This summary aims to give you an overview of the information contained in this Document and should be read in conjunction with the full text of this Document. As this is only a summary, it does not contain all the information that may be important to you. You should read this Document in its entirety 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 "Risk Factors." You should read that section carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**. *Various expressions used in this section are defined or explained in "Definitions" and "Glossary of Technical Terms" in this Document.*

OVERVIEW

Who We Are

We are a supplier of power inductor solutions for advanced process chips used in consumer electronics, automotive electronics, and high-performance computing. Under our design-in business model, we focus on developing and manufacturing power inductors. According to the CIC Report, in 2024, we ranked first among suppliers headquartered in Chinese Mainland and sixth globally in terms of revenue from power inductor solutions for advanced process chips.

We co-develop customized power inductors with our end customers, and manufacture and sell power inductors to ODMs and OEMs of such end customers. Our end customers are primarily global and domestic brands in the consumer electronics, automotive and semiconductor industries. Our sales to ODMs and OEMs are conducted through distributors or via direct sales channels. To meet the requirements of miniaturization and high magnetic permeability in our application scenarios, our customized power inductors feature high magnetic permeability, low loss, high magnetic flux density, high-frequency response, and high reliability, according to the CIC Report. Specifically, our power inductors are able to operate under frequency conditions exceeding 1MHz. As of the Latest Practicable Date, our power inductors, had been integrated into several well-known AI chip platforms.

Our Power Inductors

Our power inductors are used in various industries, including consumer electronics, automotive electronics, and high-performance computing. Instead of supplying standardized components, we engage with end customers during the design stage of their product development cycle for customized products. We operate under a collaborative design-in business model, integrate our product development with the technology roadmaps of our end customers and engage in vertically-integrated manufacturing. In the power inductor solutions for advanced process chips industry, co-development cycles typically span several years depending on the end customers' demands. During such co-development process, we are able to gain access to end customers' future technology roadmaps and enables our solutions to be integrated at the product design stage, resulting in the integration of our components into end customer product specifications.

Our operations as a power inductor solution provider are supported by five internally-developed technology platforms: application technology platform, design technology platform, materials technology platform, process technology platform, and verification test technology platform. The integration of these five platforms forms our technical architecture for product development and operational synergy. We have implemented vertical integration across our R&D and supply chain management. This integration encompasses in-house R&D of magnetic materials (such as powder particle size control and nano-coating), development of automated production equipment, precision manufacturing processes, and final product verification test. We have three production bases located in China (Kunshan and Haining) and Thailand (Samut Prakan), of which two production bases in China (Kunshan and Haining) are in operation.

Our Financial Performance

During the Track Record Period, our revenue increased by 20.3%, from RMB362.2 million in 2023 to RMB435.8 million in 2024, and further increased by 8.2% to RMB471.5 million in 2025. For the same years, we recorded a loss for the year of RMB37.8 million, RMB22.3 million, and RMB17.9 million, respectively.

The following table sets forth a breakdown of our revenue by product types and application scenarios for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Power Inductor	348,344	96.2	425,145	97.6	470,705	99.8
– Consumer Electronics	229,588	63.4	290,531	66.7	318,076	67.5
– Automotive Electronics	91,804	25.4	105,204	24.1	106,312	22.5
– High-Performance Computing	26,952	7.4	29,410	6.8	46,317	9.8
Others[(1)]	13,864	3.8	10,616	2.4	745	0.2
Total	**362,208**	**100.0**	**435,761**	**100.0**	**471,450**	**100.0**

Note:

(1) Others mainly include sales of equipment.

The following table sets forth a breakdown of our gross profit and gross profit margin by product types and application scenarios for the years indicated.

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	**Gross profit margin**	**Gross profit**	**Gross profit margin**	**Gross profit**	**Gross profit margin**
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Power Inductor	60,830	17.5	78,942	18.6	100,800	21.4
– Consumer Electronics	36,865	16.1	55,228	19.0	72,646	22.8
– Automotive Electronics	13,828	15.1	16,690	15.9	18,123	17.0
– High-Performance Computing	10,137	37.6	7,024	23.9	10,031	21.7
Others[(1)]	2,743	19.8	2,817	26.5	365	49.0
Total	**63,573**	**17.6**	**81,759**	**18.8**	**101,165**	**21.5**

Note:

(1) Others mainly included sales of equipment.

For more information, please refer to "Financial Information – Description of Major Components of Our Results of Operations – Revenue" and "Financial Information – Description of Major Components of Our Results of Operations – Gross Profit and Gross Profit Margin."

OUR COMPETITIVE STRENGTHS

Our competitive strengths include: (i) Specialization in Power Inductor Solutions for Advanced Process Chips; (ii) Vertically-Integrated R&D Platform for Provision of End-to-End Power Inductor Solutions; (iii) Design-In Collaboration with End Customers; (iv) Technology Platforms and Technical Specifications; and (v) Seasoned Management and R&D Teams. See "Business – Our Competitive Strengths."

OUR STRATEGIES

Our strategies include: (i) Expansion of Market Share within the High-Performance Computing Sector; (ii) Exploration in Semiconductor Devices to Enhance Technical Capabilities and Product Offerings; (iii) Exploration in Board-Level Power Management Solutions; and (iv) International Expansion and Supply Chain Management. See "Business – Our Strategies."

RESEARCH AND DEVELOPMENT

To maintain our market competitiveness, we focus on technological innovation in high-frequency and high-current power inductors, while advancing our patent portfolio to support product iteration and expansion into new applications. See "Business – Research and Development" for details.

SALES, MARKETING AND CUSTOMERS

Our sales are primarily concentrated in Chinese Mainland, Hong Kong, and Taiwan with shipments of Chinese Mainland accounting for the majority of our revenue. We mainly serve in-country customers and their supply chains. We also ship products to selected overseas clients, typically through their global supply networks. Although overseas sales remain relatively limited at present, we are actively advancing our sales network to gradually expand international market presence. Our sales are conducted through distributors or via direct sales channels. Distributorship model contributed 74.8%, 73.5% and 58.8% of our total sales in 2023, 2024 and 2025, respectively. See "Business – Sales, Marketing and Customers" for details.

Our customers primarily consist of distributors and ODMs and OEMs of our end customers. Our end customers are primarily global and domestic brands in the consumer electronics, automotive and semiconductor industries. We sell our products to ODMs and OEMs of end customers directly or through distributors. Our customer base is stable, with certain key relationships spanning over five years. During the Track Record Period, our top five customers included distributors, ODMs, and OEMs in the notebooks, GPUs, and electronics manufacturing sectors.

OUR SUPPLIERS

We have established an operational and management system designed to coordinate our supply chain, optimize resource allocation across order processing, procurement, manufacturing, logistics, and related functions. During the Track Record Period, our top five suppliers were primarily located in Jiangsu Province. Collaboration with most of our top five suppliers spans over four years, with one supplier exceeding ten years. Overall, we maintain long-term and stable relationships with our primary suppliers. See "Business – Procurement and Supply Chain Management" for details.

COMPETITION LANDSCAPE

We operate in the power inductor solutions for advanced process chips industry, which is rapidly evolving and increasingly competitive, characterized by rapid technological advancement and continuous product iteration. Power inductor solutions for advanced process chips refer to inductor solutions targeting the power supply requirements of advanced process integrated circuits with a process node of 7nm and below. According to CIC Report, the global market of power inductor solutions for advanced process chips demonstrates high concentration, with the top six suppliers accounting for an aggregate market share of over 80% in 2024. See "Industry Overview".

OUR CONTROLLING SHAREHOLDERS

Pursuant to a concert party agreement dated June 28, 2022, among Mr. Chao, Mr. Cheng and Magneto, they have agreed to act in concert at meetings of our Board and the shareholders' meetings of our Company in accordance with the consensus achieved among them. In the event that they are unable to reach consensus on any matter presented, the parties shall vote in accordance with the direction of Mr. Chao. As of the Latest Practicable Date, Mr. Chao, Mr. Cheng and Magneto, by virtue of their acting-in-concert arrangement, were collectively interested in approximately 38.57% of our total issued share capital, including (i) 16.39% of our total equity interest directly held by Mr. Chao, (ii) 15.01% of our equity interest controlled by Mr. Chao indirectly through Magneto as its sole shareholder, and (iii) 7.17% of our equity interest held by Mr. Cheng. As of the Latest Practicable Date, Kunshan Mazhou held 2,280,000 Shares, representing approximately 2.73% of the voting right in our Company. Mr. Cheng was the general partner of Kunshan Mazhou. Therefore, Mr. Chao, Mr. Cheng, Magneto and Kunshan Mazhou were our group of Controlling Shareholders, and in aggregate held approximately 41.30% of the total issued share capital of our Company as of the Latest Practicable Date. For further details about our Controlling Shareholders, please see the sections headed "Relationship with Controlling Shareholders" and "Directors, Supervisor and Senior Management".

[REDACTED] INVESTORS

Our Company obtained investment from the **[REDACTED]** Investors. For details of the principal terms of the **[REDACTED]** Investments and the identity and background of the **[REDACTED]** Investors, see "History, Development and Corporate Structure – **[REDACTED]** Investments" in this Document.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our financial information during the Track Record Period, extracted from the Accountants' Report as set out in Appendix I to this Document. The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, our financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with the IFRS Accounting Standards ("**IFRSs**").

Summary of Consolidated Statements of Comprehensive Income

The following table sets forth summary of our consolidated statements of profit or loss with line items in absolute amounts and as percentages of our revenue for the years indicated derived from the Accountants' Report included in Appendix I to this Document:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
REVENUE	**362,208**	**100.0**	**435,761**	**100.0**	**471,450**	**100.0**
Cost of sales	(298,635)	(82.4)	(354,002)	(81.2)	(370,285)	(78.5)
GROSS PROFIT	**63,573**	**17.6**	**81,759**	**18.8**	**101,165**	**21.5**
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
LOSS BEFORE TAX	**(32,763)**	**(9.0)**	**(18,822)**	**(4.3)**	**(16,742)**	**(3.5)**
Income tax expenses	(4,998)	(1.4)	(3,470)	(0.8)	(1,172)	(0.3)
LOSS FOR THE YEAR	**(37,761)**	**(10.4)**	**(22,292)**	**(5.1)**	**(17,914)**	**(3.8)**

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total current assets	**274,991**	**259,226**	**280,214**
Total non-current assets	**311,711**	**353,630**	**372,758**
Total current liabilities	**610,552**	**585,791**	**240,856**
Total non-current liabilities	**91,180**	**164,401**	**184,071**
NET CURRENT (LIABILITIES) ASSETS	**(335,561)**	**(326,565)**	**39,358**
NET (LIABILITIES) ASSETS	**(115,030)**	**(137,336)**	**228,045**

We recorded net current liabilities of RMB335.6 million and RMB326.6 million as of December 31, 2023 and 2024, respectively, which were primarily attributable to the impact of the redemption liabilities. As of December 31, 2025, we had net current assets of RMB39.4 million, which was mainly attributable to the termination of preferential rights associated with the Investors' Shares on October 30, 2025, leading to derecognition of all redemption liabilities in 2025.

For details of the fluctuation in key items of our consolidated statements of financial position and net current assets during the Track Record Period, see "Financial Information – Description of Certain Components of Consolidated Statements of Financial Position."

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our cash flows for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows from operating activities	8,175	3,828	11,067
Net cash flows used in investing activities	(107,895)	(95,985)	(52,015)
Net cash flows from financing activities	91,747	60,754	41,976
Net (decrease) increase in cash and cash equivalents	(7,973)	(31,403)	1,028
Effect of exchange rate change	–	(14)	127
Cash and cash equivalents at the beginning of the year	111,379	103,406	71,989
Cash and cash equivalents at the end of the year	103,406	71,989	73,144

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,		
	2023	**2024**	**2025**
Gross profit margin(1)	17.6%	18.8%	21.5%
Current ratio(2)	0.5	0.4	1.2
Quick ratio(3)	0.4	0.3	0.9
Debt to asset ratio(4)	119.6%	122.4%	65.1%
Net (loss) margin	(10.4%)	(5.1%)	(3.8%)
Adjusted net (loss) margin (non-IFRS measure)(5)	(6.4%)	(1.6%)	(0.5%)

Notes:

(1) Gross profit margin equals gross profit for the year divided by revenue for the year and multiplied by 100%.

(2) Current ratio is calculated using total current assets divided by total current liabilities as of the relevant year end.

(3) Quick ratio is calculated using total current assets less inventories divided by total current liabilities as of the relevant year end.

(4) Debt to asset ratio is calculated using total liabilities divided by total assets.

(5) Adjusted net (loss) margin (non-IFRS measure) represents adjusted net (loss) for the year (non-IFRS measure) divided by revenue for the same year and multiplied by 100%.

NON-IFRS MEASURES

To supplement our combined financial statements which are presented in accordance with IFRS, we also use adjusted profit (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe that such non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of items that our management do not consider to be indicative of our operating performance and provides useful information to investors and others in understanding and evaluating our combined statements of comprehensive income in the same manner as they help our management.

However, our presentation of adjusted (loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of adjusted profit (non-IFRS measure) has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute of, our combined statements of comprehensive income or financial condition as reported under IFRS.

We define adjusted loss for the year (non-IFRS measure) as loss for the year, adjusted by adding back interests on redemption liabilities and **[REDACTED]**. We exclude these items because they are not expected to result in future cash payments that are recurring in nature and as such are not indicative of our core operating results and business outlook. The following table reconciles our adjusted loss for the year (non-IFRS measure) presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is loss for the year:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year	(37,761)	(22,292)	(17,914)
Add back:			
Interests on redemption liabilities[(1)]	14,496	15,114	13,036
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Adjusted loss for the year (non-IFRS measure)	**(23,265)**	**(7,178)**	**(2,585)**

Note: (1) Interests on redemption liabilities primarily represent interest in certain preferential rights, being an interest of 8% per annum calculated on a simple basis from the settlement date of the cash considerations paid by Series A Investors and Series B Investors, plus the accumulated cash dividend announced but not actually paid. See Note 25 of the Accountants' Report.

PROFITABILITY AND BUSINESS SUSTAINABILITY

During the Track Record Period, we recorded a continuous revenue increase through successful product development and launch, with our proactive efforts in optimizing and broadening out product portfolio contributing to increased sales volume and revenue. Our revenue increased from RMB362.2 million in 2023 to RMB435.8 million in 2024, and further increased to RMB471.5 million in 2025.

We recorded net losses during the Track Record Period. For 2023, 2024 and 2025, our net losses were RMB37.8 million, RMB22.3 million and RMB17.9 million, respectively, with a narrowing loss margin year by year. This financial position is primarily attributable to the Company being in a phase of rapid strategic expansion, driven by the following specific factors: (i) forward-looking capacity expansion and high depreciation; (ii) high-intensity R&D investment to sustain technology leadership; (iii) impact of financing costs; and (iv) long cycle from R&D to mass production under the "design-in" model. Despite the recorded net losses, our core operating indicators demonstrate growth momentum: gross profit margin has consistently improved, rising from 17.6% in 2023 to 21.5% in 2025; revenue has grown steadily, indicating that our core business has achieved self-sustaining income generation capabilities.

We have a clear and achievable path to profitability and expect to achieve breakeven within the two financial years after the **[REDACTED]**. The primary drivers include: (i) increased contribution from high-margin products; (ii) gradual realization of economies of scale; (iii) improvement in production capacity; and (iv) optimization of finance costs.

RISK FACTORS

Our operations and the **[REDACTED]** involve certain risks and uncertainties, including (i) risks relating to our business and industry, (ii) risks relating to doing business in the jurisdictions where we operate, and (iii) risks relating to the **[REDACTED]**, which are set out in the section headed "Risk Factors" in this Document. You should read that section in its entirety carefully before you decide to **[REDACTED]** in the **[REDACTED]**. Some of the major risks we face include, but are not limited to: (i) we operate in a highly competitive industry. If we are unable to compete effectively, we may experience a loss of market share and a decline in profit margins, which could materially and adversely affect our business, financial condition and results of operations; (ii) the demand for our products may not increase as rapidly as expected, which could materially and adversely affect our business, results of operations, financial condition and prospects; (iii) we provide customized products to our major customers. Failure to launch customized products that meet end customers' requirements and specifications and achieve design-wins could have a material and adverse impact on our market share; (iv) our research and development activities may not result in successful products or generate sufficient returns, which could adversely affect our business; (v) any unexpected interruption to our production facilities could materially and adversely affect our business, results of operations and financial condition; (vi) if we fail to successfully implement our capacity expansion plans, maintain or upgrade our equipment, or effectively utilize our production facilities, our business, financial condition and results of operations could be materially and adversely affected; and (vii) restrictions arising from geopolitical, regulatory or origin-related considerations may require us to rely on third-party partners or brands to access certain overseas markets, which could materially and adversely affect our business and growth prospects.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

We expect to record a net loss in 2026, primarily due to continued investment in research and development, expansion of our sales and distribution network and ongoing product iteration.

Subsequent to the Track Record Period up to the Latest Practicable Date, our business continued to grow. In the first quarter of 2026, we commenced delivery of automotive inductors under our own brand to our customers. We expect our sales under our own brand for automotive inductors will continue to grow, which will have a positive impact on our future operating results.

Our Directors have confirmed that up to the date of this Document there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the years reported in the Accountants' Report in Appendix I to this Document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this Document.

[REDACTED]

USE OF [REDACTED]

Assuming an **[REDACTED]** of **[REDACTED]** per H Share (being the **[REDACTED]** of the range of the **[REDACTED]** stated in this Document), we estimate that we will receive **[REDACTED]** of approximately **[REDACTED]** from the **[REDACTED]** after deducting the **[REDACTED]** and other estimated expenses in connection with the **[REDACTED]** (assuming the **[REDACTED]** Option is not exercised). We currently intend to apply the **[REDACTED]** as follows:

(1) Approximately **[REDACTED]** or **[REDACTED]**, is expected to be used for the expansion of our domestic production lines over the next five years, primarily in our Kunshan production base.

(2) Approximately **[REDACTED]**, or **[REDACTED]**, is expected to be used for enhancing our in-house R&D capabilities over the next five years to strengthen our ability to deliver integrated power inductor solutions for advanced process chips used in the high-performance computing industry.

(3) Approximately **[REDACTED]**, or **[REDACTED]**, is expected to be **[REDACTED]** for the repayment of certain interest-bearing bank borrowings so as to optimize our financial structure and reduce our borrowing cost.

(4) Approximately **[REDACTED]**, or **[REDACTED]**, is expected to be used for working capital and other general corporate purposes.

For further information relating to our future plans and **[REDACTED]** from the **[REDACTED]**, see "Future Plans and **[REDACTED]**" in this Document.

DIVIDENDS

No dividends had been paid or declared by the Company during the Track Record Period.

Our Company currently does not have a formal dividend policy or a fixed dividend payout ratio. Our Board of Directors may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment of dividends will be subject to our constitutional documents and applicable laws. Our shareholders at a general meeting must approve any declaration of dividends, which must not exceed the amount recommended by our Board. In addition, our Directors may from time to time pay such interim dividends as our Board considers to be justified by our profits and overall financial requirements, or special dividends of such amounts and on such dates as they think appropriate. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our future declaration of dividends may or may not reflect our historical declarations of dividends and will be at the absolute discretion of our Board.

[REDACTED]

[REDACTED] represent professional fees, **[REDACTED]** and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** will be approximately **[REDACTED]** million (assuming an **[REDACTED]** of **[REDACTED]** per **[REDACTED]** (being the **[REDACTED]** of the indicative **[REDACTED]** range) and no exercise of the **[REDACTED]**), representing **[REDACTED]** of the **[REDACTED]** (based on the **[REDACTED]** of our indicative price range for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) of the **[REDACTED]**. During the Track Record Period, we incurred **[REDACTED]** of **[REDACTED]**, of which **[REDACTED]** was charged to the consolidated statements of comprehensive income as **[REDACTED]**, and **[REDACTED]** will be deducted from equity. We expect to incur **[REDACTED]** of approximately **[REDACTED]**, of which approximately **[REDACTED]** is expected to be recognized in the consolidated statements of comprehensive income as **[REDACTED]** and approximately **[REDACTED]** is expected to be recognized as a deduction in equity directly upon the **[REDACTED]**. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our **[REDACTED]** are composed of (i) **[REDACTED]** of approximately **[REDACTED]** and (ii) **[REDACTED]** related expenses of approximately **[REDACTED]**, which consist of fees and expenses of legal advisors and the Reporting Accountant of approximately **[REDACTED]** and sponsor fee and other fees and expenses of approximately **[REDACTED]**.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the **[REDACTED]** of, and permission to **[REDACTED]**, our H Shares to be issued pursuant to the **[REDACTED]** (including any Shares which may be issued pursuant to the exercise of the **[REDACTED]**) and the conversion of the Unlisted Shares into H Shares. We satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2025, being RMB471.5 million, which is over HK$500 million (ii) our expected market capitalization at the time of the **[REDACTED]** based on the **[REDACTED]** of **[REDACTED]** per **[REDACTED]** (being the **[REDACTED]** of the indicative **[REDACTED]** range) exceeds HK$4 billion, as required by Rule 8.05(3) of the Listing Rules.