To ensure the conduct of our business operations adheres to high standards of integrity, our Group has formulated internal policies, including the “Employee Handbook”, which sets out clear guidelines for ethical business practice.

The “Employee Handbook” explicitly outlines prohibited activities related to business interests, including conflicts of interest, the corresponding avoidance measures, the duty of confidentiality, and the categories of personnel ineligible for employment. It also clearly specifies the circumstances under which our Group will immediately terminate an employee’s contract, as well as the penalties and compensation obligations that employees may face for non-compliance. In addition, it details different levels of disciplinary actions, with each level corresponding to the severity of the violation.

Besides, our Group has incorporated confidentiality obligations into separate “Confidentiality Agreements” signed with all employees, which serve as a supplement to individual employment contracts. These “Confidentiality Agreements” cover various aspects in detail, including information security, intellectual property rights, technical information and other confidential data, and clearly define the scope of confidential information scope, obligations, term and breach liability.

Furthermore, our procurement contracts explicitly set out the codes of conduct that align with our ethical business standards. We encourage employees and relevant parties to report any internal violations of discipline or law, fraudulent behaviour, or other acts that may damage our Group’s interests, reputation or corporate image.

Operation

Supply Chain Management

For every new supplier, our Group requires them to complete the "New Supplier Development Application Form", which is used for our later evaluation. Our supplier selection criteria include, but are not limited to, product quality, delivery performance, production capacity and compliance status. In addition, we require our suppliers to make commitments related to environmental protection and safety, to ensure their products comply with our quality, safety and environmental standards as specified in our procurement contracts with them. These contracts further include requirements for suppliers to adhere to ethical business standards. Moreover, we conduct supplier evaluations on both an annual and seasonal basis, and any supplier that fails to meet our cooperation standards will be removed from our list of qualified suppliers.

The table sets out the supplier distribution during the Track Record Period:

	Year ended December 31,	
	2024	2025
Total	322	327

Product Responsibility

Our dedication to quality, safety and reliability is embedded in every stage of our product life cycle, guided by rigorous management practices. To uphold consistent product quality and meet all regulatory obligations, we hold the ISO 9001 Quality Management System Certificate. All products undergo comprehensive testing prior to market launch, ensuring quality, safety and early resolution of potential issues. All public information related to product sales and marketing is also thoroughly reviewed before release, ensuring legal compliance, accuracy and freedom from errors or misleading content.

BUSINESS

Our Group maintains a robust customer complaint handling process, with all complaints addressed promptly, followed up on and independently investigated to determine root causes. We analyse complaints regularly to identify recurring issues and implement corrective actions, and conduct periodic customer satisfaction surveys to gather feedback for product and service improvement.

Intellectual Property Protection

Our Group maintains a formal intellectual property management system under the “Intellectual Property Rights Management Policy”. This policy governs the creation, registration, utilisation and protection of its intellectual property rights. We also set out clear provisions for employee onboarding and offboarding obligations as well as incentive and disciplinary measures relating to intellectual property. Furthermore, confidentiality obligations are set out in the “Confidentiality Agreements” signed by all employees to safeguard our Group’s confidential information and intellectual assets.

Environment Responsibility

Given that our business includes manufacturing operations, we attach significant importance to our environmental responsibilities. We strictly comply with all applicable national and local environmental laws, regulations and standards. We have obtained the ISO 14001 Environmental Management System certification, which provides a systematic framework for managing our environmental performance.

Air Pollutants Management

Our Group’s main air pollutant emissions are generated from exhaust gas produced during production, including soldering, tin dipping, laser welding, glue dispensing, glue baking, print head grinding, mould grinding, injection moulding and crushing processes. We have completed the environmental impact assessment (EIA) for our existing production processes in compliance with applicable regulatory requirements. We will conduct additional EIA as required by law for new projects or material process changes.

Given our Group’s involvement in manufacturing operations, we continuously monitor air quality at our production sites and engage accredited third-party laboratories to conduct periodic exhaust gas testing in compliance with applicable regulatory requirements. These targeted monitoring and testing measures enable us to track key air pollutants effectively and implement appropriate improvements to ensure compliance with environmental standards.

Use of Resources

Our Group’s principal resource consumption consists of purchased electricity, water, and fuels used for our vehicles, production operations and boilers for heating. We have implemented a range of targeted measures to improve resource efficiency and reduce overall consumption.

For energy conservation, our Group has installed motion-sensor lighting, adopted Grade 1 energy-efficiency split air conditioners, and used high-efficiency lighting equipment including T5 fluorescent tubes and LED lights. We also optimise lighting layouts by reducing the number of fittings in areas with excessive illumination to avoid unnecessary energy use.

For water conservation, employees are encouraged to turn off taps securely after use, and water-saving reminders are displayed in all washroom facilities. Besides, we regularly monitor water meter readings to detect hidden leaks, and any leaking taps are repaired promptly. No water sourcing issues were identified during the Track Record Period.

BUSINESS

The table sets out the energy and water consumption during the Track Record Period:

	Unit	Year ended December 31,	
		2024	2025
Total Energy Consumption	MWh	1,427.16	1,413.35
Intensity – Total Energy Consumption	MWh/RMB million in revenue	9.91	11.00
Total Water Consumption	m ³	6,016.00	7,615.00
Intensity – Water Consumption	m ³ /RMB million in revenue	41.79	59.25

Waste Management

Our waste mainly comprises non-hazardous waste and hazardous waste. Non-hazardous waste mainly includes general office waste. Hazardous waste mainly includes waste rags and gloves, waste packaging containing machine oil and grease, and waste activated carbon. We implement various measures to minimise the generation of non-hazardous waste across our operations. We promote the reuse of envelopes, binders, file cards and other office supplies, and facilitate the recycling of waste paper, metals and plastics through designated waste sorting bins and appropriate facilities. As for hazardous waste, we collaborate with certified third-party contractors to manage our collection and treatment process, with strict adherence to relevant safety and regulatory requirements.

The table sets out the non-hazardous and hazardous wastes generated amount during Track Record Period:

	Unit	Year ended December 31,	
		2024	2025
Non-hazardous waste	tonnes	301.00	305.59
Intensity – Non-hazardous waste	tonnes/RMB million in revenue	2.09	2.38
Hazardous waste	tonnes	5.14	5.39
Intensity – Hazardous waste	tonnes/RMB million in revenue	0.04	0.04

Climate Change

Given that our Group’s operations include manufacturing and office activities in both China and Italy, climate change may pose adverse impacts on our Group. We attach significant importance to such risks and has identified our material physical and transition risks.

Regarding physical risks, extreme weather events such as typhoons and flooding may affect our Group. As most of our manufacturing and office facilities are located in China, extreme weather may lead to supply chain disruptions, interrupt the daily functioning of office and manufacture sites, increase ongoing maintenance expenses, and even present potential risks to employee well-being and business continuity. To mitigate these risks, we provide medical insurance cover for employees, monitors weather updates from official observatories, arranges for early employee leave when necessary, and maintains appropriate preparedness measures to safeguard operational stability.

Regarding the transition risks, our Group may face evolving requirements and regulations imposed on our existing products and services by relevant authorities and stakeholders. There has also been an increase in climate-related litigation brought by various stakeholders against organisations that fail to mitigate climate change impacts or comply with applicable climate-related policies and regulations. As climate-related compliance obligations intensify, our exposure to litigation risk may rise accordingly. To address these transition risks, we closely monitor regulatory developments, enhance internal compliance management, and integrate climate-related considerations into our business and operational planning.

BUSINESS

Apart from implementing mitigation and response measures to address the adverse impacts of climate change, our Group is actively taking action to reduce greenhouse gas (“GHG”) emissions and our inventory of GHG measures are in line with GHG Protocol.

The table sets out the GHG emission during the Track Record Period:

	Unit	Year ended December 31,	
		2024	2025
Scope 1 – Direct GHG emissions ¹	tCO ₂ e	13.29	3.81 ³
Scope 2 – Indirect GHG emissions ²	tCO ₂ e	723.72	736.49
Total GHG Emission	tCO ₂ e	737.01	740.31
Intensity – Total GHG Emissions	tCO ₂ e/RMB million in revenue	5.12	5.76

Note:

1. Scope 1 emissions mainly consist of vehicles utilised and heating boilers.
2. Scope 2 emissions mainly consist of purchased electricity for office and production activities.
3. The variance is mainly attributable to the petrol vehicle utilised in FY24, which is no longer in use during FY25.

Social Responsibility

Labour Management

Our Group adheres to all relevant national and local laws and regulations governing labour relations. We are committed to providing a fair and non-discriminatory workplace, where every stage of the employment life cycle, including recruitment, promotion and termination, is conducted without discrimination on the grounds of age, marital and family status, ethnicity, nationality, religious belief or any other protected characteristic.

Our “Employee Handbook” outlines standardised procedures for all employment-related processes, from recruitment through to termination. In addition, it clearly sets out the relevant statutory and non-statutory benefits available to employees, as well as our policy of providing competitive remuneration packages that are commensurate with employees’ roles, responsibilities and market standards.

Our Group strictly prohibits the use of child labour and forced labour in all our operations. We conduct thorough verifications of employees’ identity documents and relevant credentials prior to employment to verify their eligibility to work, ensuring full compliance with labour laws and our commitment to ethical labour practices.

The following table sets out our Group’s workforce size during the Track Record Period:

Employment Indicator	Year ended December 31,	
	2024	2025
Total Employee ¹	194	150
By Gender		
Male	113	73
Female	81	77
By Age		
≤ 30 years old	55	29
30-50 years old	118	101
≥ 50 years old	21	20

BUSINESS

Note:

1. Total employee includes full time employees and labour dispatch.

Occupational Health and Safety

Our Group strictly comply with all relevant national and local laws and regulations governing occupational health and safety, and provide medical insurance coverage for all our employees.

We have formulated internal policies emphasising a safe and healthy working environment, ensuring our workplaces meet or exceed legal requirements, and our management personnel are responsible for upholding relevant safety standards. For work involving higher risks, we have established safety measures, provided protective equipment for employees and prohibited risky activities such as smoking in prohibited areas. We conduct fire drills at least twice a year to enhance employees’ fire safety awareness and emergency response capabilities. In addition, we have comprehensive procedures for handling work-related injuries, including conducting thorough investigations and completing a "Work Injury Report" within 24 hours of any incident.

During the Track Record Period, there is no work-related injury in our operational areas.

Training and Development

Our Group prioritises employee training and development to boost professional capabilities, support personal growth and drive our long-term growth. As specified in the “Employee Handbook”, we provide role-specific internal training, including induction and technical programmes, and offer financial support for employees to attend external training, helping them enhance skills and contribute to our Group’s long-term growth.

Community Investment and Engagement

Our Group is committed to contributing to the communities in which we operate through community investment and corporate social initiatives, including charitable donations. Going forward, we will uphold our long-standing commitment to sustainable community development by strengthening collaboration with stakeholders, allocating continued resources to community programs, and exploring effective ways to support the long-term development and well-being of the communities we serve.