

INDUSTRY OVERVIEW

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OVERVIEW OF MACROENVIRONMENT IN ZHEJIANG AND GANSU

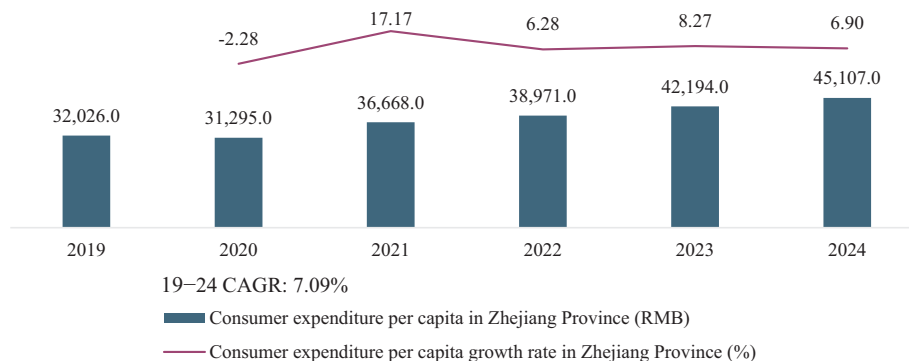
Zhejiang: A high-income and highly urbanised consumer market

Zhejiang Province is one of the more economically developed provinces in China, characterised by strong household purchasing power, a large urban consumer base and a relatively mature retail environment. In 2024, the per capita disposable income of residents in Zhejiang Province was RMB67,013, while per capita consumption expenditure reached RMB45,107. These indicators reflect the province’s relatively strong consumption capacity and consumers’ greater willingness to pay for higher-quality products and services.

Zhejiang also maintains a large and highly urbanised population base. In 2024, the province’s permanent resident population reached 66.7 million, of which the urban population accounted for 75.46%. It provides a favourable macroeconomic and demographic foundation for the development of modern retail formats and service-intensive consumption.

Within Zhejiang Province, Hangzhou and Shaoxing are two representative city-level consumer markets. As the provincial capital and a major growth pole in the Yangtze River Delta, Hangzhou recorded per capita disposable income of RMB76,777, per capita consumption expenditure of RMB52,996 and a permanent resident population of 12.6 million. Shaoxing recorded per capita disposable income of RMB72,898, per capita consumption expenditure of RMB46,849 and a permanent resident population of 5.4 million. Overall, both Hangzhou and Shaoxing are supported by relatively strong income levels and solid local consumption fundamentals, and provide important support for the development of branded, professional and higher value-added retail formats within Zhejiang Province.

Consumer expenditure per capita in Zhejiang Province (2019–2024)



Source: National Bureau of Statistics of China

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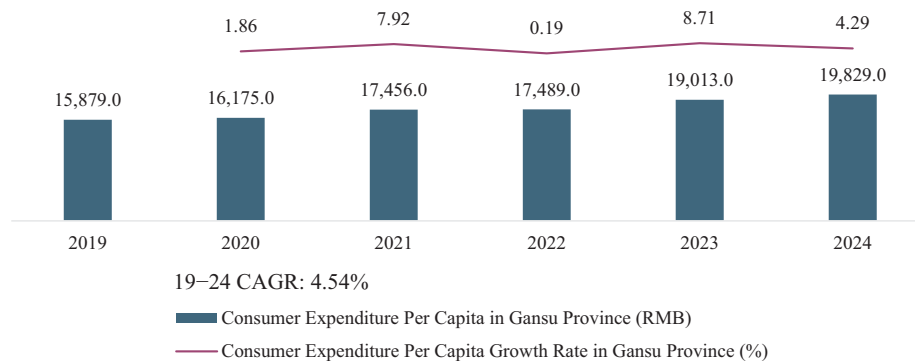
Gansu: A developing consumer market with improving consumption capacity

Gansu Province is a representative inland province in western China. Although its absolute income and consumption levels remain below those of the more developed coastal provinces, its household consumption fundamentals have continued to improve in recent years. In 2024, the per capita disposable income and per capita consumption expenditure of residents were RMB26,612 and RMB19,829, respectively, indicating a gradual improvement in household purchasing power and consumption potential.

At the end of 2024, Gansu Province had a permanent resident population of 24.6 million and an urbanisation rate of 56.83%, indicating that the province remains in a stage of ongoing urbanisation and gradual retail market development. The province therefore represents a market where consumer demand continues to broaden alongside income growth and urban expansion, providing a supportive macro backdrop for the further penetration of organised retail and value-for-money consumer offerings.

Within Gansu Province, Lanzhou is the principal city-level consumer market. As the provincial capital and an important transport and logistics hub in Northwest China, urban residents in Lanzhou recorded per capita disposable income of RMB50,489 and per capita consumption expenditure of RMB32,312 in 2024. In the same year, Lanzhou’s permanent resident population reached 4.4 million and its urbanisation rate was 85.83%. Lanzhou’s relatively concentrated urban population base and hub position support the continued development of organised, specialised and service-oriented retail formats in Gansu Province.

Consumer Expenditure Per Capita in Gansu Province (2019–2024)



Source: National Bureau of Statistics of China

OVERVIEW OF EYEWEAR RETAIL INDUSTRY IN CHINA

The eyewear retail industry refers to retail activities conducted through offline physical stores, online platforms, or omnichannel models that sell various types of eyewear and related products to end consumers and provide professional services related to eyewear dispensing and delivery.

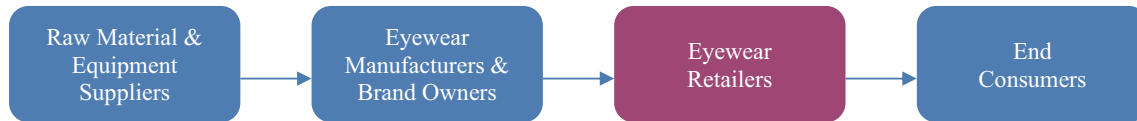
Products typically include prescription spectacles, readymade spectacles, and contact lenses and solutions. Services typically include refraction and parameter capture, product selection and try-on guidance, lens fitting/processing and delivery, wear adjustment, and after-sales maintenance and follow-up.

This definition excludes medical service revenue generated from diagnosis and treatment services provided by ophthalmology departments of hospitals or other medical institutions. With respect to “optometry/vision centres,” those operated under eyewear retailers/chain systems with eyewear dispensing as the primary service are included within the scope of this industry; those operated within ophthalmic hospitals or other medical institution systems are treated as hospital channels.

Value chain analysis

The value chain of China’s eyewear retail industry, from upstream supply to end-consumer markets, can be broadly divided into four segments: (i) the origin segment consisting of suppliers of raw materials and equipment required for eyewear manufacturing; (ii) the upstream segment consisting of eyewear manufacturers and their proprietary eyewear brands; (iii) the midstream segment consisting of eyewear retailers; and (iv) the downstream segment consisting of end consumers.

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I. Origin: materials and equipment suppliers

The origin supplying segment primarily comprises suppliers of materials/consumables of lens and frames, and equipment/instruments required for eyewear production and end-point dispensing/verification, providing essential inputs for both manufacturing and retail/service operations.

II. Upstream: raw eyewear manufacturers and brand owners

The upstream manufacturing segment mainly covers the production and brand operation of lenses, frames, contact lenses, and certain finished eyewear products (e.g., sunglasses and reading glasses). Manufacturers typically supply retailers through direct sales, distribution, and/or customised cooperation models. Some players also develop proprietary brands and reach consumers through directly operated outlets or partner channels.

III. Midstream: eyewear retailers

The midstream retail and service delivery segment is the core of the eyewear retail value chain. Value creation extends beyond product transactions to professional capabilities built on refraction and fit, in-store experience and trust building, and the resulting repeat purchase and customer management.

The market remains primarily offline store-led, with physical stores undertaking most refraction, try-on and fulfilment functions. Key retail formats include:

- **Professional chain eyewear retailers:** focused on vision-care dispensing and professional services, with relatively standardised processes and stronger after-sales and membership operations.
- **Fast-fashion eyewear retailers:** emphasise fashion/accessory attributes and speed, typically positioned for mass-market pricing and encouraging multiple pairs per person through diverse styles.
- **Warehouse-style eyewear retailers:** positioned on value-for-money and promotions, optimising cost structure through scale display and direct sourcing.
- **Independent shops:** predominantly single-store owner-operated and fragmented, serving communities and lower-tier markets with local dispensing needs and basic after-sales services.

In chain expansion, a combination of directly operated and franchised stores is relatively common, enabling faster network coverage with lighter capital investment. Franchise models in China’s eyewear retail industry generally range from relatively light-touch pure supply, brand authorisation or regional agency arrangements to stronger management models with greater headquarters oversight over sourcing, operations and service standards. Given the high requirements for refraction accuracy, fulfilment quality and after-sales service, and as competition increasingly shifts toward more professional, branded and standardised operations, leading players typically apply stronger controls over franchised stores to improve service consistency, maintain pricing discipline, protect brand reputation and support the long-term stability of franchise networks.

A considerable proportion of offline and franchised eyewear stores in China are operated by sole proprietorships or small and medium-sized corporate entities. Due to their relatively limited scale and less standardised financial systems, some such operators may face practical difficulties in opening business bank accounts. Against this backdrop, settlement through third-party payors is relatively common in the industry, helping facilitate timely payment settlement and improve transaction efficiency.

Meanwhile, offline-led retailers are strengthening online reach and transaction capabilities and gradually forming O2O models: online channels increasingly support direct sales of standardised categories, while for prescription dispensing products that require refraction parameters, online touchpoints primarily facilitate content reach, appointment-driven traffic acquisition and voucher/payment, with refraction, try-on, processing/fulfilment and after-sales completed in stores. The development of e-commerce platforms has also supported online-led supply, improving price transparency and consumer reach and further promoting omnichannel coordination and service capability upgrades across the industry.

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IV. Downstream: end consumers

Downstream end-user demand is the ultimate destination of value creation in eyewear retail. Changes in consumer demand directly shape the direction of upstream manufacturing and midstream retail evolution. By age structure and needs, key consumer segments include youth myopia management segment, middle-aged and elderly segment and young consumers with diversified needs.

Cost analysis

Core cost item of eyewear retailers in China	Share of sales revenue
COGS	30–35%
Rental expenses	15–20%
Labour costs	15–20%
Marketing expenses	3–10%
Operating expenses	~5%

Source: Euromonitor International

Eyewear retailers’ core cost items mainly include COGS, rental expenses, labour costs, marketing expenses and operating expenses.

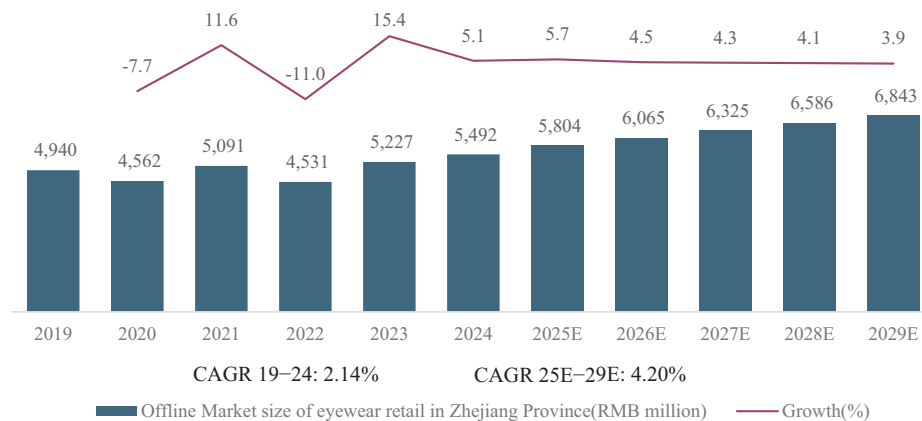
- (1) COGS is typically the largest cost item and is mainly driven by sourcing model, product mix and pricing strategy.
- (2) Rental expenses are largely determined by store location, store format and catchment quality.
- (3) Labour costs mainly consist of compensation for store managers, sales staff, optometrists and spectacle fitting and edging personnel.
- (4) Marketing expenses mainly comprise expenses incurred for traffic acquisition, customer conversion and membership operations.
- (5) Operating expenses mainly comprise routine store operation and back-office support costs.

Market size analysis

Offline eyewear retail market in Zhejiang Province

Zhejiang Province is one of China’s important eyewear industry cluster regions. Industrial belts such as Ouhai in Wenzhou and Taizhou possess relatively complete capabilities across design, manufacturing, sales and related support services, which enhance the province’s retail market in terms of style iteration, supply responsiveness and replenishment efficiency, and also provide an industrial foundation for regional processing hubs and fast-response supply-chain models. In terms of retail sales value, Zhejiang’s offline eyewear retail market increased, with fluctuations, from RMB4,940 million in 2019 to RMB5,492 million in 2024, representing a CAGR of approximately 2.14%. It is further expected to expand to approximately RMB6,843 million by 2029E, representing a CAGR of approximately 4.20% from 2025E to 2029E. In 2024, the province had approximately 8,100 eyewear retail stores.

Market size of offline eyewear retail industry in Zhejiang (2019–2029E, in retail sales value)



Source: Euromonitor International

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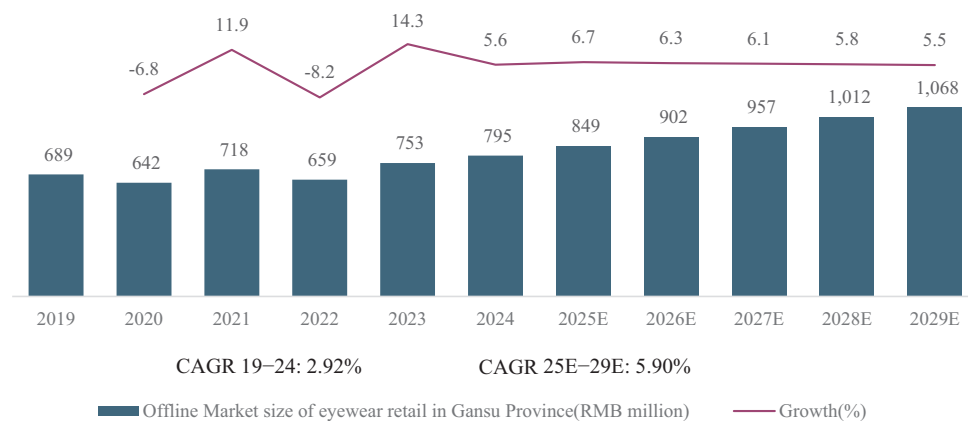
At the city level within Zhejiang Province, Hangzhou and Shaoxing are two representative eyewear consumer markets. As the provincial capital and an important city in the Yangtze River Delta, Hangzhou has relatively high-income levels, a comparatively concentrated young working population and frequent near-work scenarios, which together support relatively stable demand for vision correction, functional lenses, comfort-oriented frames and optometry and dispensing services. At the same time, Hangzhou has seen relatively fast development in youth myopia prevention and control, digitalised retail and online-offline integration, which may further support continued product and service model iteration in the local eyewear retail market. Shaoxing has a relatively stable population base and household consumption structure. In recent years, with rising income levels, greater acceptance of standardised optometry and dispensing services, and continued advancement of children’s and adolescents’ vision health management, market demand in Shaoxing has gradually shifted from one-off transactions toward a pattern placing greater emphasis on professional services, repurchase management and longer-term vision care.

Looking ahead, the offline eyewear retail market in Zhejiang Province is expected to continue benefiting from the further development of youth myopia prevention and control systems, consumption upgrading, population ageing and the increasing penetration of functional products. In addition to conventional vision correction demand, functional lenses, progressive multifocal lenses, anti-fatigue products and customised fitting services are expected to achieve broader penetration. Meanwhile, offline stores may further extend from basic optometry and dispensing functions toward screening, follow-up checks, visual fatigue management and other value-added services, thereby supporting the steady growth of the industry.

Offline eyewear retail market in Gansu Province

Overall, the offline eyewear retail market in Gansu Province remains relatively small in scale, and market supply is still dominated by fragmented stores. However, as public awareness of eye health continues to improve, industry regulation is gradually strengthened, and chain-based and standardised operating models progressively penetrate the market, the province continues to offer room for further development. In terms of retail sales value, Gansu’s offline eyewear retail market increased from RMB689 million in 2019 to RMB795 million in 2024, representing a CAGR of approximately 2.92%, and is expected to further expand to approximately RMB1,068 million by 2029E, representing a CAGR of approximately 5.90% from 2025E to 2029E. In 2024, the province had approximately 2,000 eyewear retail stores.

Market size of offline eyewear retail industry in Gansu (2019–2029E, in retail sales value)



Source: Euromonitor International

Within Gansu Province, Lanzhou is the principal city-level market. As the provincial capital of Gansu Province and an important transport and logistics hub in Northwest China, Lanzhou has a relatively concentrated population base and a comparatively solid urban consumption foundation, which support the development of more standardised and professional eyewear retail services. In recent years, against the backdrop of continued advancement in youth vision screening, school-based vision health management and related industry regulation, the rigid demand foundation of Lanzhou’s eyewear retail market has been further consolidated. At the same time, as local consumers place greater emphasis on professional optometry, compliant dispensing services and recognised brands, demand for corrective products, youth-oriented products, durable frames and certain functional lenses is also expected to continue to grow.

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From a broader provincial perspective, the eyewear retail market in Gansu Province remains in a stage of ongoing formalisation and gradual upgrading. In the future, as policies relating to myopia prevention and control, eye health education and industry standardisation continue to advance, consumers are expected to place greater emphasis on professional services, compliant retail outlets and branded products. Meanwhile, offline retailers may gradually extend from a single sales function toward more comprehensive service capabilities covering optometry, dispensing, follow-up checks and comfort management, while digital tools may help improve customer acquisition, repurchase rates, replenishment efficiency and inventory management. Supported by a relatively low base, continued penetration into lower-tier markets and gradual optimisation on the supply side, the offline eyewear retail market in Gansu Province is expected to maintain comparatively fast growth during the forecast period.

Retailer analysis

Different retail formats in China’s offline eyewear retail market demonstrate relatively clear differences in service depth, target customer base and average price to suit to different consumption scenarios and consumer needs.

Dimension	Professional chain eyewear retailers	Fast-fashion eyewear retailers	Warehouse-style eyewear retailers	Independent eyewear shops
Geographic footprint	National chains and strong regional chains coexist; cross-city/cross-province expansion is relatively common	Usually national in footprint, but more concentrated in urban clusters with stronger consumption power and mature mall resources	More often regional or local in footprint, typically built around price-sensitive catchments	Widely present nationwide but highly fragmented, typically serving local communities or county-level markets
Service and equipment capabilities	Typically equipped for fuller refraction, dispensing, lens processing/fulfilment and after-sales support	Usually equipped for standardised refraction and routine dispensing, with stronger emphasis on efficiency and shopping experience than on deep vision-health screening	Usually capable of basic refraction and routine dispensing, with leaner staffing, simpler service processes and more controlled equipment investment	Usually provides basic refraction and after-sales maintenance; service depth and equipment vary widely and depend heavily on the owner/optometrist
Target customers	Families, students and parents, office workers, and consumers who are more sensitive to prescription accuracy, progressive lenses or service assurance	Younger consumers, students, white-collar workers, and users with styling or multi-pair demand	Price-sensitive households, replacement demand and pragmatic buyers	Nearby residents, older consumers, repeat local customers and convenience-led buyers
Average spectacles purchase price	Typically around RMB 800–1000	Typically around RMB 600–800	Typically around RMB 300–400	Typically around RMB 300–400

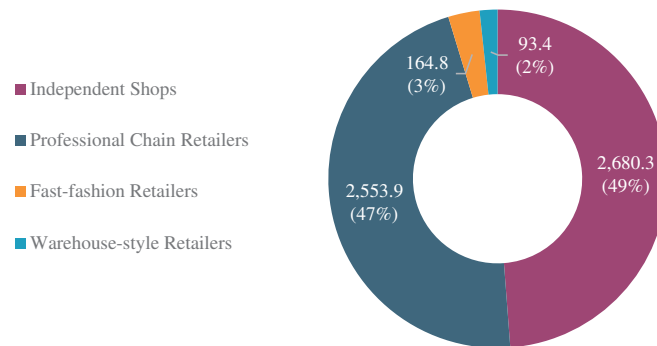
Zhejiang Province’s offline eyewear retail market exhibited a relatively balanced dual-lead structure, with independent shops and professional chain retailers accounting for approximately 49% and 47% of the market, respectively.

This was mainly driven by two factors. First, Zhejiang Province has a relatively mature eyewear industry base, which supports product supply efficiency, replenishment flexibility and speed of style renewal, thereby benefiting both independent shops and professional chain retailers. Second, consumers in Zhejiang Province place relatively greater emphasis on prescription accuracy, service standardisation and after-sales assurance. Against the backdrop of strengthening regulation and improving service standards, professional chain retailers have secured a relatively high market share through standardised operations and more comprehensive service systems. At the same time, independent shops have remained competitive by relying on community coverage, local customer relationships and operating flexibility.

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Going forward, as consumers place greater emphasis on professional services, functional products and after-sales assurance, the market is expected to continue shifting towards retailers with stronger professional service capabilities and more standardised operating systems.

Retailer split of eyewear retail industry in Zhejiang Province (2024, in retail sales value)



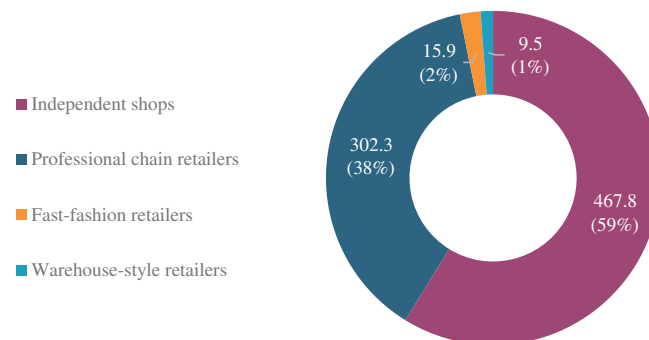
Source: Euromonitor International

Gansu Province’s offline eyewear retail market remained dominated by independent shops, which accounted for approximately 59% of the market, while professional chain retailers have already established a meaningful presence, accounted for approximately 38%.

This market structure was mainly driven by the following factors. First, the market base in Gansu Province remains relatively fragmented, and community-based and street-front independent shops continue to offer strong convenience, particularly outside core urban districts and in lower-tier markets, thereby supporting their relatively high share. Second, as industry regulation and compliance requirements relating to metrology, refraction and dispensing continue to strengthen, professional chain retailers have gradually increased their market share in core cities and key commercial areas through more standardised operations and more complete service capabilities. By contrast, fast-fashion and warehouse-style formats depend more heavily on shopping mall networks, younger consumer groups and high-traffic retail environments, and therefore remain relatively limited in scale in Gansu Province.

Overall, Gansu Province’s offline eyewear retail market remains in a stage of gradual transition from fragmentation to standardisation. As consumers place greater emphasis on professional services and compliant operations, retailers with stronger brand recognition, professional capability and standardised operating systems are expected to capture more growth opportunities.

Retailer split of eyewear retail industry in Gansu Province (2024, in retail sales value)



Source: Euromonitor International

Market drivers analysis

Diversified consumer demands

Eyewear consumption is evolving from single-purpose vision correction toward broader needs spanning myopia management, visual comfort and style. According to monitoring data released by the National Disease Control and Prevention Administration, the overall myopia rate among children and adolescents nationwide was 51.9% in 2022, supporting a relatively stable demand base and service-oriented consumption such as functional lenses and follow-up reviews. In parallel, heavy screen use among working-age consumers is increasing demand for segmented solutions (e.g., blue-light filtering and anti-fatigue), while population ageing is raising interest in more sophisticated fitting solutions such as progressive addition lenses.

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Enhanced online reach and traffic acquisition

Over the past 3–5 years, customer acquisition has increasingly shifted from organic walk-in traffic to an “online reach → appointment/voucher → in-store refraction and fulfilment” pathway. Short-video, local-services and social platforms have become more controllable traffic entry points for stores. E-commerce has also improved purchase convenience for more standardised categories. Overall, online channels have not replaced offline refraction and fulfilment, but they have materially reshaped the acquisition and conversion journey.

Policy support and regulatory standardisation

Regulations such as the Measures for the Metrological Supervision and Administration of Optical Dispensing strengthen requirements for metrology instruments and testing equipment in refraction and dispensing, enhancing compliance and accuracy in service delivery. The Regulations on the Supervision and Administration of Medical Devices place medically regulated products such as contact lenses and orthokeratology lenses under stricter oversight, raising professional and compliance thresholds. In addition, policy documents including the 14th Five-Year National Eye Health Plan (2021–2025) and the Guidelines for Myopia Prevention and Control (2024 Edition) reinforce expectations around scientific refraction, compliant dispensing and follow-up management, providing policy direction for retailers to expand into myopia management and eye-health services.

Constraints analysis

Fragmented competitive landscape intensifies homogenised competition

The market features a long tail of stores and relatively low concentration. Basic correction categories typically have limited differentiation and are therefore more exposed to homogenised competition. The prevalence of online price comparison and low-price traffic tactics further increases price sensitivity, which may pressure gross margin headroom and profitability stability for stores lacking differentiated service capability or brand premium support.

Rising investment in professional talent and standardised operations

As consumers place greater emphasis on refraction accuracy and service professionalism, retailers’ reliance on certified personnel and specialised training continues to increase. To ensure consistent service quality across stores, operators typically invest in training and apprenticeship mechanisms, quality inspections, equipment configuration and maintenance, and SOP-based process management. Such investments are more pronounced in cross-regional expansion and franchise networks, raising requirements for capital strength and organisational capability.

Growth pressure under more rational consumption

Eyewear (particularly adult prescription frames) has durable-goods characteristics with longer replacement cycles; as a result, growth is more reliant on structural drivers such as functional product penetration, price-tier upgrading and channel coverage. Meanwhile, offline traffic is increasingly linked to paid acquisition, elevating customer acquisition costs and volatility and requiring stronger capabilities in content operations, media optimisation and in-store fulfilment coordination. Offline channel optimisation (store closures, relocations and new openings) may also entail one-off costs and short-term operating fluctuations.

Transitional volatility from offline store network optimisation

Chain operators have been optimising their offline store networks by closing or consolidating underperforming stores, adjusting location mix, and allocating incremental openings toward prime commercial districts or shopping malls with more stable traffic, alongside store image and experience upgrades. While such initiatives may enhance operating quality over the medium to long term, they may in the short term involve one-off costs and ramp-up effects (e.g., closure and opening/refurbishment expenditure, higher rents/deposits and staff adjustments), which could lead to temporary volatility and pressure on revenue, profitability and cash flow.

Market entry barriers analysis

Compliance and licencing barriers

Medically regulated categories such as contact lenses and orthokeratology lenses require more stringent operating qualifications, facilities and personnel to ensure compliant sales. In addition, eye-health related policies raise requirements for equipment standards, process compliance and information management at the retail terminal, increasing overall compliance costs and entry thresholds.

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Professional talent and training systems barriers

As the industry combines consumer retail attributes with professional optometry service characteristics, store-level service quality depends heavily on the supply of certified optometry and processing technicians. Talent development and certification typically involve longer lead times, and scaled expansion often requires standardised training and quality-control systems, which are difficult for new entrants to replicate in the short term.

Brand and trust barriers

Given the professional nature and long-wearing cycles of eyewear, purchasing decisions are influenced by brand endorsement and in-store service experience. Leading operators benefit from accumulated reputation and system capabilities across quality control, supply chain and store operations, increasing initial costs for customer acquisition and consumer education for new entrants.

Capital requirements and scalable replication barriers

Store start-up investment usually spans rent, refurbishment, professional equipment, staffing, marketing and inventory; premium locations and specialised devices further increase upfront capex. Cross-regional scale-up also requires investment in site-selection models, supply-chain systems, talent replication and digital tools, raising requirements for both capital strength and management capability.

COMPETITIVE LANDSCAPE ANALYSIS

Ranking of eyewear retailer brand by offline retail sales value in Zhejiang Province

The Mao Yuan Chang brand was the largest eyewear retailer brand in Zhejiang Province with an approximate market share of 8.8% in terms of offline retail sales value in 2024.

Ranking	Brand Name	Brief Introduction	Offline retail sales value 2024* RMB million	Market share
1	Mao Yuan Chang		480.8	8.8%
2	Brand A	A Hangzhou-headquartered regional professional chain eyewear retailer brand	417.2	7.6%
3	Brand B	A Hangzhou-headquartered regional professional chain eyewear retailer brand	368.5	6.7%
Top 3			1,266.5	23.1%
Total			5,492.3	100.0%

* Note: Includes sales from both self-owned and franchised stores

Source: Euromonitor International

Zhejiang’s offline eyewear retail market features a competitive structure in which multiple regional leaders coexist alongside a highly fragmented long tail. Overall, leading brands’ shares are limited, the top three brands’ market share is 23.1% in 2024 and each individual brand holds a market share below 10%, indicating that market share remains widely distributed among numerous regional chains and independent stores and no single regional leader has been established.

Ranking of eyewear retailer brand by offline retail sales value in Gansu Province

The Lan Keda brand (previously Keda, before rebranding in March 2026) was the largest eyewear retailer brand in Gansu Province with an approximate market share of 10.2% in terms of offline retail sales value in 2024.

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Ranking	brand name	Brief introduction	Offline retail sales value 2024* RMB million	Market share
1	Lan Keda		80.7	10.2%
2	Brand C	A Xi'an-headquartered national professional chain eyewear retailer brand	38.5	4.8%
3	Brand D	A Lanzhou-headquartered regional professional chain eyewear retailer brand	32.5	4.1%
Top 3			151.7	19.1%
Total			795.5	100.0%

* Note: Includes sales from both self-owned and franchised stores

Source: Euromonitor International

Gansu's offline eyewear retail market likewise exhibits low concentration with clearer tiering among players. Overall, the leading players' shares remain limited and the top three together account for 19.1% of the market in 2024, indicating that supply remains fragmented with a large base of small and mid-sized stores and competition is relatively open. Going forward, competitive dynamics are expected to depend more on local store coverage and professional refraction and fulfilment capabilities, as well as the ability to organise products and services around differentiated needs such as myopia management.

Source of information

We have commissioned Euromonitor International Limited (“**Euromonitor International**”), an independent market research company, to conduct an analysis of, and to produce a report on, the eyewear retail industry in China (the Euromonitor Report) for the purpose of the “Industry Overview” section of this document. The Euromonitor Report was commissioned by us for a fee of RMB250,000, and is disclosed with the consent of Euromonitor International. Such fee is not contingent upon the results of its research or analysis.

In compiling and preparing the Euromonitor Report, Euromonitor International used the following methodologies to collect multiple sources, validate the data and information collected, and cross-check each respondent's information and views against those of others:

- Secondary research involved the review of published sources and official sources, specialist trade press, trade associations, and company reports, including audited financial statements, where available, and independent research reports. Passport, Euromonitor's proprietary database, was also utilised.
- Primary research involved interviews with a sample of leading industry participants and experts for the latest data and insights into historic and future trends, supplemented by verification and cross-checking of data and research estimates for consistency.
- Review and cross-check all sources and conduct independent analyses to develop final estimates. These include the size, shape, drivers, future trends and competitive landscape impacting the eyewear retail industry.

In preparing the Euromonitor Report, Euromonitor International adopted the following assumptions:

- The eyewear retail industry in China is expected to maintain steady growth over the forecast period;
- The social, economic and political environments are expected to remain stable during the forecast period; and
- Key market drivers are expected to continue to support industry development.

Except as otherwise noted, all data and forecasts contained in this section are derived from the Euromonitor Report. Our Directors confirm that, after taking reasonable care, the sources of information used in this section are reliable and not misleading, and there has been no material adverse change in the overall market information since the date of the Euromonitor Report that would materially qualify, contradict or have an impact on such information.