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## SUMMARY

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*This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to [REDACTED] in the [REDACTED].*

*There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors”. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].*

### OVERVIEW

#### Who We Are

We are an established PVC flooring export manufacturer with a leading position in the SPC flooring in China. As a comprehensive flooring export manufacturer with almost 20 years of industry experience, we are dedicated to providing high-quality PVC flooring products for global customers, focusing on innovative products, intelligent manufacture, and global business development. According to Frost & Sullivan, we ranked eighth among China-based PVC flooring export manufacturers in terms of global PVC flooring sales area in 2024, with a market share of 0.61%, and ranked first among China-based PVC flooring export manufacturers in terms of global SPC flooring sales area in 2024, with a market share of 1.02%.

#### What We Do

We design, develop, manufacture, and export PVC flooring products. Our PVC flooring products include SPC, LVT, and WPC flooring products. Our core product, SPC flooring, features strong water and moisture resistance, high fire resistance and flame retardancy, and easy installation. Our products have passed the FloorScore certification in the United States. In addition, we have obtained ISO9001 International Quality Management System Certification, ISO14001 International Environmental Management System Certification, CE Certification in European Union, EPD Carbon Emission Certification, and China Environmental Label Product Certification.

We primarily adopt the ODM model to provide one-stop solution covering customized product design, development, manufacture services, customs clearance, and logistics services to well-known overseas building material brands and retailers, establishing long-term business relationships. Our products are highly popular in international markets, and with customers spreading across the world covering China, Europe, the United States, and other countries and regions. In 2023 and 2024 and for the nine months ended September 30, 2025, our overseas revenue accounted for 96.0%, 97.9%, and 99.4% of our total revenue, and our revenue from the U.S. market accounted for 79.6%, 68.5%, and 81.2% of our total revenue, respectively, reflecting our global footprint.

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To ride the tide of China’s Belt and Road initiative and policies in favor of manufacturers expanding overseas, as well as to adapt to changes in the international trade landscape, we strategically established a production base in Vietnam in 2023. It has a gross floor area of 53,000 square meters. The Vietnam production base began operations in July 2023, and its 24 production lines are equipped with advanced equipment. The estimated annual production capacity of our Vietnam production base was 24.1 million square meters. The main export destinations of our Vietnam production base are United States and Europe. In addition, we are constructing a second production base in Vietnam, including a factory with gross floor area of 17,000 square meters, 8 production lines, and an estimated annual production capacity of 8.0 million square meters. The second Vietnam production base is expected to be completed and operational in 2026. Furthermore, our production base in Changzhou, China was established in 2008, and its factory has a gross floor area of 108,600 square meters and 24 production lines. As of September 30, 2025, the annual production capacity of our Changzhou production base is 27.8 million square meters. Our Changzhou production base primarily supplies Europe, Canada, and Southeast Asia, and is undergoing a transition to support our future development plan in other regions. Our relatively early establishment of overseas production bases in the flooring industry has allowed us to accumulate extensive experience in cross-region production capacity layout, flexibly allocate production resources, efficiently respond to the evolving requirements for product origin in different markets, and enhance the resilience of our supply chain and market competitiveness.

### **Our Market Opportunities**

The PVC flooring industry presents a continued growth opportunity for us. There has been increasing consumer awareness of environmental protection and material safety. This leads to a trend of replacing traditional, less eco-friendly flooring products with PVC flooring products in both commercial and residential settings driven by the need for durable, easy-to-install, aesthetically pleasing, and eco-friendly flooring materials. According to Frost & Sullivan, the global market size of PVC flooring in terms of manufacturers’ revenue is expected to increase from RMB173.7 billion in 2024 to RMB250.2 billion in 2029, representing a CAGR of 8.5%. The global market size of SPC flooring in terms of manufacturers’ revenue is expected to increase from RMB91.8 billion in 2024 to RMB142.2 billion in 2029, representing a CAGR of 10.7%.

### **Our Innovation**

Our innovation focuses on optimizing both the production process and the products themselves. During the Track Record Period, the aggregate research and development expenses that we incurred amounted to RMB93.6 million. We have established cooperation with Nanjing Forestry University, whose professors serve as long-term technical advisors to our Company. In addition, we have jointly established a postdoctoral workstation with Research Institute of Wood Industry of China Academy of Forestry. We have developed Comfort Core technology, which enhances noise reduction of our flooring products. In addition, we are dedicated to intelligent manufacture, continually introducing advanced equipment and systems. We have deployed an automated, intelligent MES in our production facilities, greatly improving production efficiency and quality control. As of September 30, 2025, we had 68 patents relating to the flooring products, and had been recognized as a national High-Tech Enterprise, a Top Ten Flooring Brand in China, a Specialized and Innovative Small and Medium Sized Enterprise in Jiangsu Province, certified as an enterprise with ‘Same Line, Same Standard, Same Quality’ by the Jiangsu Provincial Government, and a Leading Forestry Enterprise of Jiangsu Province.

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### Our Financial Performance

In 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, our revenue was RMB1.42 billion, RMB972.5 million, RMB673.0 million, and RMB959.7 million respectively. Our net profit was RMB125.2 million, RMB52.7 million, RMB13.0 million, and RMB74.1 million in 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, respectively. The decreases in our revenue and net profit from 2023 to 2024 were primarily due to a decrease in orders from the U.S. market, our largest market, as a result of the impact of trade war-related tariffs in 2024. Our financial performance rebounded for the nine months ended September 30, 2025, benefiting from the fulfillment of increasing orders from North America out of our production facility in Vietnam.

### OUR STRENGTHS

We believe the following strengths differentiate us from our competitors:

- a leading SPC flooring export manufacturer in China with differentiated product competitiveness and visionary global production capacity layout;
- long-term, stable, and mutually beneficial business relationships with high-quality customers worldwide, leveraging almost 20 years of in-depth industry experience;
- outstanding full-chain cost control capability and lean operating efficiency;
- committed to product innovation and technology research and development, driving sustainable development; and
- an experienced, pragmatic, stable, and visionary management team.

For details, see “Business — Our Strengths”.

### OUR STRATEGIES

We are committed to advancing our position in the industry and achieving superior business growth through the following strategic initiatives:

- further expand production capacity and global production layout;
- continue product innovation and technology research and development;
- expand sales network and optimize customer structure; and
- enhance our branding and strengthen overseas service capabilities.

For details, see “Business — Our Strategies”.

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### CUSTOMERS AND SUPPLIERS

Our customers primarily consist of well-known overseas building material brands and retailers. In 2023 and 2024 and for the nine months ended September 30, 2025, revenue generated from our top five customers accounted for 80.5%, 73.1%, and 71.7% of our total revenue, respectively, and revenue generated from our largest customer accounted for 63.3%, 45.3%, and 53.9% of our total revenue, respectively. All of our top five customers in each period during the Track Record Period were Independent Third Parties.

Our suppliers primarily include providers of raw and auxiliary materials, such as suppliers of PVC resin powder, calcium carbonate, electricity companies, companies collecting royalties fees, customs clearance companies, and logistics companies. In 2023 and 2024 and for the nine months ended September 30, 2025, purchase from our top five suppliers accounted for 32.6%, 28.8%, and 31.4% of our total purchase, respectively, and purchase from our largest supplier in each period during the Track Record Period accounted for 8.8%, 7.6%, and 8.2% of our total purchase, respectively. All of our top five suppliers in each period during the Track Record Period were Independent Third Parties.

### RESEARCH AND DEVELOPMENT

We believe that our commitment to research and development is the cornerstone of our growth strategy and a key driver of our competitive advantage.

Since our establishment, we have made substantial and sustained investments in research and development, which have supported our rapid growth and enabled us to continuously upgrade our product portfolio and enhance our technological capabilities. Our research and development investments cover a wide range of initiatives, including product formulation innovation, process optimization, material engineering, and the recruitment, training, and retention of high-caliber technical talent.

As of September 30, 2025, we had a dedicated full-time research and development team of 13 members. Our core product development personnel possess extensive experience in areas such as chemical material engineering, environmentally friendly flooring technology, and sustainable product design. Their expertise enables us to improve the performance of existing products, expand and diversify our product offerings, and reinforce our innovation-driven competitiveness in the flooring industry.

### SALES AND MARKETING

Our sales and marketing strategy aims to strengthen brand leadership, expand market reach, and enhance customer relationships through a multi-dimensional sales network, proactive customer engagement, and integrated marketing initiatives.

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### SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present the summary of our consolidated financial information during the Track Record Period and should be read together with our historical financial information and the related notes set forth in the Accountants’ Report in Appendix I to this document, as well as the section headed “Financial Information”.

#### Summary of Results of Operations

The following table sets forth our consolidated statements of profit or loss for the years or periods indicated.

	For the Year Ended December 31,				For the Nine Months Ended September 30,			
	2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%
	<i>(in thousands, except percentages)</i>				<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Revenue	1,421,717	100.0	972,459	100.0	673,019	100.0	959,742	100.0
Cost of sales	(1,052,529)	(74.0)	(756,079)	77.7	(546,700)	(81.2)	(755,581)	(78.7)
<b>Gross profit</b>	<b>369,188</b>	<b>26.0</b>	<b>216,380</b>	<b>22.3</b>	<b>126,319</b>	<b>18.8</b>	<b>204,161</b>	<b>21.3</b>
Other income and gains	17,383	1.2	19,426	2.0	11,538	1.7	5,699	0.6
Selling and marketing expenses	(135,956)	(9.6)	(98,695)	(10.1)	(61,724)	(9.2)	(78,089)	(8.1)
Administrative expenses	(39,159)	(2.8)	(39,107)	(4.0)	(27,362)	(4.1)	(33,302)	(3.5)
Research and development expenses	(44,776)	(3.1)	(31,063)	(3.2)	(24,167)	(3.6)	(17,791)	(1.9)
(Impairment losses)/reversal of impairment losses on financial assets, net	(707)	(0.0)	(466)	(0.0)	(417)	(0.1)	9	(0.0)
Other expenses	(2,090)	(0.1)	(1,197)	(0.1)	(1,120)	(0.2)	(549)	(0.1)
Finance costs	(10,336)	(0.7)	(10,182)	(1.0)	(8,198)	(1.2)	(3,004)	(0.3)
<b>Profit before tax</b>	<b>153,547</b>	<b>10.8</b>	<b>55,096</b>	<b>5.7</b>	<b>14,869</b>	<b>2.2</b>	<b>77,134</b>	<b>8.0</b>
Income tax expenses	(28,344)	(2.0)	(2,379)	(0.2)	(1,834)	(0.3)	(3,080)	(0.3)
<b>Profit for the year/period</b>	<b>125,203</b>	<b>8.8</b>	<b>52,717</b>	<b>5.4</b>	<b>13,035</b>	<b>1.9</b>	<b>74,054</b>	<b>7.7</b>

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### Revenue

During the Track Record Period, we generated our revenue primarily from sales of PVC flooring. We also sell laminate flooring and wall panel and other products. Our revenue from sales of PVC flooring contributed 92.8%, 91.2%, 90.4%, and 97.3% of our total revenue in 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, respectively.

The following table sets forth a breakdown of our revenue by product type both in absolute amount and as a percentage of our total revenue for the years or periods indicated.

	For the Year Ended December 31,				For the Nine Months Ended September 30,			
	2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%
	<i>(in thousands, except percentages)</i>							
					<i>(Unaudited)</i>		<i>(Unaudited)</i>	
PVC Flooring	1,319,467	92.8	886,606	91.2	608,547	90.4	933,488	97.3
Laminate Flooring and Wall Panel	68,042	4.8	78,550	8.1	59,505	8.8	21,336	2.2
Others	34,208	2.4	7,303	0.7	4,967	0.8	4,918	0.5
<b>Total</b>	<b>1,421,717</b>	<b>100.0</b>	<b>972,459</b>	<b>100.0</b>	<b>673,019</b>	<b>100.0</b>	<b>959,742</b>	<b>100.0</b>

The following table sets forth a breakdown of our revenue by geographical location both in absolute amount and as a percentage of our total revenue for the years or periods indicated.

	For the Year Ended December 31,				For the Nine Months Ended September 30,			
	2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%
	<i>(in thousands, except percentages)</i>							
					<i>(Unaudited)</i>		<i>(Unaudited)</i>	
North America	1,241,503	87.3	816,760	84.0	551,132	81.9	861,433	89.8
Europe	59,200	4.2	86,386	8.9	69,665	10.4	73,409	7.6
China	56,327	4.0	20,339	2.1	16,164	2.4	6,145	0.6
Others	64,687	4.5	48,974	5.0	36,058	5.3	18,755	2.0
<b>Total</b>	<b>1,421,717</b>	<b>100.0</b>	<b>972,459</b>	<b>100.0</b>	<b>673,019</b>	<b>100.0</b>	<b>959,742</b>	<b>100.0</b>

During the Track Record Period, we generated revenue from North America, Europe, China, and other geographical locations. Among them, we generated most of our revenue from North America, with revenue generated from this area accounting for 87.3%, 84.0%, 81.9%, and 89.8% of our total revenue in 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, respectively.

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Revenue from North America decreased from RMB1.24 billion in 2023 to RMB816.8 million in 2024, primarily due to a decrease in orders from the U.S. market as a result of the impact of trade war-related tariffs in 2024. Revenue from North America increased from RMB551.1 million for the nine months ended September 30, 2024 to RMB861.4 million for the same period in 2025, primarily because the ramp-up of our production capacity in Vietnam, which effectively mitigated trade friction-related risks and we continued to meet the demand in the U.S. market.

### Gross Profit and Gross Profit Margin

Gross profit represents the difference between revenue and cost of sales. Gross profit margin represents gross profit as a percentage of total revenue. In 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, our gross profit was RMB369.2 million, RMB216.4 million, RMB126.3 million, and RMB204.2 million, respectively, with gross profit margin of 26.0%, 22.3%, 18.8%, and 21.3% in the same periods.

The following table sets forth a breakdown of our gross profit and gross profit margins by product type for the years or periods indicated.

	For the Year Ended December 31,				For the Nine Months Ended September 30,			
	2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%
	<i>(in thousands, except percentages)</i>				<i>(Unaudited)</i>		<i>(Unaudited)</i>	
PVC Flooring	368,357	27.9	203,837	23.0	119,719	19.7	200,863	21.5
Laminate Flooring and Wall Panel	5,035	7.4	9,884	12.6	4,667	7.9	910	4.3
Others	(4,204)	(12.3)	2,659	36.4	1,933	40.1	2,388	48.6
<b>Total</b>	<b><u>369,188</u></b>	<b><u>26.0</u></b>	<b><u>216,380</u></b>	<b><u>22.3</u></b>	<b><u>126,319</u></b>	<b><u>18.8</u></b>	<b><u>204,161</u></b>	<b><u>21.3</u></b>

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Our gross profit margin for PVC flooring decreased from 27.9% in 2023 to 23.0% in 2024, primarily due to a decrease in order volume in the U.S. market leading to a reduction in economies of scale while we continued to incur fixed costs including depreciation, staff costs, and electricity costs. Similarly, our gross profit margin for PVC flooring increased from 19.7% for the nine months ended September 30, 2024 to 21.5% for the nine months ended September 30, 2025, primarily due to an increase in order volume leading to the increase of economies of scale and a larger output of our production facilities in Vietnam.

Our gross profit margin for laminate flooring and wall panel fluctuated during the Track Record Period as the products accounted for a smaller portion of our gross profit and can be greatly affected by orders from several key customers.

We recorded a gross loss of RMB4.2 million for other products in 2023, primarily due to our research and development and test selling of our MGO flooring products.

The following table sets forth a breakdown of our gross profit and gross profit margins by geographical location for the years or periods indicated.

	For the Year Ended December 31,				For the Nine Months Ended September 30,			
	2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%
	<i>(in thousands, except percentages)</i>				<i>(Unaudited)</i>		<i>(Unaudited)</i>	
North America	331,071	26.8	187,035	23.4	108,917	19.9	187,090	22.8
Europe	25,595	26.7	22,194	20.5	14,964	17.3	11,504	13.1
Chinese Mainland	2,177	6.9	2,956	7.7	(413)	(2.0)	119	1.9
Others	10,345	17.8	4,195	15.8	2,851	15.0	5,448	12.5
<b>Total</b>	<b><u>369,188</u></b>	<b>26.0</b>	<b><u>216,380</u></b>	<b>22.3</b>	<b><u>126,319</u></b>	<b>18.8</b>	<b><u>204,161</u></b>	<b>21.3</b>

Our gross profit margin for products sold to North America decreased from 26.8% in 2023 to 23.4% in 2024 and increased from 19.9% for the nine months ended September 30, 2024 to 22.8% for the nine months ended September 30, 2025, generally in line with the gross profit margin for PVC flooring.

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### Summary of the Consolidated Statements of Financial Position

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

	As of December 31,		As of
	2023	2024	September 30, 2025
	<i>(RMB in thousands)</i>		<i>(Unaudited)</i>
Total current assets	863,724	772,446	658,451
Total non-current assets	317,844	309,658	304,008
<b>Total assets</b>	<b>1,181,568</b>	<b>1,082,104</b>	<b>962,459</b>
Total current liabilities	930,066	802,718	615,209
Total non-current liabilities	56,259	32,003	25,847
<b>Total liabilities</b>	<b>986,325</b>	<b>834,721</b>	<b>641,056</b>
<b>Net current (liabilities)/assets</b>	<b>(66,342)</b>	<b>(30,272)</b>	<b>43,242</b>
<b>Net assets</b>	<b>195,243</b>	<b>247,383</b>	<b>321,403</b>
Share capital	90,416	90,416	90,416
Reserves	104,827	156,967	230,987
<b>Total equity</b>	<b>195,243</b>	<b>247,383</b>	<b>321,403</b>

We had net current liabilities of RMB66.3 million and RMB30.3 million as of December 31, 2023 and 2024 and net current assets of RMB43.2 million as of September 30, 2025. Our net current assets or liabilities positions as of each of these dates were primarily attributable to trade and bills payables and interest-bearing bank borrowings, offset by our trade and bills receivables and inventories. Cash and cash equivalents account for a substantial portion of our current assets. See “Financial Information — Liquidity and Capital Resources” for further details on change of the balance of our cash and cash equivalents.

Our net current assets increased from RMB43.2 million as of September 30, 2025 to RMB50.6 million as of November 30, 2025. The increase was mainly due to an increase in cash and cash equivalents of RMB35.4 million, partially offset by an increase in interest-bearing bank borrowing of RMB19.3 million.

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We had net current assets of RMB43.2 million as of September 30, 2025, while we had net current liabilities of RMB30.3 million as of December 31, 2024. The change was mainly due to (i) a decrease in trade and bills payables of RMB137.9 million, (ii) an increase in cash and cash equivalents of RMB66.3 million, and (iii) a decrease in other payables and accruals of RMB43.9 million, partially offset by (a) a decrease in inventories of RMB116.1 million and (b) a decrease in restricted cash of RMB49.4 million.

Our net current liabilities decreased from RMB66.3 million as of December 31, 2023 to RMB30.3 million as of December 31, 2024. The decrease was mainly due to (i) an increase in inventories of RMB143.3 million and (ii) an increase in restricted cash of RMB55.6 million, partially offset by a decrease in trade and bills receivables of RMB144.5 million.

### Summary of the Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated statements of cash flows for the years or periods indicated.

	For the Year Ended December 31,		For the Nine Months Ended September 30,	
	2023	2024	2024	2025
	<i>(RMB in thousands)</i>			
			<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net cash from/(used in) operating activities	210,244	(41,522)	(38,244)	119,175
Net cash (used in)/from investing activities	(169,970)	116,119	135,508	(11,408)
Net cash used in financing activities	(1,659)	(60,246)	(53,726)	(40,019)
Net increase in cash and cash equivalents	38,615	14,351	43,538	67,748
Cash and cash equivalents at the beginning of the year/period	56,212	95,638	95,638	112,332
Effect of foreign exchange rate changes	811	2,343	76	(1,451)
<b>Cash and cash equivalents at the end of the year/period</b>	<b>95,638</b>	<b>112,332</b>	<b>139,252</b>	<b>178,629</b>

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### Key Financial Ratios

	For the Year Ended December 31,		For the Nine Months Ended September 30,
	2023	2024	2025
	Gross profit margin	26.0%	22.3%
Net profit margin	8.8%	5.4%	7.7%

  

	As of December 31,		As of September 30,
	2023	2024	2025
	Current ratio <sup>(1)</sup>	0.9	1.0
Quick ratio <sup>(2)</sup>	0.7	0.6	0.8

*Notes:*

- (1) Current ratio is calculated as current assets divided by current liabilities.
- (2) Quick ratio is calculated as current assets less inventories divided by current liabilities as of the end of the period.

### RISK FACTORS

There are certain risks relating to an [REDACTED] in our Shares. These risks can be characterized as (i) risks relating to our business and industry; (ii) risks relating to doing business in jurisdictions where we operate; and (iii) risks relating to the [REDACTED]. We believe that the most significant risks we face include the following:

- we operate in a competitive market and may not be able to compete effectively against our existing and future competitors;
- trade restrictions, trade barriers, and potential new duties imposed by the United States or other overseas market for delivery of our products could materially and adversely affect our business, financial condition, and results of operations;
- our overseas business development is subject to various cross-border operating risks, any failure to handle which may adversely affect our business, financial condition, and results of operations;
- any material changes in our relationship with our major customers could adversely affect our business, financial condition, and results of operations;
- we have a limited operating history in our PVC flooring business and overseas expansion. Our historical results may not be indicative of our future performance;

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- fluctuations in prices of raw materials or unstable supply of raw materials may adversely affect our business, financial condition, and results of operations;
- if our marine logistics service providers fail to provide reliable and timely logistics services, our business, financial condition, and results of operations may be materially and adversely affected;
- we are subject to foreign exchange exposure and currency conversion risks;
- our products are subject to safety, health, or quality standards and requirements that may from time to time be imposed by either the government or by customers which may increase our costs or restrict our operations; and
- our business exposes us to personal injury, product liability, and warranty claims and related governmental investigations, which could result in negative publicity, harm our reputation, and adversely affect our business, financial condition, and results of operations.

### OUR CONTROLLING SHAREHOLDERS

Our Controlling Shareholders consist of Mr. Yao (our executive Director), Mr. Yao Zhongxing (姚中興) (our chairman of the Board and executive Director), Ms. Huang Liying (黃麗英) (our executive Director) and Changzhou Zhongxin. For the biographical information of Mr. Yao, Mr. Yao Zhongxing and Ms. Huang Liying, see “Directors and Senior Management” in this document. Mr. Yao Zhongxing and Ms. Huang Liying are parents of Mr. Yao. Accordingly, Mr. Yao, Mr. Yao Zhongxing and Ms. Huang Liying are regarded as a group of Controlling Shareholders of our Company on the basis of the fact that Mr. Yao, Mr. Yao Zhongxing and Ms. Huang Liying hold part of their shareholding interests collectively in our Company indirectly via a common investment holding company (namely Changzhou Zhongxin) and therefore be presumed to be a group of Controlling Shareholders. The Controlling Shareholders confirmed that, as of the Latest Practicable Date, they did not have any interest in other business, apart from the business of our Company, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

### CONTINUING CONNECTED TRANSACTION

Our Group has entered certain transactions with our connected person in our ordinary and usual course of business. Upon [REDACTED], the transactions will constitute a continuing connected transaction under Chapter 14A of the Listing Rules. For details, see “Continuing Connected Transaction”.

### DIVIDENDS

We are a joint stock company established under PRC laws. According to the PRC Company Law, a PRC-established company is required to set aside at least 10% of its after-tax profits each year, after making up previous years’ accumulated losses, if any, determined under PRC GAAP, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisors, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, if any, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

We did not declare any dividend during the Track Record Period and currently do not have a formal dividend policy. See Note 11 to the Accountants’ Report included in Appendix I to this document for details.

## SUMMARY

### LEGAL PROCEEDING AND COMPLIANCE

We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations.

### [REDACTED] STATISTICS

All statistics in the following table are based on the fact that (i) the [REDACTED] has been completed and [REDACTED] H Shares are issued pursuant to the [REDACTED]; and (ii) the [REDACTED] is not exercised.

	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]
[REDACTED] of our Shares <sup>(1)</sup> Unaudited [REDACTED] adjusted consolidated net tangible asset attributable to owners of the Company per Share <sup>(2)</sup>	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]

*Notes:*

- (1) The calculation of [REDACTED] is based on [REDACTED] Shares to be in issue immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised).
- (2) The unaudited [REDACTED] adjusted consolidated net tangible asset attributable to owners of the Company per Share as of September 30, 2025 is calculated after making the adjustments referred to in "Unaudited [REDACTED] Financial Information" in Appendix II to this document.

### [REDACTED] EXPENSES

We expect to incur a total of approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]) of [REDACTED] expenses in connection with the [REDACTED], representing approximately [REDACTED] of the gross [REDACTED] from the [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED], being the mid-point of the indicative [REDACTED] range between HK\$[REDACTED] and HK\$[REDACTED], and assuming that the [REDACTED] is not exercised), including (1) [REDACTED] commissions, SFC transaction levy, Stock Exchange trading fees and AFRC transaction levy for all [REDACTED] of approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]), and (2) non-[REDACTED] related expenses of approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]), which consist of (i) fees and expenses of legal advisors and reporting accountants of approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]), and (ii) sponsor fee and other fees and expenses of approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]). Approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]) is expected to be charged to profit or loss, and approximately RMB[REDACTED] [REDACTED] (HK\$[REDACTED] [REDACTED]) is expected to be deducted from equity. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and for reference only. The actual amount may differ from this estimate.

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## SUMMARY

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[REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of HK\$[REDACTED] [REDACTED] assuming no exercise of the [REDACTED], based on an assumed [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share, after deducting [REDACTED] commissions and fees and other estimated [REDACTED] expenses paid and payable by us in relation to the [REDACTED].

In line with our strategies, we plan to use the [REDACTED] from the [REDACTED] over the next three years for the purposes and in the amounts set forth below:

- approximately [REDACTED] of the [REDACTED], or approximately HK\$[REDACTED] [REDACTED], will be used to enhance our production capacity and expand our global production footprint;
- approximately [REDACTED] of the [REDACTED], or approximately HK\$[REDACTED] [REDACTED], will be used to expand our sales network and customer base;
- approximately [REDACTED] of the [REDACTED], or approximately HK\$[REDACTED] [REDACTED], will be used for product innovation and research and development; and
- approximately [REDACTED] of the [REDACTED], or approximately HK\$[REDACTED] [REDACTED], will be used for working capital and other general corporate purposes.

### RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the Latest Practicable Date, there has been no material adverse change in our financial or trading position or prospects since September 30, 2025 being the end date of the periods reported in Appendix I to this Document and there is no event since September 30, 2025 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.