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

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

OVERVIEW

We are a leading regional eyewear retail chain operator in Zhejiang Province and Gansu Province. We provide comprehensive and professional optometric and vision-care services and focus on prescription spectacles and services. According to the Euromonitor Report, **Mao Yuan Chang** ranked first in the offline eyewear retail industry in Zhejiang Province in 2024, with a market share of approximately 8.8% in terms of the offline retail sales amount including both self-operated and franchised stores, while our **Lan Keda** (previously Keda, before rebranding in March 2026) ranked first in Gansu Province with a market share of approximately 10.2% based on the offline retail sales under our self-operated stores in 2024.

Our Origin

Our flagship brand, "毛源昌眼鏡" ("**Mao Yuan Chang**"), tracing its origin back in 1862, is a centuries-old heritage brand with over 160 years of history in China's eyewear industry. **Mao Yuan Chang** has been officially recognised as a "China Time-honoured Brand" (中華老字號) by the MOFCOM in 2006 and a "Well-Known Trademark in China" (中國馳名商標) by the former State Administration for Industry and Commerce of the PRC (now recognised under the SAMR) in 2015. We also have self-operated stores under the "蘭科達眼鏡" ("**Lan Keda**") brand in Lanzhou. **Mao Yuan Chang** was also named as the official supplier of eyewear and optical services for the 19th Asian Games and the 4th Asian Para Games in Hangzhou in 2022. These distinctions are further supported by national, provincial, and municipal honours, reflecting recognition from both governmental institutions and consumers. According to the Euromonitor Report, China's eyewear retail market is highly fragmented and characterised by numerous small-scale operators with limited brand history and market visibility. In such a market environment, **Mao Yuan Chang's** longstanding operating history has helped establish our brand recognition among consumers.

Market Opportunities

The offline eyewear retail markets in Zhejiang Province and Gansu Province are expected to continue to expand, driven by stable demand for vision correction and eye-health management, increasing penetration of functional products, growing consumer emphasis on professional optometry and compliant dispensing, and continued service upgrading across the industry. According to the Euromonitor Report, Zhejiang Province's offline eyewear retail market is expected to increase from RMB5,492.3 million in 2024 to RMB6,843.0 million in 2029E, while Gansu Province's offline eyewear retail market is expected to increase from RMB795.5 million to RMB1,068.0 million over the same period. In parallel, the continued advancement of youth myopia prevention and control, population ageing and industry standardisation is expected to support further growth in demand for functional lenses, progressive multifocal lenses and more professional service offerings, and to drive the market towards more branded, standardised and service-oriented retailers, creating continued growth opportunities for our Group.

OUR STRENGTHS

Our competitive strengths, which we believe form the foundation of our success and position us for future growth, include the following:

- A recognised heritage brand with over 160 years of history;
- Professional optometry service capabilities;
- Leading and diversified retail network in Zhejiang Province and Gansu Province;
- Wide product range comprising proprietary and third-party brands; and
- Experienced and stable management team with deep industry expertise.

OUR STRATEGIES

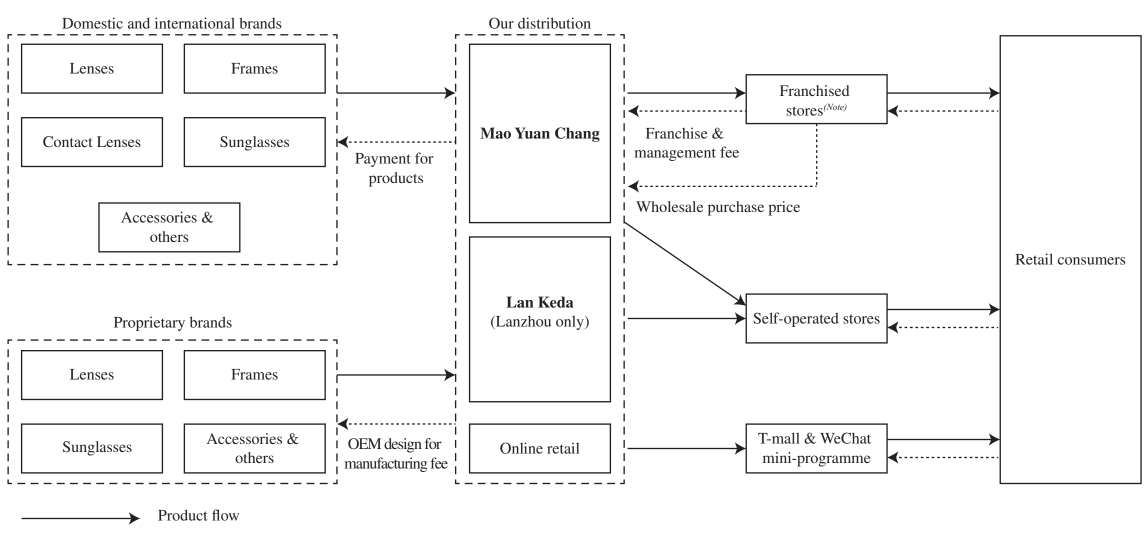
The Board has formulated a comprehensive and interconnected set of strategies to capitalise on the significant opportunities within the PRC eyewear market. The following detailed plans are designed to leverage our core strengths, address evolving consumer trends, and deliver sustainable, profitable growth, thereby enhancing long-term shareholder value.

- Strategic initiative: optical operation centre and advanced processing centre;
- Strategic network expansion: network expansion through organic growth and franchise partnership; and
- Deepened customer segmentation: brand building and precision marketing.

OUR BUSINESS MODEL

We provide professional optometric and vision-care services, and a large proportion of the products we sell are prescription spectacles for myopia, hyperopia, and presbyopia, as well as youth myopia prevention and control products and progressive lenses. We sell products under our own proprietary brands as well as third-party brands. Our stores are operated under **Mao Yuan Chang** and **Lan Keda** brands. Our network comprises self-operated stores under **Mao Yuan Chang** and **Lan Keda**, and franchised stores under **Mao Yuan Chang**. We also sell our eyewear products through one online store on T-mall.com and our WeChat mini-programme as at the Latest Practicable Date.

The following diagram illustrates our integrated business model and revenue streams:



Note: During the Track Record Period, all our franchised stores were operated under **Mao Yuan Chang**. For details, see "– Franchise Model" in this section.

OUR STORE NETWORK

We primarily drive **Mao Yuan Chang** network expansion with self-operated stores and supplement coverage gaps with franchised stores. Franchised stores supplement this expansion by extending geographic coverage, particularly in lower-tier cities and regions where our franchise network benefits from the franchised stores' operation experience. To optimise our expansion strategy, we will continue to onboard new franchised stores to extend our brand coverage into areas. As at the Latest Practicable Date, our retail network consisted of 78 self-operated stores and 194 franchised stores across 18 cities in the PRC, the majority of which are located in Zhejiang Province and Gansu Province. We also sold our eyewear products through one online store on T-mall.com and our WeChat mini-programme as at the Latest Practicable Date. The following table sets forth information of our revenue by our operating model and our region during the Track Record Period:

	For the year ended 31 December					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Self-operated stores	**206,905**	**76.0**	**185,031**	**73.9**	**196,431**	**74.0**
East-**Mao Yuan Chang**	107,475	39.5	98,393	39.3	108,904	41.0
Northwest-**Lan Keda**	87,578	32.1	75,450	30.1	76,123	28.7
Northwest-**Mao Yuan Chang**	11,852	4.4	11,188	4.5	11,404	4.3
Franchised stores	**59,408**	**21.9**	**60,459**	**24.1**	**65,840**	**24.8**
Wholesales to franchised stores	52,181	19.2	52,671	21.0	50,189	19.0
Franchise fees	4,876	1.8	5,430	2.2	5,436	2.0
Franchise management fees	2,351	0.9	2,358	0.9	10,215	3.8
Online retail	**4,102**	**1.5**	**3,230**	**1.3**	**1,745**	**0.7**
Others *(Note)*	**1,678**	**0.6**	**1,643**	**0.7**	**1,342**	**0.5**
Total	**272,093**	**100.0**	**250,363**	**100.0**	**265,358**	**100.0**

Note: Others include revenue from wholesale to our Associate Store, and sales of non-eyewear related consumables to franchised stores.

The following table sets out a breakdown of our revenue by products and services and its percentage in terms of our revenue during the Track Record Period:

	For the year ended 31 December					
	2023		2024		2025	
	RMB'000	%	*RMB'000*	%	*RMB'000*	%
Prescription spectacles	**216,853**	**79.7**	**200,579**	**80.1**	**211,338**	**79.6**
Proprietary brands	80,799	29.7	66,701	26.6	70,624	26.6
Third-party brands	136,054	50.0	133,878	53.5	140,714	53.0
Prescription services	**276**	**0.1**	**473**	**0.2**	**629**	**0.2**
Readymade spectacles	**19,188**	**7.1**	**17,518**	**7.0**	**16,928**	**6.5**
Proprietary brands	4,511	1.7	4,378	1.8	3,660	1.5
Third-party brands	14,677	5.4	13,140	5.2	13,268	5.0
Contact lenses and vision care products *(Note 1)*	**24,438**	**9.0**	**20,104**	**8.0**	**17,518**	**6.6**
Ancillary products *(Note 1)*	**2,433**	**0.8**	**2,257**	**0.9**	**1,952**	**0.8**
Franchise fees	**4,876**	**1.8**	**5,430**	**2.2**	**5,436**	**2.0**
Franchise management fees	**2,351**	**0.9**	**2,358**	**0.9**	**10,215**	**3.8**
Others *(Note 2)*	**1,678**	**0.6**	**1,643**	**0.7**	**1,342**	**0.5**
Total	**272,093**	**100.0**	**250,363**	**100.0**	**265,358**	**100.0**

Note:

1. All products are third-party brands.
2. Others include revenue from wholesale to our Associate Store, and sales of non-eyewear related consumables to franchised stores.

TRP Same-Store performance

Revenue from self-operated store is our major revenue contributor and has contributed over 60% of our revenue for the years ended 31 December 2023, 2024 and 2025. To isolate and evaluate the underlying health and operational performance of our mature self-operated stores, we rely on "Same-Stores Sales Growth" as a key performance indicator of our self-operated stores. This metric measures the year-on-year change in revenue generated by a consistent cohort of self-operated stores that have been operational throughout the Track Record Period. By excluding the contribution from newly opened and closed stores during the Track Record Period, it provides a clear view of organic growth, customer retention, and operational efficiency within our existing network.

We had 58 self-operated stores ("**TRP Same-Store**") in operation throughout the Track Record Period, representing 90.2%, 87.3% and 84.5% of revenue from our self-operated stores for the years ended 31 December 2023, 2024 and 2025, respectively.

The following table sets forth the details of our TRP Same-Store performance during the Track Record Period.

	For the year ended 31 December		
	2023	2024	2025
Total TRP Same-Store sales *(RMB'000)*	186,725	161,617	166,060
Average TRP Same-Store sales *(RMB'000)*	3,219	2,787	2,863

Our self-operated store network

The following table sets forth the movement in the member of self-operated stores by types of stores for the years indicated:

	For the year ended/As at 31 December								
	2023			2024			2025		
	Mao Yuan Chang	Lan Keda	Total	Mao Yuan Chang	Lan Keda	Total	Mao Yuan Chang	Lan Keda	Total
Self-operated stores									
At the beginning of the period	**44**	**22**	**66**	**54**	**22**	**76**	**57**	**23**	**80**
a. Flagship Stores	1	1	2	1	1	2	1	1	2
b. Shopping Mall Stores	13	2	15	20	3	23	24	4	28
c. Standard Stores	22	11	33	25	10	35	24	10	34
d. Community Stores	8	8	16	8	8	16	8	8	16
Newly opened during the period	**11**	**1**	**12**	**6**	**1**	**7**	**2**	**–**	**2**
a. Flagship Stores	–	–	–	–	–	–	–	–	–
b. Shopping Mall Stores	8	1	9	6	1	7	2	–	2
c. Standard Stores	3	–	3	–	–	–	–	–	–
d. Community Stores	–	–	–	–	–	–	–	–	–
Closed during the period	**(1)**	**(1)**	**(2)**	**(3)**	**–**	**(3)**	**(5)**	**–**	**(5)**
a. Flagship Stores	–	–	–	–	–	–	–	–	–
b. Shopping Mall Stores	(1)	–	(1)	(2)	–	(2)	(3)	–	(3)
c. Standard Stores	–	(1)	(1)	(1)	–	(1)	(2)	–	(2)
d. Community Stores	–	–	–	–	–	–	–	–	–
At the end of the period	**54**	**22**	**76**	**57**	**23**	**80**	**54**	**23**	**77**
a. Flagship Stores	1	1	2	1	1	2	1	1	2
b. Shopping Mall Stores	20	3	23	24	4	28	23	4	27
c. Standard Stores	25	10	35	24	10	34	22	10	32
d. Community Stores	8	8	16	8	8	16	8	8	16

Our franchised store network

The following table sets forth movement in the number of franchised stores by types of stores for the years indicated:

	For the year ended / As at 31 December		
	2023	**2024**	**2025**
Franchised stores			
At the beginning of the period	196	205	202
a. Flagship stores	–	–	–
b. Shopping mall stores	43	47	50
c. Standard stores	110	111	103
d. Community stores	43	47	49
Newly opened during the period	**16**	**15**	**10**
a. Flagship stores	–	–	–
b. Shopping mall stores	4	7	7
c. Standard stores	8	4	2
d. Community stores	4	4	1
Closed during the period	**(7)**	**(18)**	**(18)**
a. Flagship stores	–	–	–
b. Shopping mall stores	–	(4)	(4)
c. Standard stores	(7)	(12)	(11)
d. Community stores	–	(2)	(3)
At the end of the period	**205**	**202**	**194**
a. Flagship stores	–	–	–
b. Shopping mall stores	47	50	53
c. Standard stores	111	103	94
d. Community stores	47	49	47

Revenue from our franchise model is generated through: (i) the wholesales of eyewear products to franchised stores; and (ii) recurring franchise fees and franchise management fees. For further details, refer to "Business – Our Sales Network – Franchise Model – Pricing of Franchise Fees and Franchise Management Fees."

Revenue from our franchised stores, totaled RMB59.4 million, RMB60.5 million and RMB65.8 million for the years ended 31 December 2023, 2024 and 2025, respectively. The segment represented 21.8%, 24.1% and 24.8% of our revenue for the years ended 31 December 2023, 2024 and 2025, respectively. Its growth was supported by the ongoing optimisation of our franchised store network.

SUPPLIERS

Our suppliers primarily comprise suppliers of optical lenses, frames, sunglasses and OEM providers. Purchase from our five largest suppliers amounted to RMB56.0 million, RMB53.2 million and RMB50.7 million for the years ended 31 December 2023, 2024 and 2025, respectively, representing 43.9%, 46.0% and 45.5% of our total purchases for the same year, respectively, with our largest single supplier representing 12.5%, 14.2% and 13.7% for the same year, respectively. For risks relating to our major suppliers, see "Risk Factors – Risks Relating to our Business and Industry – We rely on suppliers and outsourcing partners for critical materials and services, and supply chain disruptions could have an adverse effect on our business operations and financial performance."

COMPETITION

The offline eyewear retail markets in Zhejiang Province and Gansu Province are both fragmented, with no single brand holding a dominant market position. According to the Euromonitor Report, in 2024, the top three brands accounted for only 23.1% and 19.1% of the offline eyewear retail markets in Zhejiang Province and Gansu Province, respectively, indicating that market shares remained widely distributed among regional chain players and a large number of independent shops, and that there remains room for further consolidation. Against this backdrop, competition is expected to increasingly focus on professional service capabilities, compliance and standardised operations, supply-chain efficiency and store network coverage. According to the Euromonitor Report, **Mao Yuan Chang** was the largest eyewear retailer brand in Zhejiang Province in terms of offline retail sales value in 2024, with an approximate market share of 8.8%, while the **Lan Keda** (previously Keda, before rebranding in March 2026) was the largest eyewear retailer brand in Gansu Province in terms of offline retail sales value in 2024, with an approximate market share of 10.2%.

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks, including risks relating to (i) our business and industry, (ii) doing business in the jurisdictions where we operate and (iii) the **[REDACTED]**. Some of the major risks we face include, but are not limited to, the following:

- The eyewear retail industry in China is highly fragmented, with numerous national chains, regional retailers, and local independent shops. We face multifaceted competitive pressure from international brands, national chains, and the rapid growth of online retail platforms. If we fail to effectively address this competition – whether through pricing, or service differentiation, our revenue, market share, and profitability could be materially and adversely affected.

- Our business depends significantly on the market recognition of our "**Mao Yuan Chang**" , a centuries-old heritage brand. Any damage to our reputation–whether from negative customer reviews, product quality issues, liability claims, or brand infringement by third parties–could diminish brand value and erode consumer trust. Maintaining and enhancing brand image is critical to our competitive advantage, and any failure to do so could harm our business and results of operations.

- Our future success depends heavily on the continuing efforts of our senior management team, led by our controlling shareholders Mr. Jin and Ms. Peng, as well as other key personnel such as qualified optometrists and optical technicians. Competition for experienced talent in the eyewear industry is strong. The loss of one or more key personnel, or the failure to attract and retain qualified staff, could disrupt our operations, weaken our management capabilities, and adversely affect our business.

- Our growth strategy relies on expanding our network of self-operated and franchised stores. This exposes us to risks including: (i) site selection failures for new stores; (ii) potential cannibalisation of existing stores; (iii) inconsistent quality control and brand dilution across franchised stores; (iv) reliance on third-party franchised stores for payment settlements, where we have historically accepted payments through third-party payors; and (v) significant fixed costs, such as rent and staff salaries, which may not be easily reduced if sales decline. Failure to manage these operational risks could impair our profitability and growth.

PROPERTIES

Our business operations rely primarily on leased properties, particularly for our self-operated store network. As at the Latest Practicable Date, we maintained a portfolio of properties across China, comprising both owned and leased assets.

As at the Latest Practicable Date, we own six properties in China, located primarily in Zhejiang Province and Gansu Province. These properties have a total floor area of approximately 2,400 square metres and are currently used as self-operated stores and corporate offices.

As at the Latest Practicable Date, we lease 78 properties within China, with a total leased area of approximately 12,700 square metres. The majority of these properties are used to operate self-operated stores, widely distributed across several provinces including Zhejiang Province and Gansu Province. Lease terms generally range from two to five years as at the Latest Practicable Date.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of consolidated financial information should be read together with the historical financial information included in the Accountants' Report in Appendix I to this document, including the accompanying notes and the information set out in "Financial Information."

Summary of consolidated statements of profit or loss

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

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue	**272,093**	**250,363**	**265,358**
Cost of sales	(113,583)	(107,459)	(103,246)
Gross profit	**158,510**	**142,904**	**162,112**
Other net income	865	2,383	3,351
Selling expenses	(97,506)	(105,207)	(100,561)
Administrative expenses	(16,246)	(17,847)	(16,848)
Impairment loss of property, plant and equipment and right-of-use assets	(984)	(107)	(307)
Reversal/(provision) of impairment loss on trade receivables	201	(168)	(2)
Profit from operations	**44,840**	**21,958**	**47,745**
Finance costs	(3,237)	(2,641)	(2,214)
Share of profits of an associate	338	304	377
Profit before taxation	**41,941**	**19,621**	**45,908**
Income tax	(4,825)	(1,567)	(4,727)
Profit for the year	**37,116**	**18,054**	**41,181**
Total comprehensive income for the year	**37,116**	**18,054**	**41,181**
Earnings per share			
Basic and diluted earnings per share *(RMB)*	**2.84**	**0.79**	**1.56**

NON-IFRS MEASURE

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

We define the adjusted net profit (a non-IFRS measure) as profit for the year by eliminating our equity-settled share-based payment expenses. Our management considers that equity-settled share-based payment expenses are non-cash in nature and do not result in cash outflow.

The following table reconciles our adjusted net profit (a non-IFRS measure) presented in accordance with IFRS, namely profit for the year:

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Profit for the year	37,116	18,054	41,181
Equity-settled share-based payments	–	2,067	840
Adjusted net profit (a non-IFRS measure)	**37,116**	**20,121**	**42,021**

Revenue

The following table sets out information about our revenue by our operating model during the Track Record Period:

	For the year ended 31 December					
	2023		**2024**		**2025**	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Self-operated stores	**206,905**	**76.0**	**185,031**	**73.9**	**196,431**	**74.0**
Franchised stores	**59,408**	**21.9**	**60,459**	**24.1**	**65,840**	**24.8**
Wholesales to franchised stores	52,181	19.2	52,671	21.0	50,189	19.0
Franchise fees	4,876	1.8	5,430	2.2	5,436	2.0
Franchise management fees	2,351	0.9	2,358	0.9	10,215	3.8
Online retail	**4,102**	**1.5**	**3,230**	**1.3**	**1,745**	**0.7**
Others *(Note)*	**1,678**	**0.6**	**1,643**	**0.7**	**1,342**	**0.5**
Total	**272,093**	**100.0**	**250,363**	**100.0**	**265,358**	**100.0**

Note: Others include revenue from wholesale to our Associate Store, and sales of non-eyewear related consumables to franchised stores.

Our revenue decreased from RMB272.1 million in 2023 to RMB250.4 million in 2024, representing a year-on-year decline of 8.0%. Such decrease was primarily due to decrease in revenue from self-operated stores from RMB206.9 million to RMB185.0 million, primarily attributable to: (i) the net effect of an increase of RMB3.2 million from newly opened stores and closed stores, as we continued to optimise our store network; and (ii) a decrease in revenue generated from prescription spectacles from our TRP Same-Store sales, resulting from our strategic reduction in short-form video promotions and group buying campaigns, which had previously driven high-volume sales of lower end products with low unit profit contribution despite a higher gross margin and sales of lower-value products.

Our revenue increased from RMB250.4 million in 2024 to RMB265.4 million in 2025, representing a year-on-year growth of 6.0%. Such increase was primarily due to (i) an increase in TRP Same-Store sales and the net effect of an increase of RMB7.0 million from newly opened stores and closed stores; and (ii) higher franchise management fees due to an increase in the number of franchised stores paying these fees.

Our profit for the year decreased from RMB37.1 million in 2023 to RMB18.1 million in 2024. Such decrease was primarily due to the decrease in revenue as mentioned above and increase in selling expenses mainly driven by increased staff costs resulting from higher average salaries; (ii) an increase in marketing and sales expenses mainly attributable to a brand upgrade launch campaign. Our profit for the year increased to RMB41.2 million in 2025, primarily due to increase in gross profit margin and decrease in selling expenses due to the absence of the brand upgrade launch campaign.

Summary of selected items of consolidated statements of financial position

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Total current assets	150,820	263,965	279,274
Total non-current assets	129,104	147,600	135,229
Total current liabilities	74,790	66,739	70,223
Total non-current liabilities	39,942	29,799	24,258
Net current assets	**76,030**	**197,226**	**209,051**

For more details, please refer to "Financial Information – Selected Key Items of Consolidated Statement of Financial Position" in this Document.

Summary of selected items of consolidated cash flow statements

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash generated from operating activities	90,898	61,783	95,406
Net cash (used in)/generated from investing activities	(31,919)	(137,504)	17,394
Net cash (used in)/generated from financing activities	(11,799)	89,153	(70,876)
Net increase in cash and cash equivalents	47,180	13,432	41,924
Cash and cash equivalents at beginning of the year	22,175	69,355	82,787
Cash and cash equivalents at the end of the year	69,355	82,787	124,711

For more details, please refer to "Financial Information – Liquidity and Capital Resources" in this Document.

KEY FINANCIAL RATIOS

	For the year ended / As at 31 December		
	2023	**2024**	**2025**
Revenue growth rate*(Note 1)*	N/A	(8.0%)	6.0%
Gross profit margin*(Note 2)*	58.3%	57.1%	61.1%
Net profit margin*(Note 3)*	13.6%	7.2%	15.5%
Cash ratio*(Note 4)*	92.7%	124.0%	177.6%
Current ratio *(Note 5)*	201.7%	395.5%	397.7%
Quick ratio*(Note 6)*	150.8%	338.7%	344.4%
Debt-to-equity ratio*(Note 7)*	69.5%	30.6%	29.5%
Asset-liability ratio*(Note 8)*	41.0%	23.5%	22.8%

Notes:

(1) Revenue growth rate is calculated as the difference between current period revenue and prior period revenue, divided by prior period revenue, multiplied by 100%.

(2) Gross profit margin is calculated as gross profit divided by revenue, multiplied by 100%, where gross profit equals revenue less cost of goods sold.

(3) Net profit margin is calculated as profit for the year / revenue × 100%.

(4) Cash ratio is calculated as cash and cash equivalents divided by current liabilities.

(5) Current ratio is calculated using current assets dividend by current liabilities as at the respective date.

(6) Quick ratio is calculated by dividing quick assets by current liabilities. Quick assets are defined as current assets excluding inventories and prepayments and other current assets.

(7) Debt-to-equity ratio is calculated as total liabilities divided by total equity.

(8) Asset-liability ratio is calculated as total liabilities divided by total assets.

OUR CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, Maoyuanchang Holdings held approximately 46.27% of our Company, and Maoyuanchang Holdings was in turn owned as to (i) 65% by Hangzhou Dashengchang, a company wholly-owned by Mr. Jin, and (ii) 10% by Hangzhou Shuangzhou, a limited partnership controlled by Mr. Jin as the general partner and also held as to 98% by Mr. Jin and 2% by Ms. Peng.

As at the Latest Practicable Date, Ms. Peng and Hangzhou Maosifa held direct interest of approximately 24.52% and 7.59% in our Company, respectively. Hangzhou Maosifa is a limited partnership controlled by Mr. Jin as the general partner and also owned as to approximately 67.35% by Mr. Jin. Mr. Jin and Ms. Peng are spouse. For further details of Mr. Jin and Ms. Peng, see "Directors and Senior Management – Board of Directors" in this Document.

Accordingly, as at the Latest Practicable Date, Maoyuanchang Holdings, Hangzhou Dashengchang, Hangzhou Shuangzhou, Mr. Jin, Ms. Peng and Hangzhou Maosifa were together entitled to control approximately 78.38% of the voting rights of our Company, and are therefore regarded as a group of Controlling Shareholders of our Company.

PRE-[REDACTED] INVESTORS

We have engaged in Pre-**[REDACTED]** Investments with our Pre-**[REDACTED]** Investors. For further details of the identity and background of the Pre-**[REDACTED]** Investors and the principal terms of the Pre-**[REDACTED]** Investments, see "History, Development and Corporate Structure – Pre-**[REDACTED]** Investments."

LEGAL PROCEEDINGS AND COMPLIANCE

We may, from time to time, become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any significant legal, arbitral or administrative proceedings, and we were not aware of any significant pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. As advised by our PRC Legal Advisor, as at the Latest Practicable Date, we had complied with all relevant PRC Law in all material respects and had obtained all requisite licences, approvals and permits from relevant authorities that are material for our operations in the Chinese Mainland and such licences, approvals and permits are valid and effective.

See "Business – Legal Proceedings and Compliance" and "Business – Compliance, Licences and Permits" for more information. For more information about the laws and regulations that we are subject to, see "Regulatory Overview".

[REDACTED]

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting **[REDACTED]** and commissions and other estimated expenses paid and payable by us in relation to the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the **[REDACTED]** from HK$**[REDACTED]** to HK$**[REDACTED]** per H Share, and assuming that the **[REDACTED]** is not exercised.

In line with our strategies, we intend to use the net **[REDACTED]** from the **[REDACTED]** (assuming the **[REDACTED]** is not exercised) for the purposes and in the amounts set forth below:

Purposes	**Total amount of net [REDACTED] to be used** *HK$'000*	**Allocation %**
Establishment of optical operation centre	**[REDACTED]**	**[REDACTED]**
Establishment of self-operated stores	**[REDACTED]**	**[REDACTED]**
Brand building and precision marketing	**[REDACTED]**	**[REDACTED]**
General corporate purposes and working capital	**[REDACTED]**	**[REDACTED]**
Total	**[REDACTED]**	**[REDACTED]**

DIVIDEND

In 2021, our Group acquired 100% equity interests in Lanzhou Keda which constitutes a business combination under common control. Before the acquisition, Lanzhou Keda declared a cash dividend of RMB7.0 million to Mr. Jin and Ms. Peng, the then equity holder of Lanzhou Keda in accordance with the resolution of the shareholders of Lanzhou Keda dated 17 May 2021. The dividend of RMB7.0 million was settled in 2023.

In accordance with the resolution of the shareholders of the Company dated 22 January 2025, a cash dividend of RMB37.0 million was declared and paid to all equity shareholders of the Company.

Pursuant to a shareholders' resolution passed on 28 January 2026, a cash dividend of RMB32.2 million was declared. The dividend was fully paid to all equity shareholders whose names appeared on the register of members.

We do not currently have a formal dividend policy or any predetermined dividend payout ratio. PRC Law require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Any future declarations and payments of dividends will be proposed by our Board of Directors and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors which our Directors consider relevant at such time. Any such declaration and payment are subject to approval by our Shareholders in accordance with applicable PRC Law and our constitutional documents.

[REDACTED] EXPENSES

Based on an **[REDACTED]** HK$**[REDACTED]** per H Share, being the mid-point of the indicative **[REDACTED]**, and assuming the **[REDACTED]** is not exercised, **[REDACTED]** expenses to be borne by us are estimated to be approximately HK$**[REDACTED]** or **[REDACTED]**% of the gross **[REDACTED]** of the **[REDACTED]**, which consist of (i) **[REDACTED]** commission of approximately HK$**[REDACTED]**, and (ii) non-**[REDACTED]** related expenses of approximately HK$**[REDACTED]** including (a) fees and expenses of financial and legal advisors as well as the Reporting Accountants of approximately HK$**[REDACTED]** and (b) other fees and expenses of approximately HK$**[REDACTED]**. During the Track Record Period, we did not record any **[REDACTED]** expenses in the consolidated statements of profit or loss and other comprehensive income. Subsequent to the Track Record Period, we expect to further incur **[REDACTED]** expenses of HK$**[REDACTED]** prior to and upon completion of the **[REDACTED]**, of which (i) HK$**[REDACTED]** is expected to be recognised as expenses in our consolidated statements of profit or loss and other comprehensive income, and (ii) HK$**[REDACTED]** is expected to be accounted for as a deduction from equity upon **[REDACTED]**.

The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the **[REDACTED]** of, and permission to **[REDACTED]** in, the H Shares to be issued pursuant to the **[REDACTED]** (including any Shares that may be issued pursuant to the exercise of the **[REDACTED]**) and the H Shares to be converted from **[REDACTED]** Shares.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

During the period from 1 January 2026 to the Latest Practicable Date, we continued to advance our channel expansion strategy and optimise our self-operated store network. We have signed lease agreements for five new self-operated stores, two of which are located in Hangzhou; two in Shaxing and one in Lanzhou. Among these, one store is already in operation, and the remaining four are scheduled to open within the year. The selected locations span mid-to-high-end shopping malls and prime street-level retail spaces. By penetrating high-foot-traffic and high-consumption-capacity areas, we further strengthened our self-operated store network, broadened our store coverage, and enhanced our accessibility to target customer, thereby supporting the scaling of our business operations.

Advancing industrial synergy: Building a professional ecosystem in collaboration with ZEISS

During the Shanghai Optics Fair in March 2026, we deepened our strategic partnership with Carl Zeiss, a global leader in optical technology, and jointly launched a specialised initiative focused on premium vision solutions, dispensing standards, and consumer experience enhancement. Through this collaboration, we continue to integrate advanced technologies and service concepts, strengthen our professional capabilities, and drive continuous improvement in our optometric dispensing and service quality.

Strengthening university partnerships to expand access to target customer segments

We systematically advanced collaborations with leading academic institutions in March 2026, including Peking University, Shanghai Jiao Tong University, and Fudan University, leveraging campus settings to reach influential students, faculty members, and key opinion leaders in the workplace (such as MBA and EMBA participants). These initiatives not only expand our potential customer coverage but also contribute to the ongoing enhancement of our brand image.