

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

---

## FINANCIAL INFORMATION

---

*You should read the following discussion and analysis with our audited consolidated financial information, included in the Accountants’ Report (including the notes thereto) in Appendix I to this Document. Our consolidated financial information has been prepared in accordance with IFRSs.*

*The following discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this Document, including but not limited to the sections headed “Risk Factors” and “Business.”*

*For the purpose of this section, unless the context otherwise requires, references to 2023, 2024 and 2025 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.*

### OVERVIEW

We operate in the global pan-semiconductor quality control market, providing solutions that safeguard the quality of PCBs, which serve as the foundational carrier for signal transmission and component integration within the broader pan-semiconductor ecosystem. We are the largest provider of PCB quality control solutions in China and the second largest worldwide, with a market share of 13.8% and 8.4%, respectively, by 2025 revenue, according to CIC. Our tailored solution process includes inspection and testing solution design, equipment configuration and layout, to align with customers’ production inline workflows and quality control requirements. We have built a broad and high-quality global customer base and served customers representing all of the 2024 Prismark Global Top 10 PCB companies, which together account for approximately 40% of the global PCB market by revenue.

During the Track Record Period, our revenue increased by 40.1% from RMB339.8 million in 2023 to RMB475.9 million in 2024, and further increased by 60.5% to RMB763.7 million in 2025. Concurrently, we had a net profit of RMB69.9 million, RMB114.0 million and RMB202.4 million in 2023, 2024 and 2025, respectively.

### BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards (“**IFRS Accounting Standards**”) which comprise all standards and interpretations approved by the International Accounting Standards Board (“**IASB**”). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Historical Financial Information.

The Historical Financial Information has been prepared under the historical cost convention, except for certain portions of trade and bills receivable at fair value through profit or loss which have been measured at fair value.

---

## FINANCIAL INFORMATION

---

### MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

#### General Factors

Our results of operations have been, and are expected to continue to be, materially affected by a number of factors, many of which are beyond our control, including the following: (i) development of global macroeconomic conditions; (ii) technology development, customer demand and competition in the PCB quality control solutions industry; and (iii) government policies and regulations in relation to the PCB industry and the PCB quality control solutions industry.

In addition to these general factors, we recognize that the following specific factors, although offering significant opportunities for our business, present challenges that we must effectively address to sustain our growth and improve our results of operations:

#### Specific Factors

##### *Our Solution and R&D*

The PCB quality control solutions that our customers require are diverse and generally evolve over time along with their changing preferences and needs. As of December 31, 2025, we were among the few PCB quality control solution providers worldwide with the capability to mass-produce both optical inspection and electrical testing solutions according to CIC. The breadth and depth of our solutions enable us to accommodate our customers’ varied requests. During the Track Record Period, we consistently launched new equipment models and maintained a stable gross profit margin.

Our ability to timely launch new products in response to our customers’ evolving demands is enabled by our extensive technological expertise and accumulated R&D capabilities. As of December 31, 2025, our experienced R&D team comprised 170 personnel. We have established a structured and standardized R&D process designed to align our product development activities with market demand, technological trends and our overall strategic objectives. See “Business — Research and Development.” We believe that our investment in R&D strengthens our competitive position as a leading PCB quality control solution provider, thereby contributing to our continual business growth.

##### *Our Sales Network*

We have established an extensive sales network primarily through direct sales to reach customers in Chinese Mainland and through distributors to support international market coverage. We derive the majority of our revenue from direct sales. In 2023, 2024 and 2025, we generated RMB327.6 million, RMB466.2 million and RMB694.2 million from sales to direct customers, respectively, accounting for 96.4%, 98.0% and 90.9% of our revenue for the same years. As of December 31, 2025, we had 60 sales personnel. Our key sales personnel, with an average of over eight years’ experience, maintain close relationships and communication with our customers through regular visits. As of December 31, 2025, we maintained nine distributors, through which our products have been sold to the overseas markets. See “Business — Our Sales and Marketing” and “Business — Our Sales Team.”

In the future, we will continue to expand and maintain our sales network globally. In the domestic market, we will continue to strengthen our direct sales network by expanding our sales coverage, deepening customer relationships and maintaining our high-quality after-sales services. In the meantime, we will prudently broaden our distributor network by cooperating with additional high-quality distributors in selected overseas regions. We believe this strategy will corroborate our revenue growth by improving market penetration and fuelling our globalization strategy.

---

## FINANCIAL INFORMATION

---

### ***Our Inventory Management***

Our inventories primarily consist of raw materials, work in progress, finished goods and goods in transit. As of December 31, 2023, 2024 and 2025, our inventories were RMB274.5 million, RMB355.7 million and RMB469.5 million, respectively. Our inventory turnover days were 482.2 days, 449.0 days and 348.9 days in 2023, 2024 and 2025, respectively. Overstocking of raw materials and work in progress can lead to excessive warehousing costs and potential obsolescence, whereas understocking can disrupt production and delay delivery, negatively impacting our ability to timely fulfill orders. Therefore, we carefully manage and maintain inventory and have implemented comprehensive inventory management policies. In particular, we analyze and determine procurement strategies based on forecast supply, market analysis and estimates of fluctuations in procurement cycles and procurement prices. Based on such analysis, we determine and maintain reasonable and safe inventory levels in response to changes in customer demand and fluctuations in raw material prices. See “— Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories.” Maintaining an appropriate inventory level of raw materials and work-in-progress also enables us to better manage raw material cost volatility by mitigating the impact of short-term fluctuations in raw material prices.

### ***Our Ability to Control Cost of Sales***

Efficient management of cost of sales is crucial to our ability to provide competitively priced products. The majority of our cost of sales is material costs, which primarily include costs for camera, lenses, light-source units, computer accessories, mechanical parts, pneumatic components, transmission components, servo drive components, electronic components and beds of nails. Material costs amounted to 72.5%, 74.6% and 77.0% of our cost of sales in 2023, 2024 and 2025, respectively. The supply and market prices of raw materials remain subject to various external factors beyond our control, such as supplier reliability, responsiveness, scale of supply and logistics and transportation efficiencies. To control costs and manage these risks, we have adopted a strict management of our supply chain and adjust our procurement and pricing strategies to mitigate the impact of fluctuations in the prices of raw materials, including cost analysis, market price benchmarking, competitor product comparisons and post-negotiation price approval procedures before finalizing pricing. We also adjust our procurement and pricing strategies to mitigate the impact of any price increases in our raw materials and key components. See “Business — Supply Chain Management”. We strive to translate our emphasis on cost control into strong gross profit margins.

### ***Our Ability to Improve Operating Efficiency***

With the expansion of our business, enhancing operational efficiency is also essential for our results of operation. Our selling and marketing expenses represented 9.0%, 7.6% and 5.5% of our revenue in 2023, 2024 and 2025, respectively. Our administrative expenses represented 6.5%, 5.3% and 4.1% of our revenue in 2023, 2024 and 2025, respectively. The decreasing trends are driven by our efforts in improving our operating efficiency. As our business further scales, we expect these expenses to continue to increase in absolute terms but decline as a percentage of revenue due to economies of scale and improved operational efficiency. We have been actively optimizing workflows, utilizing advanced technologies and investing in employee development to support effective overhead control and long-term profitability.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

## FINANCIAL INFORMATION

While we expect research and development expenses to remain relatively significant as we continue to pursue product enhancements and new product development, we aim to manage these expenses at a reasonable level through a prudent budgeting process. In 2023, 2024 and 2025, our research and development expenses were RMB43.9 million, RMB45.9 million and RMB53.1 million respectively. Our ability to balance investment in R&D with control over operating expenses also affects our results of operations.

### MATERIAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES AND JUDGEMENTS

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments relating to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. Our management continually evaluates such estimates, assumptions and judgments based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There has not been any material deviation between our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future. For material accounting policies, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, see Note 3 to the Accountants’ Report of Appendix I to this Document.

### DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

The following table sets forth a summary of our results of operations for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>	<b>339,787</b>	<b>475,910</b>	<b>763,697</b>
Cost of sales	(193,984)	(256,126)	(431,594)
<b>Gross Profit</b>	<b>145,803</b>	<b>219,784</b>	<b>332,103</b>
Other income and gains	35,444	26,535	34,951
Selling and marketing expenses	(30,543)	(35,939)	(42,094)
Administrative expenses	(22,143)	(25,198)	(31,361)
Research and development expenses	(43,877)	(45,894)	(53,149)
Impairment losses on financial assets and contract assets under expected credit loss model (“ECL”), net	(6,075)	(9,988)	(4,811)
Other expenses	(412)	(355)	(3,782)
Finance costs	(1,196)	(816)	(514)
<b>Profit before tax</b>	<b>77,001</b>	<b>128,129</b>	<b>231,343</b>
Income tax expense	(7,096)	(14,178)	(28,975)
<b>Profit for the year</b>	<b>69,905</b>	<b>113,951</b>	<b>202,368</b>

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

## FINANCIAL INFORMATION

### Revenue

The following table sets forth a breakdown of our revenue by segment in absolute amounts and as percentages for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
PCB quality control solutions	302,057	88.9	436,143	91.6	719,541	94.2
— PCB optical inspection solutions	237,787	70.0	261,096	54.8	416,936	54.6
— PCB electrical testing solutions	64,270	18.9	175,047	36.8	302,605	39.6
Others <sup>(1)</sup>	37,730	11.1	39,767	8.4	44,156	5.8
<b>Total</b>	<b>339,787</b>	<b>100.0</b>	<b>475,910</b>	<b>100.0</b>	<b>763,697</b>	<b>100.0</b>

Note:

- (1) Others primarily include sales of spare parts of the inspection and testing equipment we sell and provision of after-sales maintenance services.

Revenue from our sale of PCB quality control solutions is recognized at the point in time when control of the goods is transferred to the customers, which is generally upon completion of all of installation, commissioning, and acceptance tests, as agreed in the sales contract.

The following table sets forth a breakdown of our revenue by sales channel in absolute amounts and as percentages for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Direct sales	327,581	96.4	466,207	98.0	694,212	90.9
Distribution	12,206	3.6	9,703	2.0	69,485	9.1
<b>Total</b>	<b>339,787</b>	<b>100.0</b>	<b>475,910</b>	<b>100.0</b>	<b>763,697</b>	<b>100.0</b>

During the Track Record Period, we sold products primarily through direct sales to customers pursuant to sales and purchase agreements, and also through distributors, who further resold our products to end customers. To a limited extent, we also engaged a third-party agent to facilitate certain sales during the Track Record Period. See “Business — Our Sales and Marketing — Our Sales Team” and “— Selling and Marketing Expenses.” Revenue contribution from distributors increased from 2.0% in 2024 to 9.1% in 2025, primarily due to our expansion in overseas markets where we engaged distributors to penetrate new markets.

## FINANCIAL INFORMATION

The following table sets forth a breakdown of our revenue by geographical region where our customers are located, based on the place of registration of the contracting party, in absolute amounts and as percentages for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Chinese Mainland	321,037	94.5	445,485	93.5	630,122	82.5
Overseas	18,750	5.5	30,425	6.5	133,575	17.5
— Thailand	5,076	1.5	13,243	2.8	44,754	5.9
— Hong Kong	—	—	1,231	0.3	40,579	5.3
— Others <sup>(1)</sup>	13,674	4.0	15,951	3.4	48,242	6.3
<b>Total</b>	<b>339,787</b>	<b>100.0</b>	<b>475,910</b>	<b>100.0</b>	<b>763,697</b>	<b>100.0</b>

Note:

(1) Others primarily include Vietnam, Taiwan China, Malaysia and others.

Our revenue contribution from overseas markets as a percentage of our total revenue significantly increased from 5.5% in 2023 to 17.5% in 2025, reflecting our strategic move to increase our international market coverage. The increase was mainly from our increased sales to Thailand and Hong Kong.

### Cost of Sales

The following table sets forth a breakdown of our costs of sales by nature in absolute amounts and as a percentage for the years indicated:

	Year ended 31 December,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Material costs	140,534	72.5	191,171	74.6	332,725	77.0
Manufacturing overhead	32,677	16.8	40,974	16.1	64,329	14.9
Labor costs	14,292	7.4	17,984	7.0	21,801	5.1
Inventory write-down	4,360	2.2	2,578	1.0	8,000	1.9
Logistics costs	2,121	1.1	3,419	1.3	4,739	1.1
<b>Total</b>	<b>193,984</b>	<b>100.0</b>	<b>256,126</b>	<b>100.0</b>	<b>431,594</b>	<b>100.0</b>

### Gross Profit and Gross Profit Margin

Our gross profit represented our revenue less our cost of sales, and our gross margin represented gross profit divided by our revenue, expressed as a percentage.

The following table sets forth our gross profit both in absolute amounts and as percentages of revenue, or gross margin, by segment 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
	<i>(RMB in thousands, %)</i>					
PCB quality control solutions	127,598	42.2	198,181	45.4	312,933	43.5
— PCB optical inspection solutions	106,819	44.9	121,874	46.7	183,929	44.1
— PCB electrical testing solutions	20,779	32.3	76,307	43.6	129,004	42.6
Others <sup>(1)</sup>	18,205	48.3	21,603	54.3	19,170	43.4
<b>Total/Overall</b>	<b>145,803</b>	<b>42.9</b>	<b>219,784</b>	<b>46.2</b>	<b>332,103</b>	<b>43.5</b>

## FINANCIAL INFORMATION

*Note:*

- (1) Others primarily include sales of spare parts of the inspection and testing equipment we sell and provision of after-sales maintenance services.

### Other Income and Gains

Our other income and gains, primarily consisted of government grants, bank interest income and foreign exchange gains, net. The government grants we received were of either one-off or recurring nature, mainly related to expenses we incurred or for the purpose of supporting our operational expansion as well as technology advances. There are no unfulfilled conditions or contingencies relating to these government grants. See Note 6 to the Accountants’ Report of Appendix I to this Document.

### Selling and Marketing Expenses

The following table sets forth a breakdown of our selling and marketing expenses in absolute amounts and as percentages for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Employee expenses	18,243	59.7	23,213	64.6	26,411	62.7
Business development expenses	8,808	28.8	7,574	21.1	10,685	25.4
Share-based payment	1,446	4.7	1,496	4.2	1,496	3.6
Rent and utilities	200	0.7	767	2.1	963	2.3
Others <sup>(1)</sup>	1,846	6.1	2,889	8.0	2,539	6.0
<b>Total</b>	<b>30,543</b>	<b>100.0</b>	<b>35,939</b>	<b>100.0</b>	<b>42,094</b>	<b>100.0</b>

*Note:*

- (1) Others primarily comprise depreciation and amortization, office expenses and sales agent fees.

During the Track Record Period, we engaged a third-party sales agent to support the overseas marketing and sales of our PCB optical inspection equipment. See “Business — Our Sales and Marketing — Our Sales Team.” The fees we paid to the agent were recorded as sales agent fees under selling and marketing expenses. The total revenue derived from sales facilitated by this third-party sales agent was immaterial, amounting to less than 2% of our total revenue in each year during the Track Record Period.

### Administrative Expenses

The following table sets forth a breakdown of our administrative expenses in absolute amounts and as percentages for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Employee expenses	10,659	48.1	13,060	51.8	15,259	48.7
Tax and surcharges	2,446	11.0	2,625	10.4	5,589	17.8
Depreciation and amortization	3,320	15.0	3,567	14.2	4,154	13.2
Office expenses	2,062	9.3	2,069	8.2	1,743	5.6
Rent and utilities	1,168	5.3	1,361	5.4	1,694	5.4
Business development expenses	991	4.5	1,040	4.1	1,019	3.2
Share-based payments	549	2.5	579	2.3	603	1.9
Others <sup>(1)</sup>	948	4.3	897	3.6	1,300	4.2
<b>Total</b>	<b>22,143</b>	<b>100.0</b>	<b>25,198</b>	<b>100.0</b>	<b>31,361</b>	<b>100.0</b>

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

## FINANCIAL INFORMATION

*Note:*

- (1) Others primarily comprise professional service fees and bank charges.

### Research and Development Expenses

The following table sets forth a breakdown of our research and development expenses in absolute amounts and as percentages for the periods indicated:

	Year ended 31 December,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, %)</i>					
Employee expenses	27,027	61.6	31,544	68.7	40,348	75.9
Materials	10,325	23.5	8,376	18.3	9,477	17.8
Travel expenses	807	1.8	1,398	3.0	1,410	2.7
Share-based payments	1,439	3.3	1,439	3.1	1,350	2.5
Depreciation and amortization	2,087	4.8	1,921	4.2	214	0.4
Others <sup>(1)</sup>	2,192	5.0	1,216	2.7	350	0.7
<b>Total</b>	<b>43,877</b>	<b>100.0</b>	<b>45,894</b>	<b>100.0</b>	<b>53,149</b>	<b>100.0</b>

*Note:*

- (1) Others primarily comprise technical service expenses, IP rights application fees and design and commissioning fees.

### Impairment Losses on Financial Assets and Contract Assets under Expected Credit Loss Model, Net

Our impairment losses on financial assets and contract assets under expected credit loss model, net, amounted to RMB6.1 million, RMB10.0 million and RMB4.8 million in 2023, 2024 and 2025, respectively.

### Other Expenses

Our other expenses primarily consisted of foreign exchange loss, net, and non-operating expenses. Our other expenses amounted to RMB0.4 million, RMB0.4 million and RMB3.8 million in 2023, 2024 and 2025, respectively. See Note 9 to the Accountants’ Report of Appendix I to this Document.

### Finance Costs

Our finance costs primarily consisted of interest on lease liabilities. Our finance costs amounted to RMB1.2 million, RMB0.8 million and RMB0.5 million in 2023, 2024 and 2025, respectively. See Note 8 to the Accountants’ Report of Appendix I to this Document.

### Income Tax Expense

We had income tax expense of RMB7.1 million, RMB14.2 million and RMB29.0 million in 2023, 2024 and 2025, respectively. We are subject to income tax on an entity basis on profits arising in or derived from tax jurisdictions in which members of our group are domiciled and operate:

*Chinese Mainland:* under the Law of the PRC on Enterprise Income Tax (“EIT Law”) and the Implementation Regulation of the EIT Law, the EIT rate of our PRC subsidiaries is 25%, while our Company and certain of our PRC subsidiaries are qualified as high and new technology enterprises and are entitled to a preferential EIT rate of 15%. We also benefited from additional deductible allowance for certain qualified research and development expenses.

*Hong Kong:* pursuant to the Inland Revenue (Amendment) (No. 3) Ordinance 2018, the first HK\$2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%.

---

## FINANCIAL INFORMATION

---

*Thailand:* no provision for profits tax in Thailand was made as the Group did not have any assessable income subject to profits tax in Thailand during the relevant periods.

*Vietnam:* no provision for profits tax in Vietnam was made as the Group did not have any assessable income subject to profits tax in Vietnam during the relevant periods.

See Note 12 of the Accountants’ Report in Appendix I to this Document.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with any tax authority.

### **Profit for the Year**

As a result of the foregoing, we recorded profit for the year of RMB69.9 million, RMB114.0 million and RMB202.4 million in 2023, 2024 and 2025, respectively.

### **PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS**

#### **Year Ended December 31, 2025 Compared with Year Ended December 31, 2024**

##### ***Revenue***

Our total revenue increased by 60.5% from RMB475.9 million in 2024 to RMB763.7 million in 2025, primarily due to an increase in revenue generated from sales of PCB quality control solutions.

Our revenue from sales of optical inspection solutions increased by 59.7% from RMB261.1 million in 2024 to RMB416.9 million in 2025, primarily due to (i) an increase in sales volume from 281 units in 2024 to 392 units in 2025 in line with the overall expansion of the PCB manufacturing industry. See “Industry Overview.” We witnessed (a) an increase in demand from customers for our existing equipment models across equipment types in line with the customers’ increased need for automated inspection and the expansion of the end markets, in particular, the automotive electronics market and the consumer electronics market; and (b) an increase in demand from existing customers for our new and advanced models of AOI and AVI launched in 2024 and in early 2025 to inspect their own advanced products used in cutting-edge end markets, such as AIDC and intelligent robots; and (ii) an increase in the average selling price from RMB929 in 2024 to RMB1,064 in 2025, as certain recently launched equipment models contained more advanced features and specifications and were offered at comparatively higher sales prices.

Our revenue from sales of electrical testing solutions increased by 72.9% from RMB175.0 million in 2024 to RMB302.6 million in 2025, primarily due to an increase in sales volume from 153 units in 2024 to 234 units in 2025. In particular, one of our dual- and four-wire high-precision electrical testing equipment models gained traction upon launch in May 2024 due to its high testing efficiency, and a substantial amount of revenue was recognized in 2025 after the customer acceptance tests were completed.

Our revenue from others increased by 11.0% from RMB39.8 million in 2024 to RMB44.2 million in 2025, primarily due to an increase in sales of spare parts of our equipment and provision of after-sales maintenance services, in line with the increasing cumulative number of equipment we sold over time.

##### ***Cost of Sales***

Our cost of sales increased by 68.5% from RMB256.1 million in 2024 to RMB431.6 million in 2025, in line with our revenue growth.

---

## FINANCIAL INFORMATION

---

### ***Gross Profit and Gross Profit Margin***

Our overall gross profit increased by 51.1% from RMB219.8 million in 2024 to RMB332.1 million in 2025, mainly due to an increase in gross profit from sales of PCB quality control solutions. Our gross profit margin slightly decreased from 46.2% in 2024 to 43.5% in 2025, primarily due to a decrease in gross profit margin of optical inspection solutions.

Our gross profit from sales of optical inspection solutions increased by 50.9% from RMB121.9 million in 2024 to RMB183.9 million in 2025. The gross profit margin of optical inspection solutions slightly decreased from 46.7% in 2024 to 44.1% in 2025, primarily due to the change in product mix driven by evolving customer demand. The revenue contribution from certain new and advanced equipment models increased in 2025. These models have slightly lower gross profit margins, driven by their relatively complex specifications and therefore higher unit costs.

Our gross profit from sales of electrical testing solutions increased by 69.1% from RMB76.3 million in 2024 to RMB129.0 million in 2025. The gross profit margin of electrical testing solutions remained relatively stable at 43.6% in 2024 and 42.6% in 2025.

Our gross profits from others decreased by 11.1% from RMB21.6 million in 2024 to RMB19.2 million in 2025. The gross profit margin of others decreased from 54.3% in 2024 to 43.4% in 2025, primarily due to the provision of certain function updates in 2024 as requested by customers which previously purchased our solutions. These requests followed a technological breakthrough around 2024, prompting these customers to seek corresponding function updates. The gross profit margin for providing such function updates was relatively higher than selling spare parts or performing after-sales services.

### ***Other Income and Gains***

Our other income and gains, increased by 32.1% from RMB26.5 million in 2024 to RMB35.0 million in 2025, primarily due to an increase in government grants, mainly the subsidy in relation to our development of software.

### ***Selling and Marketing Expenses***

Our selling and marketing expenses increased by 17.3% from RMB35.9 million in 2024 to RMB42.1 million in 2025, primarily due to our business scale expansion, which led to enhanced selling and marketing efforts as reflected by (i) an increase in the average remuneration of our sales staff; and (ii) an increase in business development expenses.

### ***Administrative Expenses***

Our administrative expenses increased by 24.6% from RMB25.2 million in 2024 to RMB31.4 million in 2025, primarily due to an increase in the average remuneration of our administrative staff. This was driven by an increase in our business scale, which resulted in larger demand for administrative support.

### ***Research and Development Expenses***

Our research and development expenses increased by 15.7% from RMB45.9 million in 2024 to RMB53.1 million in 2025, primarily due to an increase in the average remuneration of our R&D staff to retain talents and enhance our R&D capabilities and competitiveness.

### ***Other Expenses***

Our other expenses significantly increased from RMB0.4 million in 2024 to RMB3.8 million in 2025, primarily due to an increase in foreign exchange loss, net, primarily due to the depreciation of the U.S. dollar against Renminbi.

---

## FINANCIAL INFORMATION

---

### *Income Tax Expenses*

Our income tax expenses increased from RMB14.2 million in 2024 to RMB29.0 million in 2025, primarily due to an increase in our profit before tax.

### *Profit for the Year*

As a result of the foregoing, our profit for the year increased by 77.5% from RMB114.0 million in 2024 to RMB202.4 million in 2025. The slight decrease in gross profit margin alongside an increase in net profit margin demonstrates our efficient control over operating costs.

### **Year Ended December 31, 2024 Compared with Year Ended December 31, 2023**

#### *Revenue*

Our total revenue increased by 40.1% from RMB339.8 million in 2023 to RMB475.9 million in 2024, primarily due to an increase in revenue generated from sales of PCB quality control solutions.

Our revenue generated from sales of optical inspection solutions increased by 9.8% from RMB237.8 million to RMB261.1 million, primarily due to an increase in sales volume from 262 units in 2023 to 281 units in 2024, in line with the booming customer demand for our solutions to fulfill their increased need for automated inspection as well as the expansion of the end markets, in particular, the automotive electronics market and the consumer electronics market.

Our revenue from sales of electrical testing solutions increased by 172.2% from RMB64.3 million in 2023 to RMB175.0 million in 2024, primarily due to (i) a significant increase in sales volume from 62 units in 2024 to 153 units in 2025. In particular, we sold a large number of a specific model dual- and four-wire high-precision electrical testing equipment to both existing and new customers. This was driven by heightened requirements for testing accuracy resulting from product iteration in end markets such as consumer electronics, where our equipment’s high testing efficiency met evolving customer demands; and (ii) an increase in the average selling price, also driven by the increased sales of this model of dual- and four-wire high-precision electrical testing equipment, which had relatively higher sales prices due to its more advanced specifications and high level of testing accuracy.

Our revenue from others remained relatively stable at RMB37.7 million in 2023 and RMB39.8 million in 2024.

#### *Cost of Sales*

Our cost of sales increased by 32.0% from RMB194.0 million in 2023 to RMB256.1 million in 2024, in line with our revenue growth. Nonetheless, the unit cost of sales for our solutions, especially the electrical testing solutions, decreased. See “— Gross Profit and Gross Profit Margin.”

#### *Gross Profit and Gross Profit Margin*

Our overall gross profit increased by 50.8% from RMB145.8 million in 2023 to RMB219.8 million in 2024, mainly due to an increase in gross profit of sales of PCB quality control solutions. Our gross profit margin increased from 42.9% in 2023 to 46.2% in 2024, primarily due to an increase in gross profit margin of sales of electrical testing solutions under PCB quality control solutions.

Our gross profit from sales of optical inspection solutions increased by 14.1% from RMB106.8 million in 2023 to RMB121.9 million in 2024. The gross profit margin of optical inspection solutions remained relatively stable at 44.9% in 2023 and 46.7% in 2024.

---

## FINANCIAL INFORMATION

---

Our gross profit from sales of electrical testing solutions increased by 266.8% from RMB20.8 million in 2023 to RMB76.3 million in 2024. The gross profit margin of electrical testing solutions increased from 32.3% in 2023 to 43.6% in 2024, primarily due to a decrease in unit cost of sales of electrical testing solutions as result of (i) a reduced unit procurement price of raw materials, mainly due to (a) our strengthened bargaining power in procurement following the expansion of our business scale; and (b) our effective procurement strategy where we engaged more potential suppliers to obtain the optimal procurement price; and (ii) a reduced unit manufacturing cost, mainly driven by the ramp-up of our production capacity and the increase in our production volume, leading to reduced manufacturing overhead allocated to each unit produced.

Our gross profit from others increased by 18.7% from RMB18.2 million in 2023 to RMB21.6 million in 2024. The gross margin of others increased from 48.3% in 2023 to 54.3% in 2024, primarily due to the provision of high-margin function updates in 2024 as requested by customers which previously purchased our solutions. See “— Year Ended December 31, 2025 Compared with Year Ended December 31, 2024 — Gross Profit and Gross Profit Margin.”

### *Other Income and Gains*

Our other income and gains, net, decreased by 25.1% from RMB35.4 million in 2023 to RMB26.5 million in 2024, primarily due to a decrease in government grants, primarily due to the receipt of government subsidies in 2023 in relation to our development of software for both 2023 and periods prior to the Track Record Period.

### *Selling and Marketing Expenses*

Our selling and marketing expenses increased by 17.7% from RMB30.5 million in 2023 to RMB35.9 million in 2024, primarily due to an increase in the average remuneration of our sales staff, reflecting the increase in our business scale in line with our enhanced selling and marketing efforts.

### *Administrative Expenses*

Our administrative expenses increased by 14.0% from RMB22.1 million in 2023 to RMB25.2 million in 2024, primarily due to an increase in the average remuneration of our administrative staff. This was driven by an increase in our business scale, which resulted in larger demand for administrative support.

### *Research and Development Expenses*

Our research and development expenses remained relatively stable at RMB43.9 million in 2023 and RMB45.9 million in 2024, primarily due to an increase in employee expenses driven by the expansion of our R&D team, partially offset by a decrease in materials, driven by the transition of certain R&D projects launched in 2023 into their mid-to-late phases, which resulted in lower material consumption for sample equipment, compared to their initial phases. These R&D projects primarily related to our AOI and AVI products, as well as dual- and four-wire high-precision electrical testing system and general-purpose high-precision electrical testing system.

### *Income Tax Expenses*

Our income tax expenses increased from RMB7.1 million in 2023 to RMB14.2 million in 2024, primarily due to an increase in our profit before tax.

### *Profit for the year*

As a result of the foregoing, our profit for the year increased by 63.1% from RMB69.9 million in 2023 to RMB114.0 million in 2024.

## FINANCIAL INFORMATION

### DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

#### Non-current Assets and Liabilities

The following table sets forth our non-current assets and liabilities as of the dates indicated:

	As of 31 December,		
	2023	2024	2025
	<i>Amount</i>	<i>Amount</i>	<i>Amount</i>
	<i>(RMB in thousands)</i>		
<b>Non-current assets:</b>			
Property, plant and equipment	13,775	10,605	14,894
Contract assets	1,026	1,397	569
Right-of-use assets	19,435	11,572	11,689
Trade and bills receivables	7,938	8,186	11,824
Deferred tax assets	5,656	10,638	11,427
Prepayments, other receivables and other assets	3,520	3,429	4,390
<b>Total non-current assets</b>	<b>51,350</b>	<b>45,827</b>	<b>54,793</b>
<b>Non-Current liabilities</b>			
Lease liabilities	13,548	5,995	5,261
<b>Total non-current liabilities</b>	<b>13,548</b>	<b>5,995</b>	<b>5,261</b>

#### Property, Plant and Equipment

During the Track Record Period, our property, plant and equipment consisted of electronic equipment, machinery, motor vehicles and leasehold improvement. See Note 15 to the Accountants’ Report of Appendix I to this Document. Our property, plant and equipment decreased by 23.2% from RMB13.8 million as of December 31, 2023 to RMB10.6 million as of December 31, 2024, primarily due to a decrease in leasehold improvement, mainly as a result of the early termination of the lease of our certain office space in Shenzhen in late 2024, which led to the write-off of the unamortized balance of the related lease improvement. Our property, plant and equipment increased by 40.6% from RMB10.6 million as of December 31, 2024 to RMB14.9 million as of December 31, 2025, primarily due to (i) an increase in leasehold improvement, driven by the expansion of our electrical testing equipment plant; and (ii) an increase in machinery, driven by the addition of production equipment in line with the expansion of our production.

#### Right-of-use Assets

During the Track Record Period, our right-of-use assets were related to long-term lease contracts for buildings. Our right-of-use assets decreased by 40.2% from RMB19.4 million in 2023 to RMB11.6 million in 2024, primarily due to our termination of the lease of certain office space in Shenzhen in late 2024. Our right-of-use assets remained relatively stable at RMB11.6 million in 2024 and RMB11.7 million in 2025. See Note 16 of Appendix I to this Document.

#### Deferred Tax Assets

Deferred tax assets represented amounts of income taxes recoverable in future. Our deferred tax assets increased by 86.0% from RMB5.7 million as of December 31, 2023 to RMB10.6 million as of December 31, 2024, primarily due to a substantial rise in unrealized intra-group profits eliminated on consolidation, driven by the establishment of a new Hong Kong subsidiary at the end of 2023 and increased intra-group sales to it for further export to overseas customers. Our deferred tax assets remained relatively stable at RMB10.6 million as of December 31, 2024 and RMB11.4 million as of December 31, 2025.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

## FINANCIAL INFORMATION

### Net Current Assets

The following table sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of
	2023	2024	2025	February 28, 2026
	<i>(RMB in thousands)</i>			<i>(unaudited)</i>
<b>Current assets</b>				
Inventories	274,512	355,659	469,513	507,108
Trade and bills receivables	210,253	294,366	370,791	364,734
Contract assets	4,672	4,646	6,869	5,590
Prepayments, other receivables and other assets	19,791	20,140	27,866	49,112
Cash and cash equivalents	172,299	208,387	362,969	362,551
<b>Total current assets</b>	<b>681,527</b>	<b>883,198</b>	<b>1,238,008</b>	<b>1,289,095</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade payables	104,640	149,762	252,625	254,790
Contract liabilities	68,848	123,177	147,836	157,969
Other payables and accruals	41,004	51,534	101,113	90,600
Lease liabilities	8,663	7,249	7,121	6,540
Income tax payable	4,856	10,211	18,133	14,407
Provisions	4,072	6,330	11,857	11,857
<b>Total current liabilities</b>	<b>232,083</b>	<b>348,263</b>	<b>538,685</b>	<b>536,163</b>
<b>Net Current Assets</b>	<b>449,444</b>	<b>534,935</b>	<b>699,323</b>	<b>752,932</b>

Our net current assets increased by 7.7% from RMB699.3 million as of December 31, 2025 to RMB752.9 million as of February 28, 2026, primarily due to (i) an increase in inventories of RMB37.6 million; and (ii) an increase in prepayments, other receivables and other assets of RMB21.2 million.

Our net current assets increased by 30.7% from RMB534.9 million as of December 31, 2024 to RMB699.3 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents of RMB154.6 million; (ii) an increase in inventories of RMB113.9 million; and (iii) an increase in trade and bills receivables of RMB76.4 million, partially offset by (i) an increase in trade payables of RMB102.9 million; and (ii) an increase in other payables and accruals of RMB49.6 million.

Our net current assets increased by 19.0% from RMB449.4 million as of December 31, 2023 to RMB534.9 million as of December 31, 2024, primarily due to (i) an increase in trade and bills receivables of RMB84.1 million; (ii) an increase in inventories of RMB81.1 million; and (iii) an increase in cash and cash equivalents of RMB36.1 million, partially offset by (i) an increase in contract liabilities of RMB54.3 million; and (ii) an increase in trade payables of RMB45.1 million.

### Inventories

During the Track Record Period, our inventories consisted of (i) raw materials; (ii) work in progress; (iii) finished goods; and (iv) goods in transit which represents despatched equipment for which acceptance tests have not been completed and revenue has not yet been recognized.

## FINANCIAL INFORMATION

The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Raw materials	43,463	57,459	79,790
Work in progress	53,886	68,494	94,933
Finished goods	3,694	1,890	6,185
Goods in transit	173,469	227,816	288,605
<b>Total</b>	<b>274,512</b>	<b>355,659</b>	<b>469,513</b>

Our inventories increased by 29.6% from RMB274.5 million in 2023 to RMB355.7 million in 2024, and further increased by 32.0% to RMB469.5 million in 2025, primarily due to (i) an increase in goods in transit; (ii) an increase in work in progress; and (iii) an increase in raw materials, all of which were driven up as our business scaled. During the Track Record Period, our goods in transit accounted for a relatively large portion of our inventories, primarily because our products are subject to a comparatively long acceptance testing period by our customers upon receiving the products. Such acceptance testing period are consistent with industry practice, according to CIC.

The following table sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within 1 year	229,562	295,220	417,016
1 to 2 years	37,789	53,424	39,376
2 to 3 years	7,161	7,015	13,121
<b>Total</b>	<b>274,512</b>	<b>355,659</b>	<b>469,513</b>

The following table sets forth our inventory turnover days for the years indicated:

	Year ended December 31,		
	2023	2024	2025
Inventory turnover days <sup>(1)</sup>	482.2	449.0	348.9

*Note:*

- (1) Inventory turnover days for each year equals the average of the beginning and ending balances of inventory (net of impairment) for that year divided by cost of sales for that year and multiplied by the number of days during such periods, being 365 for a year.

Our inventory turnover days decreased from 482.2 days in 2023 to 449.0 days in 2024, and further decreased to 348.9 days in 2025, primarily due to (i) the increased sales contribution from electrical testing solutions, the customer acceptance periods of which were generally shorter than optical inspection solutions due to the relatively straightforward acceptance testing process; and (ii) our proactive inventory management policies. According to CIC, our inventory turnover days are not uncommon in the industry.

We implemented, among others, the following inventory management policies:

*Inventory planning and procurement management.* We formulate inventory plans with reference to sales orders, procurement cycles and procurement price fluctuations, and apply differentiated management policies based on inventory characteristics. For standardized raw materials, we maintain reasonable safety stock levels primarily based on production needs and procurement conditions, while procurement of customized raw materials is generally aligned with confirmed sales orders or specific project requirements.

## FINANCIAL INFORMATION

*Coordinated inventory consumption.* We coordinate production scheduling with existing inventory levels and prioritize the consumption of raw materials and work in progress held in inventory, so as to prevent inventory accumulation.

*Periodic inventory turnover analysis.* We conduct regular inventory counts and ageing analyses to monitor inventory turnover across different inventory categories. These reviews enable us to identify slow-moving or obsolete inventories and assess whether inventory levels remain aligned with prevailing production plans and sales demand.

As of February 28, 2026, RMB81.1 million, or approximately 17.3%, of our inventories as of December 31, 2025 had been sold or utilized.

### Trade and Bills Receivables (Current and Non-current)

For direct sales customers, we typically adopt milestone-based payment arrangements and require full payment upon completion of equipment installation or acceptance. The credit terms we grant to our distributors typically range from 30 to 120 days after acceptance.

The following table sets forth a breakdown of our trade and bills receivables (current and non-current) as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Trade receivables	202,956	267,311	353,362
Bills receivable	29,162	58,684	57,416
Less: Allowance for credit losses	(13,927)	(23,443)	(28,163)
<b>Total</b>	<b>218,191</b>	<b>302,552</b>	<b>382,615</b>

Our trade and bills receivables (current and non-current) increased by 38.7% from RMB218.2 million in 2023 to RMB302.6 million in 2024, and further increased by 26.4% to RMB382.6 million in 2025, in line with our business growth.

The following table sets forth an aging analysis of our trade and bills receivables, as at the end of each of the dates indicated, based on the transaction date:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
<b>Trade Receivables</b>			
Within 1 year	156,389	206,131	296,058
Over 1 year	32,916	40,322	33,033
<b>Total</b>	<b>189,305</b>	<b>246,453</b>	<b>329,091</b>
	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
<b>Bills Receivables</b>			
Within 1 year	24,979	41,097	44,548
Over 1 year	3,907	15,002	8,976
<b>Total</b>	<b>28,886</b>	<b>56,099</b>	<b>53,524</b>

## FINANCIAL INFORMATION

During the Track Record Period, most of our trade and bills receivables (current and non-current) were outstanding for less than one year. The following table sets forth the turnover days of our trade and bills receivables (current and non-current) for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
Trade and bills receivables turnover days <sup>(1)</sup>	232.5	199.7	163.7

*Note:*

- (1) Trade and bills receivables turnover days equal the average of the opening and closing balances of trade and bills receivables (current and non-current) (net of impairment) divided by total revenue for the same year and multiplied by the number of days during such periods, being 365 days for a year.

Our trade and bills receivables turnover days decreased from 232.5 days in 2023 to 199.7 days in 2024, and further decreased to 163.7 days in 2025, primarily due to (i) our proactive management and collection of trade and bills receivables; and (ii) increased sales to overseas customers through distributors, to whom generally shorter payment terms were applied compared to domestic direct sales customers.

As of February 28, 2026, RMB149.5 million, or approximately 39.1%, of our trade and bills receivables as of December 31, 2025 had been settled.

### Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets mainly represented prepayments, deposits and value added tax recoverable. See Note 19 of Appendix I to this Document. Our prepayments, other receivables and other assets remained relatively stable at RMB19.8 million as of December 31, 2023 and RMB20.1 million as of December 31, 2024. Our prepayments, other receivables and other assets increased by 38.8% from RMB20.1 million as of December 31, 2024 and RMB27.9 million as of December 31, 2025, primarily due to an increase in value added tax recoverable in line with our increased procurement amount.

### Trade Payables

The credit terms offered by our suppliers range from prepayment to up to 150 days on a monthly settlement basis. See “Business — Supply Chain Management — Our Suppliers — Supply Agreements.” Our trade payables increased by 43.2% from RMB104.6 million in 2023 to RMB149.8 million in 2024, and further increased by 68.6% from RMB149.8 million in 2024 to RMB252.6 million in 2025, in line with our business growth.

The following table sets forth an aging analysis of the trade payables as at the end of the dates indicated, based on recognition date:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within 1 year	103,692	146,454	251,350
Over 1 year	948	3,308	1,275
<b>Total</b>	<b>104,640</b>	<b>149,762</b>	<b>252,625</b>

---

## FINANCIAL INFORMATION

---

The following table sets forth the turnover days of our trade payables for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
Trade payables turnover days <sup>(1)</sup>	134.3	181.3	170.1

*Note:*

- (1) Trade payables turnover days equal the average of the opening and closing balances of trade payables divided by total cost of sales for the same year and multiplied by the number of days during such periods, being 365 days for a year.

Our trade payables turnover days increased from 134.3 days in 2023 to 181.3 days in 2024, primarily due to extended payment terms granted to us by certain major suppliers, mainly benefiting from our business expansion and higher procurement volume. Our trade payables turnover days decreased from 181.3 days in 2024 to 170.1 days in 2025, primarily due to the requirement by certain suppliers of computer components for prepayment following commercial negotiations.

As of February 28, 2026, RMB100.9 million, or approximately 40.0%, of our trade and notes payables as of December 31, 2025 had been settled.

### Contract Liabilities

Our contract liabilities mainly represented advances from customers for our products or services. Our contract liabilities increased by 79.1% from RMB68.8 million as of December 31, 2023 to RMB123.2 million as of December 31, 2024, primarily because a relatively larger portion of products sold had not yet been delivered or accepted by customers as of December 31, 2024, while the related advances from customers had already been received. The increase in contract liabilities was also consistent with our overall revenue growth during the year. Our contract liabilities increased by 20.0% from RMB123.2 million as of December 31, 2024 to RMB147.8 million as of December 31, 2025, in line with our revenue growth.

As of February 28, 2026, RMB65.9 million, or approximately 44.6%, of our contract liabilities as of December 31, 2025 had been settled.

### Other Payables and Accruals

Our other payables and accruals consisted of payroll and welfare payables, other tax payables, dividend payables and other payables. See Note 26 of Appendix I to this Document. Our other payables and accruals increased by 25.6% from RMB41.0 million as of December 31, 2023 to RMB51.5 million as of December 31, 2024, primarily due to an increase in payroll and welfare payables, in line with our business growth. Our other payables and accruals increased by 96.3% from RMB51.5 million as of December 31, 2024 to RMB101.1 million as of December 31, 2025, primarily due to (i) an increase in dividend payables. See “— Dividends;” and (ii) an increase in payroll and welfare payables, in line with our business growth.

### Income Tax Payables

Our income tax payables mainly represented corporate income tax not yet paid as of the dates indicated. Our income tax payables increased from RMB4.9 million as of December 31, 2023 to RMB10.2 million as of December 31, 2024 and further increased to RMB18.1 million as of December 31, 2025, primarily due to our business growth.

## FINANCIAL INFORMATION

### Provisions

Our provisions mainly represented accrued warranty provisions, with a warranty period ranging from one to two years following customer acceptance. Our provisions increased by 53.7% from RMB4.1 million as of December 31, 2023 to RMB6.3 million as of December 31, 2024, and further increased by 88.9% to RMB11.9 million as of December 31, 2025, primarily due to an increase in sales volume from solutions covered by warranty provisions.

### KEY FINANCIAL RATIOS

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

	Year ended/As of December 31,		
	2023	2024	2025
Gross profit margin (%) <sup>(1)</sup>	42.9	46.2	43.5
Net profit margin (%) <sup>(2)</sup>	20.6	23.9	26.5
Return on equity (%) <sup>(3)</sup>	15.0	21.5	30.6
Current ratio <sup>(4)</sup>	2.9	2.5	2.3
Gearing ratio (%) <sup>(5)</sup>	33.5	38.1	42.1

*Notes:*

- (1) Gross margin equals gross profit divided by revenue and multiplied by 100%.
- (2) Net profit margin equals profit for the year divided by revenue and multiplied by 100%.
- (3) Return on equity equals profit attributable to owners of the parent divided by the average of the beginning and ending equity attributable to owners of the parent multiplied by 100%.
- (4) Current ratio is calculated by dividing current assets by current liabilities.
- (5) Gearing ratio equals total liabilities divided by total assets multiplied by 100%.

Our gross profit margin fluctuated and our net profit margin increased during the Track Record Period. See “— Period-to-Period Comparison of Results of Operations” for detailed discussions.

Our return on equity increased from 15.0% in 2023 to 21.5% in 2024, and further to 30.6% in 2025, primarily because profit attributable to owners of the parent grew at a faster rate than the average equity attributable to owners of the parent during the Track Record Period. The improvement reflects our enhanced profitability and more efficient utilization of shareholders’ equity. See “— Period-to-Period Comparison of Results of Operations.”

Our current ratio remain relatively stable at 2.9, 2.5 and 2.3 in 2023, 2024 and 2025, respectively. See “— Discussion of Selected Items from the Consolidated Statements of Financial Position — Net Current Asset.”

Our gearing ratio remain relatively stable at 33.5%, 38.1% and 42.1% in 2023, 2024 and 2025, respectively.

### LIQUIDITY AND CAPITAL RESOURCES

#### Overview

We have historically funded our cash requirements principally from our business operations. After the [REDACTED], we intend to finance our future capital requirements through [REDACTED] from our business operations and the net [REDACTED] from the [REDACTED]. We do not anticipate any changes to the availability of financing to fund our operations in the future.

## FINANCIAL INFORMATION

### Cash Flow

The following table sets forth a summary of our cash flow for the periods indicated:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Net cash flows generated from operating activities	60,518	75,439	176,486
Net cash flow used in investing activities	(4,166)	(1,883)	(8,557)
Net cash flows used in financing activities	(39,760)	(39,325)	(12,071)
Net increase in cash and cash equivalents	16,592	34,231	155,858
Cash and cash equivalents at beginning of year	154,070	172,299	208,387
Effect of foreign exchange rate changes, net	1,637	1,857	(1,276)
<b>Cash and cash equivalents at end of year</b>	<b>172,299</b>	<b>208,387</b>	<b>362,969</b>

### Net Cash Flows Generated from Operating Activities

In 2025, our net cash generated from operating activities was RMB176.5 million. The difference between net cash flows from operating activities and the profit before tax of RMB231.3 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consisted of write-down of inventories to net realizable value of RMB8.0 million, depreciation of right-of-use assets of RMB7.6 million and impairment of financial assets and contract assets, net of RMB4.8 million, partially offset by bank interest income of RMB8.7 million; and (ii) changes in working capital, which primarily consisted of an increase of inventories of RMB121.9 million and an increase in trade and bills receivables of RMB192.7 million, partially offset by an increase in trade payables of RMB207.4 million.

In 2024, our net cash generated from operating activities was RMB75.4 million. The difference between net cash flows from operating activities and the profit before tax of RMB128.1 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consisted of impairment of financial assets and contract assets, net of RMB10.0 million, depreciation of right-of-use assets of RMB8.0 million and depreciation of property, plant and equipment of RMB4.3 million, partially offset by bank interest income of RMB6.3 million; and (ii) changes in working capital, which primarily consisted of an increase of trade and bills receivables of RMB180.4 million and an increase in inventories of RMB83.7 million, partially offset by an increase in trade payables of RMB134.2 million.

In 2023, our net cash generated from operating activities was RMB60.5 million. The difference between net cash flows from operating activities and the profit before tax of RMB77.0 million was the result of (i) adjustment by non-cash and non-operating items, which primarily consisted of depreciation of right-of-use assets of RMB8.1 million, write-down of inventories to net realizable value of RMB4.4 million and impairment of financial assets and contract assets, net of RMB6.1 million partially offset by bank interest income of RMB6.3 million; and (ii) changes in working capital, which primarily consisted of an increase in inventories of RMB40.9 million, an increase in trade and bills receivables of RMB38.7 million, and a decrease in other payables and accruals of RMB25.5 million, partially offset by an increase in trade payables of RMB97.8 million.

Our cash conversion cycle, a metric to measure how efficiently we manage the working capital which is calculated as our inventory turnover days adding trade and bills receivables and deducting trade payables turnover days, shortened from 580.4 days in 2023 to 467.4 days in 2024, and further to 342.5 days in 2025, reflecting our increased operating efficiency in inventory management, trade receivable collection and trade payable terms. While our cash conversion cycle is improving, our rapid revenue and profit growth has resulted in a substantial increase in the absolute levels of inventories and trade and bills receivables. Consequently, notwithstanding the decreasing cash conversion cycle, the impact on operating cash flow by changes in working capital (especially inventory and trade receivables) remained increasingly significant, leading to cash flows generated from operating activities being increasingly lower than profit before tax for each of the years ended December 31, 2023, 2024 and 2025.

## FINANCIAL INFORMATION

### *Net Cash Flows Used in Investing Activities*

In 2025, our net cash flow used in investing activities was RMB8.6 million, due to purchases of items of property, plant and equipment of RMB8.6 million.

In 2024, our net cash flow used in investing activities was RMB1.9 million, due to purchases of items of property, plant and equipment of RMB1.9 million.

In 2023, our net cash flow used in investing activities was RMB4.2 million, due to purchases of items of property, plant and equipment of RMB4.2 million.

### *Net Cash Flows Used in Financing Activities*

In 2025, our net cash flow used in financing activities was RMB12.1 million, primarily due to the principal portion of lease payments of RMB9.1 million.

In 2024, our net cash flow used in financing activities was RMB39.3 million, due to dividends paid of RMB30.0 million and the principal portion of lease payments of RMB9.3 million.

In 2023, our net cash flow used in financing activities was RMB39.8 million, due to dividends paid of RMB30.0 million and the principal portion of lease payments of RMB9.8 million.

## INDEBTEDNESS

As of February 28, 2026, being the indebtedness date for the purpose of the indebtedness statement, we had a total indebtedness of RMB10.7 million. As of February 28, 2026, we did not have any committed unutilized bank facilities.

The following table sets forth the details of our indebtedness as of February 28, 2026:

	As of December 31,			As of February
	2023	2024	2025	28, 2026
	<i>(RMB in thousands)</i>			<i>(Unaudited)</i>
<b>Current</b>				
Lease liabilities	8,663	7,249	7,121	6,540
<b>Non-current</b>				
Lease liabilities	13,548	5,995	5,261	4,112
<b>Total</b>	<b>22,211</b>	<b>13,244</b>	<b>12,382</b>	<b>10,652</b>

Our Directors confirm that, there was no material covenant on any of our outstanding debt as of the Latest Practicable Date, and there was no breach of any covenants during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that we did not experience any unusual difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Save as disclosed above, we did not have outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other contingent liabilities or any covenant in connection therewith as of February 28, 2026, being our indebtedness statement date. After due and careful consideration, our Directors confirm that, up to the Latest Practicable Date, there has been no material change in our indebtedness since February 28, 2026.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

---

## FINANCIAL INFORMATION

---

### **Lease Liabilities**

As of December 31, 2023, 2024 and 2025, and February 28, 2026, we had lease liabilities of RMB22.2 million, RMB13.2 million, RMB12.4 million and RMB10.7 million, respectively. Our lease liabilities mainly represented lease of right-of-use assets.

Our lease liabilities decreased by 40.5% from RMB22.2 million as of December 31, 2023 to RMB13.2 million as of December 31, 2024, primarily due to the early termination of the lease of certain office space in Shenzhen in late 2024. Our lease liabilities remained relatively stable at RMB13.2 million as of December 31, 2024 and RMB12.4 million as of December 31, 2025. Our lease liabilities decreased by 13.7% from RMB12.4 million as of December 31, 2025 to RMB10.7 million as of February 28, 2026, primarily due to the settlement of lease payments during the period.

### **CONTINGENT LIABILITIES**

As of December 31, 2023, 2024 and 2025, and up to the Latest Practicable Date, we did not have any material contingent liabilities.

### **CAPITAL COMMITMENTS**

We did not have any significant capital commitments as of December 31, 2023, 2024 and 2025.

### **CAPITAL EXPENDITURES**

We did not have any significant capital expenditures during the Track Record Period.

### **OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS**

As of the Latest Practicable Date, we have not entered into any off-balance sheet arrangements.

### **MATERIAL RELATED PARTY TRANSACTIONS**

For details about our related party transactions during the Track Record Period, see Note 34 of the Accountants’ Report in Appendix I to this Document.

Our Directors are of the view that each of the related party transactions set out in Note 34 of the Accountants’ Report in Appendix I to this Document was conducted in the ordinary course of business on an arm’s-length basis and with normal commercial terms between the relevant parties, and would not distort our track record results or make our historical results not reflective of our future performance.

### **FINANCIAL RISK DISCLOSURE**

Our principal financial instruments comprise cash and cash equivalents, trade and bills receivables, trade payables, financial assets included in prepayments, other receivables and other assets, and financial liabilities included in other payables and accruals. The main purpose of these financial instruments is to raise finance for our operations. We have various other financial assets and liabilities such as trade and bill receivables and trade payables, which arise directly from operations. See Note 35 of the Accountants’ Report in Appendix I to this Document.

The main risks arising from our financial instruments are foreign currency risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 37 of the Accountants’ Report in Appendix I to this Document.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

---

## FINANCIAL INFORMATION

---

### DIVIDEND

In 2023 and 2024, we paid dividends of RMB30.0 million and RMB30.0 million, respectively. In addition, dividends of RMB30.0 million was approved by our shareholders on December 8, 2025, among which we had paid RMB3.0 million in 2025 and the remaining RMB27.0 million is expected to be paid in 2026. Save as disclosed above, no other dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period. Our dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future. Any declaration and payment, as well as the amount of dividends, will be subject to the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. Pursuant to our constitutional documents and applicable PRC laws, any future determination of dividends distribution, as well as the amounts will be made at the discretion of our Board of Directors which will be subject to the corporate shareholder approval processes and may be based on a number of factors, including but not limited to our future operations and earnings, capital requirements and surplus, cash flows and general financial condition, contractual restrictions, taxation and other factors from time to time that the Board of Directors may deem relevant.

### WORKING CAPITAL CONFIRMATION

Our Directors are of the view, and the Joint Sponsors concur that, taking into account our available resources including cash and cash equivalents on hand, we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document.

### DISTRIBUTABLE RESERVES

As of December 31, 2025, we had distributable reserves of RMB187.5 million.

### [REDACTED] EXPENSES

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range stated in this Document), the aggregate [REDACTED] and fees, together with the Stock Exchange [REDACTED] fee, AFRC transaction levy, SFC transaction levy and Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the [REDACTED], which are payable by us, are estimated to amount in aggregate to approximately HK\$[REDACTED], accounting for [REDACTED]% of the gross [REDACTED] from the [REDACTED] assuming no Shares are issued pursuant to the [REDACTED], of which approximately HK\$[REDACTED] is expected to be charged to profit and loss after the Track Record Period, and approximately HK\$[REDACTED] is directly attributable to the [REDACTED] and [REDACTED] of our [REDACTED] and will be deducted from equity upon the [REDACTED]. By nature, our [REDACTED] expenses are composed of (i) [REDACTED] commission of approximately HK\$[REDACTED]; and (ii) non [REDACTED]-related expenses of approximately HK\$[REDACTED], which consist of fees and expenses of legal advisors and Reporting Accountants of approximately HK\$[REDACTED], other fees and expenses of approximately HK\$[REDACTED].

### UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

See “Unaudited [REDACTED] Financial Information.” in Appendix II to this Document.

### NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due care and consideration, the 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 our latest audited financial statements, and there has been no event since December 31, 2025 that would materially affect the information shown in the Accountants’ Report set out in Appendix I to this Document.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

---

## FINANCIAL INFORMATION

---

### DISCLOSURE UNDER RULES 13.13 THROUGH 13.19 OF THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this Document, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 through 13.19 of the Listing Rules.