
BUSINESS

OUR MISSIONS

- Industrial flexible manufacturing: Simplifying measurement and control tasks, as well as unlocking the full value of data
- Consumer flexible manufacturing: Making creation effortless, and bringing personalisation within reach

OUR VISION

- Empowering everyone to be an innovator

OVERVIEW

We are an industrial and consumer comprehensive flexible manufacturing solution provider. Leveraging our technology foundation of “Intelligent Measurement and Control Technology”, we offer products and services tailored for customisation in the industrial sector and personalisation in the consumer sector.

In the industrial sector, we have been specialised in measurement and control technologies for over a decade. We possess comprehensive R&D capabilities from sensing, data acquisition and algorithm analysis to equipment integration. In consumer electronics, automotive and home appliances sectors, we have developed the ability to deliver large-scale non-standard customised equipment and services. We provide comprehensive measurement and control and manufacturing process, as well as value-added services measurement and control data, covering the entire process from design, validation and verification to mass production for our clients’ components and machines.

We achieved steady financial growth during the Track Record Period. FY2023 to FY2025, our revenue grew from RMB698.2 million for FY2023 to RMB1,048.4 million for FY2025, representing a CAGR of 22.5%. During the same period, we recorded gross profit margin of 42.0%, 43.2% and 48.8%, respectively. For FY2023, FY2024 and FY2025, our R&D expenses were RMB98.4 million, RMB144.7 million and RMB168.2 million, respectively, representing 14.1%, 16.8% and 16.0% of our total revenue for each period, demonstrating our strong commitment to sustained R&D investment and continuous enhancement of our core competitiveness.

According to CIC, in terms of revenue in 2024, we are the second largest provider of Chinese consumer electronics PCBA functionality and performance testing equipment and services and we are among the top 10 comprehensive intelligent measurement and control equipment and service solution providers in China under the ODM model.

Based on our flexible manufacturing capabilities accumulated in the industrial sector, we have extended our core technologies to the consumer end since the fourth quarter of 2025, launching a “customer-to-machine” (C2M) flexible manufacturing platform under the brand name of *WowNow*. The C2M platform integrates intelligent-assisted design, flexible production scheduling, and a digital identity system, connecting the entire chain from user demand and creative design to flexible manufacturing, delivery, and service. It supports user-participatory co-creation and small-batch on-demand production, fostering a new “Creation is manufacturing” consumption model and experience. We have recorded revenue of RMB31.8 million from our consumer flexible manufacturing segment in FY2025, marking the first year of commercialisation of our C2M model.

We have established a “Global Distributed Design and Delivery” (GD³) system, comprising six R&D centres in Zhuhai, Guangzhou, Shanghai, Suzhou, the U.S., and Germany, and five manufacturing bases in Zhuhai, Suzhou and Vietnam. Our customers span approximately 20 countries and regions worldwide, earning widespread market recognition. We have received numerous certifications and honors, including National Specialised and Innovative “Little Giant” Enterprise, National Key “Little Giant” Enterprise, and National Intellectual Property Demonstration Enterprise.

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Through relentless effort, we have achieved numerous remarkable accomplishments:

Market position¹	Product strategies	Global operations²
Consumer electronics PCBA functionality and performance testing equipment and service ranking Second in the PRC	Dual-scenario development strategy encompassing industrial- and consumer-grade applications, building a synergistic flexible manufacturing ecosystem	“Global distributed design and Delivery” (GD³) development strategy Business coverage in three major overseas regions 32% of overseas revenue shares
Core technology	Intellectual properties³	R&D layout⁴
“Intelligent measurement and control technology” Major technology foundation	National Intellectual Property Demonstration Enterprise 515 granted and applied patents ³ 109 licensed software copyrights	Six major R&D centres worldwide R&D personnel: 47% of our workforce R&D: investing 16% of our revenue in 2025 in R&D
Management certification	Technology certification	Honor certification
Certified under five major management systems certification, including ISO 9001:2015 quality management system certification	Three major provincial R&D carriers Provincial Enterprise Technology Centre, Provincial Industrial Design Centre, Provincial Acoustics and Mechanics Intelligent Testing Equipment Engineering Technology Research Centre	National Key “Little Giant” Enterprise Guangdong Manufacturing Individual Champion

Notes:

1. Ranking in terms of revenue in 2024, according to CIC;
2. Proportion of overseas revenue in 2025;
3. The number of authorisation and applied patents and licensed software copyrights as at 31 December 2025;
4. The proportion of R&D personnel as at 31 December 2025; the proportion of R&D investment over revenue in 2025.

Our path

PRM 1.0 (2011-2014) Knowledge-driven Development Phase

- 2011 • Our Company was established
- 2014 • We established our subsidiary in Hong Kong
- Tapped into consumer electronic market

PRM 2.0 (2015-2022) Non-Standard Industrial Service Application Development Phase

- 2015 • Our subsidiary in Guangzhou Kejun was established along with Guangzhou R&D Centre
- 2016 • Our subsidiary in Suzhou was established, to expand our business to southern China
- 2017 • Our subsidiary established Quality System Certification
- 2018 • Obtained Guangdong Provincial Engineering Centre Certification
- 2019 • Obtained GB/T29490-2013 Intellectual Property Management System Certification
- 2020 • Our subsidiary in Vietnam was established for exploration into Southeast Asia market
- 2022 • Accredited as National Specialised and Innovative “Little Giant”
- 2015 • Accredited as “High and New Technology Enterprise”
- 2016 • Our subsidiary established to explore U.S. market
- 2017 • Tapped into automotive market
- 2018 • Obtained Guangdong Provincial Enterprise Technology Centre Certification
- 2019 • Obtained the title of National Intellectual Property Outstanding Enterprise
- 2020 • Obtained ISO27001 Information Safety and Confidentiality System Certification
- 2022 • Accredited as National Key “Little Giant”

PRM 3.0 (2023 – present) Flexible Manufacturing Application Development Phase

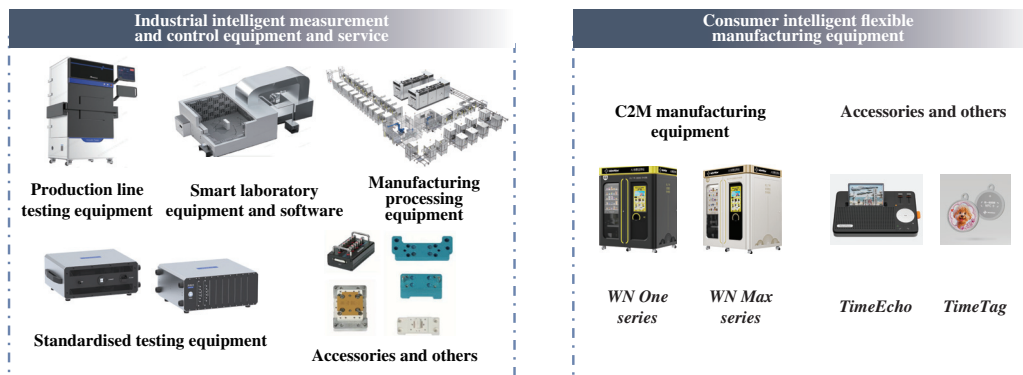
- 2023 • Obtained ISO45001 System Certification
- 2024 • Our subsidiary in Germany was established for exploration into European market
- 2025 • Official launch of the consumer flexible manufacturing equipment
- Obtained Industrial Design Centre Certification in Guangdong Province
- Released the GD’ strategy for global development
- Commencement of operation of our headquarters in Zhuhai
- Accredited as Guangdong National Key “Little Giant” Enterprise
- Commenced development of a consumer flexible manufacturing equipment
- Initiated development of a flexible manufacturing platform for industrial scenarios
- Accredited as Guangdong Manufacturing Individual Champion (consumer electronics PCBA functionality and performance testing equipment)

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Our Businesses and Products

Our businesses and products cover both industrial and consumer scenarios. Based on our technology foundation of “Intelligent Measurement and Control Technology”, we provide industrial intelligent measurement and control equipment and service, and consumer intelligent flexible manufacturing equipment under the C2M model.



- Industrial intelligent measurement and control equipment and service
 - Production line testing equipment: We provide overall production line intelligent measurement and control solutions for customers in consumer electronics, home appliances, and automotive fields. Focused on acoustic, vibration, mechanical, optical, and RF technologies, covering quality control from semi-finished to finished products throughout the entire manufacturing process, ensuring product consistency and reliability.
 - Manufacturing processing equipment: We provide intelligent process equipment full-process solutions and smart manufacturing production line integration services for high-end manufacturing in consumer electronics, home appliances, and automotive industries. Covers key manufacturing steps including precision machining (CNC/stamping/laser cutting), surface treatment (painting/plating), intelligent assembly (mechanical/electronic/connection processes), digital processes (smart CNC/flexible production lines/digital twins), smart logistics (automatic feeding/intelligent sorting), and environmental control (NVH/temperature and humidity/EMC control), helping customers achieve smart manufacturing upgrades.
 - Smart laboratory equipment and software: We provide overall intelligent laboratory solutions, covering smart laboratory construction (performance testing/reliability testing/comfort testing/environmental simulation laboratory), high-end experiment equipment and software, digital laboratory information systems, and data services.
 - Standardised testing equipment: We address general measurement and control needs in consumer electronics, home appliances, and automotive fields by providing standardised, modular, high-precision measurement and control instrument products (including software), covering the acquisition, analysis, and control of signals including acoustic, vibration, mechanical, electronic, and optical.
 - Accessories and others: We offer supporting accessory products including dedicated fixtures, sensor modules, test probes, connectors, and interface adapters for various measurement and control and automation equipment applications, along with equipment installation auxiliary materials, structural parts, and custom components.
- Consumer intelligent flexible manufacturing equipment
 - C2M Manufacturing Equipment: Building on our technological expertise in industrial manufacturing process equipment, we have extended our core capabilities to consumer scenarios, offering consumer flexible manufacturing equipment, or C2M manufacturing equipment, for end consumers. The equipment integrates

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multi-process modules such as CNC engraving, UV printing, and NFC content writing, seamlessly connecting with the user creation platform to enable a new consumption model of “Creation is manufacturing”, meeting the demand for small-batch, personalised customisation. The C2M manufacturing equipment, when deployed, can manufacture customised and personalised products in small batch based on the orders of the C-end users. We offer the C2M manufacturing equipment under the “WN One” and “WN Max” series.

- Accessories and others: In connection with our C2M manufacturing equipment, we offer a series of supporting consumables and accessories, including *TimeTag* (a new cultural and creative product integrating physical objects with digital content), and *TimeEcho* (a dedicated player for reading digital content stored on *TimeTag*). Given that this business segment was newly launched in November 2025, we did not record any revenue from sale of consumables and accessories during FY2025.

Our Global Operations

We officially launched the Global Distributed Design and Delivery (GD³) development strategy in 2024, aiming at building a systematic global business layout and forming an international network covering R&D, manufacturing, and sales, thereby enhancing our brand’s international competitiveness and influence:

- Global R&D Layout: We have established six R&D centres in Zhuhai, Guangzhou, Shanghai, Suzhou, the U.S., and Germany, deploying R&D directions differentiated according to regional industry characteristics and customer needs. The US and German R&D centres precisely cater to the R&D needs of North American and European customers respectively, enhancing service capabilities.
- Global Production Capacity Layout: To meet global customer demands for timely delivery and enhance global supply chain service efficiency and quality, we have manufacturing bases in Zhuhai, Suzhou, Vietnam, radiating across the Pearl River Delta, Yangtze River Delta and Southeast Asia regions respectively. We also plan to set up a manufacturing base in Mexico to radiate across the North American market. This strengthens the construction of localised supply systems, mitigates the impact of geopolitical conflicts, international trade frictions, and other factors, increases risk resilience, and provides flexibility in supply chain management and production capacity allocation.
- Global Market Layout: We place great importance on building a global sales network. We have established overseas subsidiaries in the U.S., Mexico, Germany, and Vietnam, committed to expanding business in North America, Europe, Southeast Asia, and other regions. We have successfully entered the supply chains of numerous renowned domestic and international customers. Our customers are located in approximately 20 countries and regions worldwide. Our notable customers include:
 - Global technology giants: Including world-leading consumer electronics companies and high-end smartphone market leaders; technology enterprises with global influence across search engines, operating systems, online videos, AI and other sectors; technology companies dominating software and cloud computing with robust enterprise service capabilities
 - Top-tier smart electronics manufacturers: Including the world’s largest electronics manufacturing service provider and leading enterprise in the field of high-end precision manufacturing
 - Home appliances industry leaders: Including home appliances groups ranking the first and second in terms of market share in the air conditioner market in the PRC
 - Renowned automotive groups: Including global leading German luxury automakers, major global automotive groups, and numerous top-selling Chinese new energy vehicle brands

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STRENGTHS

1. Exceptional R&D Capabilities to Build a Technological Moat

The smart TMC and intelligent consumer flexible manufacturing equipment and services industries are both composite industries spanning acoustics, mechanics, electronics, optics, and others, characterised by significant interdisciplinary technology integration and multi-industry scenario convergence. On one hand, building a flexible manufacturing system requires combining multiple technologies including measurement and control, digitalisation and intelligentisation, IoT, and industrial internet. Only those with long-accumulated technical experience and continuous innovation capabilities can gain a competitive advantage. On the other hand, downstream application industries like consumer electronics feature rapid technological upgrades and short iteration cycles, requiring us to conduct timely customised R&D, design, production, and testing based on the product technology update iteration needs of downstream customers or end brand manufacturers.

After years of development, we have established six R&D centres in Zhuhai, Guangzhou, Shanghai, Suzhou, the U.S., and Germany, and built our core technology system: “Intelligent Measurement and Control Technology”. Driven by this technology engine, we have created a closed-loop system covering environment perception and control — data acquisition — intelligent analysis — control execution — value feedback, committed to building industrial and consumer intelligent flexible manufacturing platforms. As at 31 December 2025, we had 566 R&D technical personnel, accounting for approximately 47% of our total workforce. We have 422 granted patents (including 92 invention patents) and 110 software copyrights. We actively engage in technical cooperation with colleges and universities including South China University of Technology, and research institutions, leveraging their research strengths and our own brand, capital, and industrialisation advantages. Strong R&D capabilities and a rich IP portfolio have built a solid core technological advantage moat for us.

2. Strong Brand Advantages Established with Leading Customer Ecosystem

Building upon a comprehensive and efficient R&D system and technological accumulation, we possess strong comprehensive competitiveness in key segments including acoustics, vibration, mechanics, and electronic testing. We have established close, stable long-term cooperative relationships and trust barriers with leading customers in the consumer electronics, home appliances, and automotive industries, creating a prominent brand effect globally.

In the consumer electronics industry, we serve as the core testing equipment supplier for market leaders, such as global consumer electronics giants centred on high-end smartphones and technology enterprises with global influence. In the home appliances industry, the performance testing equipment, reliability testing equipment, and comfort testing equipment we develop continuously help customers improve testing processes, enhance test data usability, and reduce testing energy consumption. We have become a major supplier for R&D and production testing for leading enterprises such as home appliances groups ranking top two in terms of market share in the air conditioner market in the PRC. In the automotive industry, based on achieving in-house R&D replacement for key testing modules, we have gradually completed the transition from a single testing equipment manufacturer to a production line system integrator. Our smart laboratory products are also widely used in the automotive industry, and we have established strong partnerships with domestic and international renowned automotive enterprises, including global leading German luxury automakers, major global automotive groups, and numerous top-selling Chinese new energy vehicle brands.

3. Synergy between Industrial and Consumer Scenarios to Build a Flexible Manufacturing Growth Ecosystem

Leveraging our technology foundation of “Intelligent Measurement and Control Technology”, we have extended our flexible manufacturing capabilities accumulated in the industrial sector to consumer scenarios, creating a unique competitive advantage through the synergistic development of both industrial and consumer scenarios.

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In the industrial sector, we have deeply cultivated measurement and control technologies for over a decade, serving the large-scale flexible manufacturing needs of leading customers in consumer electronics, automotive, home appliances, and other industries. We have therefore accumulated extensive engineering experience and established stable delivery capabilities, forming the company’s technological foundation and business cornerstone. In the consumer sector, we have launched the C2M flexible manufacturing platform under the brand name *WowNow*, which integrates intelligent-assisted design, flexible production scheduling, and a digital identity system. This platform connects the entire chain from user demand and creative design to flexible manufacturing and delivery services, realising a new consumption model of “creation is manufacturing”.

The industrial and consumer scenarios are not independent business units, but rather scenario-based extensions built upon the same technology foundation. Industrial capabilities ensure the quality of consumer products, while consumer equipment feedback circles back to empower industrial optimisation, creating a synergistic effect of shared technology, reusable capabilities, and a closed technical loop. In FY2025, we have recorded revenue of RMB31.8 million from our sale of consumer flexible manufacturing equipment, preliminarily validating the feasibility of the “industrial capabilities + consumer scenarios” business model.

Compared to traditional customised equipment manufacturers in the industrial field, we possess the following competitive advantages:

- **Business Model Innovation:** We explore the “Creation is manufacturing” C2M model, open the entire chain from user input, intelligent-assisted artistic and engineering design (CAD/CAM), intelligent process planning, to terminal manufacturing, empowering users to deeply participate in the manufacturing process and forming a new interactive business logic.
- **Interdisciplinary Organisation Capabilities:** We have built an interdisciplinary organisational structure integrating industrial software, mechanisation engineering, intelligent algorithms, industrial design, and content operations, breaking through the traditional “engineering team + project team” structure of equipment companies. This allows us to promote closed-loop optimisation from R&D to user experience.
- **Full-Process Intelligent Capabilities:** We possess a native industrial intelligent technology system. Our platform has full-process capabilities from natural language understanding, engineering modeling, process path planning, to control execution.
- **Platform-Based Architecture:** Traditional equipment companies mostly focus on single-function equipment like UV, 3D printing, or CNC, lacking process integration and system integration capabilities. Based on a platform architecture design, from underlying software to hardware interfaces, from control systems to process modules, we possess multi-process coordination and modular expansion capabilities, adapting to flexible, multi-category manufacturing scenarios.

Compared to intelligent applications in the consumer field focused only on design and marketing, or cultural/creative and trendy toy brands, we possess the following competitive advantages:

- **Industrial-Grade High-End Equipment Manufacturing Capability:** We have the capability and experience for large-scale delivery of customised equipment and services in industrial sectors like consumer electronics, automotive, and home appliances. When extending to C-end business, we naturally possess higher technical performance, quality requirements, and the ability to handle complex production.
- **Full-Process Intelligentisation Coverage:** The intelligent applications in the consumer field are mostly limited to front-end interaction (image/text generation) and cannot cover product manufacturing. Our intelligent system possesses full-process coverage capabilities from natural language understanding, engineering modeling, process planning, to manufacturing execution.

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- **Multi-Category Expansion Capability:** Most market competitors focus on single categories, like blind boxes, dolls, badges, etc., and find it difficult to cross scenes. By building a platform architecture, besides supporting cultural/creative product customisation, we can also expand into customised jewelry, commemorative gifts, smart small items, and functional consumer goods, possessing stronger commercial application and promotion potential.
- **Physical × Digital Integration Capability:** We possess the systemic capability to connect physical products with digital content. By embedding technologies like NFC and dynamic content distribution into customised products and operations, we have built a new human-machine interaction experience. Users can bind personalised pages, dynamic content, social tags, digital collectibles, etc., to customised products, thereby creating social attributes for physical products.

4. Quality Control Capabilities Laying the Development Foundation

We always regard product quality control as the core of our business, and our requirements on product performance and quality remain stringent and higher than industry standards. We fully recognise that the direct impact of the stability, efficiency, and reliability of our products and solutions on the product performance, production efficiency, and brand reputation of downstream customers. We are certified under the ISO9001:2015 Quality Management System. Meanwhile, we have established a professional quality management team, strictly implementing quality management system standards, and have established a complete set of quality control processes.

On the basis of the standard system, we further built a quality assurance system of “Measurement and Control + System + Tooling + Facilities”:

- **With measurement and control technology as root to build “Native Engineering” detection capability:** Benefiting from over a decade of core technology accumulation in measurement and control, we have developed manual or automated testing tools and data analysis systems suitable for multiple scenarios like geometric dimensions and physical parameters, making quality detection more precise and efficient.
- **Self-developed digital intelligence toolkit to create a lightweight digital quality control system:** Our self-developed digital intelligence toolkit is a lightweight extension of large information systems like ERP and PLM, allowing digital penetration into fragmented steps including design, procurement, process, and inspection, achieving data-driven closed-loop quality management throughout the process.
- **Independently designed process tooling and inspection jigs, achieving precision process control:** For customised manufacturing needs involving multiple categories and small batches, we can quickly develop various customised inspection jigs and process tooling, covering functions like automatic positioning, guiding, clamping, and detection, effectively ensuring consistency in the manufacturing process and production efficiency.
- **Based on multi-functional laboratories to be equipped with comprehensive quality control infrastructure:** We have built multi-type laboratories covering functions including functional testing, performance testing, reliability testing, acoustic detection, visual inspection, and environmental simulation, equipped with various precision measurement instruments and equipment, forming an integrated support platform for R&D verification, process debugging, and quality sampling, empowering quality control throughout the product life cycle.

5. Global Layout Enhancing Customer Service Capability

The downstream industries served by our industrial intelligent measurement and control equipment and services, including consumer electronics, feature fast updates, short life cycles, and rapid iteration. Quick response to demands is a key point for winning customers. To this end, we have established a “Global Distributed Design and Delivery” (GD³) system, with subsidiaries in the U.S., Mexico, Germany, and Vietnam, building localised R&D, manufacturing, sales, and service teams in North America, Europe, Southeast Asia, and other

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regions. We have established complete mechanisms for on-time response to customer needs during the solution design phase, production manufacturing phase, product delivery phase, and after-sales service phase, thereby improving service quality, effectively reducing comprehensive operating costs and customer service costs, and increasing customer stickiness. The global business layout can also effectively hedge against geopolitical conflicts and international trade policy risks, enhancing business operational stability.

Furthermore, leveraging the global R&D, production, and sales system built in the field of industrial intelligent measurement and control equipment and services, our consumer intelligent flexible manufacturing equipment and services are expected to achieve rapid promotion globally. Traditional domestic cultural and creative enterprises mostly have manufacturing and channels centred around the local Chinese market, making overseas expansion difficult. Based on our globalised product design, manufacturing, and delivery capabilities in North America, Europe, Southeast Asia, and other regions, we implement a “global theme content + localised production and sales” promotion strategy for consumer intelligent flexible manufacturing equipment and services, actively promoting the applications in overseas retail, scenic spots, museums, brand cooperation, and other scenarios, improving the comprehensive return on investment in global infrastructure resources.

6. Engineer Corporate Culture and Innovation System Adhering to Technology as the Foundation

Since our establishment, we have always adhered to the philosophy of “technology as the driver”. The founding team has a profound engineering background in the field of industrial measurement and control technology, which established the cultural gene of us with technology as its foundation. After continuous development and innovation, we gradually built a dual-wheel drive technology system with “Intelligent Measurement and Control Technology” at its core. In terms of organisational structure, R&D system, and operation management, we highlight a technology-based engineer corporate culture and innovation atmosphere, laying a solid foundation for sustainable innovation:

- **Engineer-Centred Personnel Organisational Structure:** As at 31 December 2025, our R&D technical personnel accounted for approximately 47% of our total workforce, covering multiple technical directions including mechanical, electronic, electrical, software, and industrial design, constituting a professional team structure with engineers as the main force. We have established talent cultivation mechanisms for our engineering talent including school-enterprise joint training, internal mentorship, and project technology sharing exchanges. Engineering technical personnel are involved throughout the entire product lifecycle, playing a core role in plan design, system development, testing verification, project implementation, and other steps.
- **Establishment of High-Level Engineering R&D Centres and Platforms:** We have established six R&D centres in Zhuhai, Guangzhou, Shanghai, Suzhou, the U.S., and Germany, forming an R&D network of “local cultivation + global collaboration”. In addition, we have built multiple innovation platforms including provincial-level engineering technology research centres, provincial-level enterprise technology centres, and provincial-level industrial design centres, along with various laboratories for acoustics, optics, mechanics, materials, environmental simulation, etc., forming a complete engineering R&D support system to meet various R&D needs from components to system-level verification.
- **Engineering Technology Empowering Internal Operations:** We not only apply engineering innovation to external products and services but also actively promote the practice and transformation of engineering technology within internal systems. In R&D design, we independently develop intelligent design assistance tools to improve structural design generation efficiency. In operation management, we develop toolkit based on our own technology to enhance project management and process control efficiency. In production manufacturing, our engineering and manufacturing teams collaborate to optimise manufacturing processes and tools, improving manufacturing efficiency, optimising product quality, and shortening manufacturing cycles. Internal engineering applications demonstrate the important value of the engineer corporate culture in enhancing internal management and operational efficiency.

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STRATEGIES

We will adhere to user needs, uphold the development vision of “empowering everyone to be an innovator” and actively implement the dual-brand development strategy of industrial and consumer flexible manufacturing. We will continuously strengthen our investment in R&D and innovation, deepen our global operational strategy, and enhance talent acquisition and training efforts, so as to establish an industry benchmark for quality control and drive our transformation from an equipment manufacturer to a flexible manufacturing technology platform company, achieving sustainable value growth.

1. Technology platformisation to strengthen the core foundation of flexible manufacturing

We will continue to strengthen and integrate our technology system of “Intelligent Measurement and Control Technology” and drive the evolution of our technological capabilities toward platformisation, building a unified flexible manufacturing technology platform capable of simultaneously supporting both industrial and consumer scenarios.

In the field of measurement and control technology, we will deepen our expertise in core areas such as acoustics, vibration, mechanics, electronics, and optics, maintaining our industry-leading precision measurement and control capabilities to provide quality assurance for industrial-grade customised manufacturing while establishing the foundation for precision in the production process of consumer-grade personalised products. In the field of intelligent technology, we will increase investment in the R&D and application of industrial digitalisation and intelligentisation, promoting the deep integration of digitalisation and intelligentisation with R&D, design, experimental verification, and production and manufacturing. This will, on one hand, empower process optimisation and intelligent inspection in industrial scenarios, and on the other hand, support user creative understanding, assisted design, and automated generation in consumer scenarios.

Through technology platformisation, we strive to achieve three key objectives: The first is the modular encapsulation of technological capabilities, enabling the same core technology to be flexibly adapted to the needs of different industrial and consumer scenarios. The second is the standardised output of R&D achievements, reducing cross-scenario customised development costs and accelerating the iteration and scaling of our consumer business. The third is the continuous accumulation of data assets, forming a self-evolving “technology-data-technology” closed loop where industrial data optimises consumer design, and consumer equipment feedback circles back to empower industrial processes, continuously strengthening the core competitive advantage of synergistic dual-scenario development.

2. Establish a new manufacturing base in eastern China to enhance regional business penetration

After years of dedicated cultivation, we have accumulated a solid foundation of R&D, production, and sales infrastructure in southern China. We plan to build a new manufacturing base in eastern China, which has profound strategic significance for enhancing our business penetration in eastern China:

- Enhancing regional synergy and customer penetration: As a core cluster for consumer electronics, home appliances, and automotive industries, eastern China gathers numerous globally renowned high-tech manufacturing companies and manufacturing enterprises. The establishment of the eastern China base will shorten supply chain distance, reduce logistics costs, and improve our ability to quickly respond to customised client needs and localised services. Furthermore, it will provide more efficient after-sales maintenance, technical support, and other value-added services through a production layout closer to clients, continuously increasing business penetration in eastern China.
- Optimising production capacity layout and supply chain resilience: We plan to expand the production capacity of industrial intelligent measurement and control equipment by establishing a manufacturing base in eastern China, and laying a solid foundation for the subsequent promotion of industrial and consumer flexible manufacturing solutions in the region.

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3. Continuously strengthen multi-level R&D and innovation investment in technical, product, and quality control capabilities

Since our establishment, we have consistently regarded R&D investment as a crucial measure to enhance core competitiveness. We have made substantial R&D investments by upgrading R&D equipment and scientific research conditions, and introducing high-level R&D talents. For FY2023, FY2024 and FY2025, our R&D expenses were RMB98.4 million, RMB144.7 million, and RMB168.2 million, respectively, representing 14.1%, 16.8%, and 16.0% of our total revenue for each period, demonstrating a sustained commitment to high-level R&D input. We plan to introduce internationally advanced R&D equipment and software through our overseas R&D centres in the United States and Germany, while recruiting overseas professional R&D talents, so as to strengthen the establishment of R&D activities and projects that align with cutting-edge industry technological development trends and launch new R&D initiatives. In addition, while relying on internal R&D, we will further deepen our collaboration with universities and research institutions including South China University of Technology, providing an application platform for the industrialisation of research achievements from universities and research institutions.

We will continue to enhance our comprehensive market competitiveness by continuously strengthening our multi-level R&D innovation investment in technical, product, and quality control capabilities. In terms of technical capabilities, we will focus on research in relation to flexible manufacturing technologies and leverage digitalisation and intelligentisation to fully empower our accumulated R&D know-how over years and actively enhance R&D efficiency; in terms of product innovation, we will closely track the evolving customer needs in industrial and consumer and reconstruct traditional multi-scenario vertical solutions based on our proprietary flexible manufacturing platform; in terms of quality control innovation, we will further strengthen the development of intelligent platforms for internal R&D, quality control, production and supply chain processes. These initiatives not only reduce operational costs but also elevate product quality beyond industry standards.

4. Deepen our globalisation operation strategy and strengthen brand reputation and recognition

For FY2023, FY2024 and FY2025, our overseas revenue accounted for 15.7%, 28.4% and 32.5% of our revenue for each period, respectively. Further strengthening the global business footprint and expanding product coverage and brand influence in the global market are our core strategies under the global trade landscape.

We will continue to strengthen the construction of our global R&D, production and sales systems to further expand our international market presence and enhance our local reach and service capabilities for global customers. In terms of R&D, we will further strengthen the establishment of global R&D centres, conducting tailored R&D and design of products and solutions based on the diverse application requirements of customers in various regions, strategically launching products and solutions at different price points, specifications, and suitability for different scenarios; in terms of production, we will adhere to our localisation strategy, continuously promoting the construction and operation of global manufacturing bases and factories, and advancing the production capacity planning and layout of products in regions such as North America, Europe, and Southeast Asia, to reach customers more quickly; in terms of sales, we will further strengthen the construction of our local sales team, recruit overseas sales and marketing personnel, formulate differentiated sales strategies and plans based on the laws and regulations, cultural differences, consumption habits, market competition, and market demand of different regions, and enhance our after-sales service capabilities by establishing offline after-sales service points in North America, Europe, Japan, Korea, and Southeast Asia.

Our consumer-facing C2M flexible manufacturing platform, *WowNow*, has commenced market promotion in CES 2026 (Consumer Electronics Show) held in Las Vegas, the United States in January 2026. We will continue to leverage our localised delivery capabilities across regions such as North America, Europe, and Southeast Asia to implement a “global content + local production and sales” promotion strategy for our C2M business, actively establishing overseas layout in scenarios such as retail, scenic spots, museums, and brand collaboration.

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5. Improve the talent recruitment, training and incentive mechanisms

We attach great importance to the attraction and cultivation of talents, and will continue to build a strong and experienced talent team through various channels. We will continue to attract professional R&D and technical talents in measurement and control, digitalisation and intelligentisation and other fields through competitive remuneration and equity and option incentive schemes. We will also expand our production, sales and management teams to serve our Company’s expansion.

We have established an engineer culture atmosphere of “respecting technology, encouraging originality and rewarding achievements”, creating a creative engineering culture environment. We will build a growth platform for all employees, establish a comprehensive internal training mechanism, and help employees improve their skills and knowledge through professional training opportunities in, among others, technology, industry, market, and management.

OUR PRODUCTS

Overview

Industrial flexible manufacturing

During the Track Record Period, we primarily engage in the design, production and sales of customised smart TMC equipment for industrial customers, including:

1. **Production line testing equipment** — We provide overall production line intelligent measurement and control solutions for customers in consumer electronics, home appliances, and automotive fields. Focused on acoustic, vibration, mechanical, optical, and RF technologies, covering quality control from semi-finished to finished products throughout the entire manufacturing process, ensuring product consistency and reliability.
2. **Manufacturing processing equipment** — We provide intelligent process equipment full-process solutions and smart manufacturing production line integration services for high-end manufacturing in consumer electronics, home appliances, and automotive industries. Covers key manufacturing steps including precision machining (CNC/stamping/laser cutting), surface treatment (painting/plating), intelligent assembly (mechanical/electronic/connection processes), digital processes (smart CNC/flexible production lines/digital twins), smart logistics (automatic feeding/intelligent sorting), and environmental control (NVH/temperature and humidity/EMC control), helping customers achieve smart manufacturing upgrades.
3. **Smart laboratory equipment and software** — We provide overall intelligent laboratory solutions, covering smart laboratory construction (performance testing/reliability testing/comfort testing/environmental simulation laboratory), high-end experiment equipment and software, digital laboratory information systems, and data services.
4. **Standardised testing equipment** — We address general measurement and control needs in consumer electronics, home appliances, and automotive fields by providing standardised, modular, high-precision measurement and control instrument (including software), covering the acquisition, analysis, and control of signals including acoustic, vibration, mechanical, electronic, and optical.
5. **Accessories and others** — We offer supporting accessories including dedicated fixtures, sensor modules, test probes, connectors, and interface adapters for various measurement and control and automation equipment applications, along with equipment installation auxiliary materials, structural parts, and custom components.

We also offer a range of value-added services associated with our equipment to our customers, including R&D, on-site technical support and after-sale services. During the Track Record Period, most of our customers are industrial customers in consumer electronics, automotive, and home appliances sectors, which typically have unique requirements for manufacturing their products up to certain standards or for testing whether their products fulfilling certain quality standards. Our customised equipment is designed to address the unique challenges faced by each customer.

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Consumer flexible manufacturing

We launched our C2M flexible manufacturing equipment and related products in November 2025:

1. **C2M Manufacturing Equipment** — We design, manufacture and sell consumer flexible manufacturing equipment, or C2M manufacturing equipment, which integrates multi-process modules such as CNC engraving, UV printing, and NFC content writing. The C2M manufacturing equipment, when deployed, can manufacture customised and personalised products, primarily *TimeTag*, in small batch based on the orders of the C-end users. We offer the C2M manufacturing equipment under the “WN One” and “WN Max” series.
2. **Accessories and others** — In connection with our C2M manufacturing equipment, we offer a series of supporting consumables and accessories, including *TimeTag* (a new cultural and creative product integrating physical objects with digital content) and *TimeEcho* (a dedicated player for reading digital content stored on *TimeTag*).

The following table sets forth the components of our revenue by product segment and its percentage in terms of our total revenue during the year indicated:

	FY2023		FY2024		FY2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Industrial flexible manufacturing						
Production line testing equipment	298,344	42.7	379,519	44.0	444,714	42.4
Manufacturing processing equipment	224,656	32.2	295,174	34.2	356,002	34.0
Smart laboratory equipment and software	80,883	11.6	111,772	13.0	121,377	11.6
Standardised testing equipment . .	19,655	2.8	10,139	1.2	16,154	1.5
Accessories and others	74,648	10.7	66,348	7.6	78,288	7.5
Consumer flexible manufacturing						
C2M manufacturing equipment . .	—	—	—	—	31,820	3.0
Total	698,186	100.0	862,952	100.0	1,048,355	100.0

Geographical location of our sales

We have an extensive business network in China and around the world. The following table sets out information about our revenue by the geographical location of our customer and its percentage in terms of our total revenue during the year indicated:

	FY2023		FY2024		FY2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Mainland China (excluding special supervision territory)	588,369	84.3	617,986	71.6	707,845	67.5
Offshore						
Hong Kong	972	0.1	194	0.0	25,918	2.5
Special supervision territory in						
China	68,556	9.8	55,298	6.4	90,031	8.6
The United States	5,343	0.8	41,929	4.9	111,070	10.6
Vietnam	17,709	2.5	74,686	8.7	79,376	7.6
South Korea	5,713	0.8	38,648	4.4	—	—
Others ^(Note)	11,524	1.7	34,211	4.0	34,115	3.2
Total	698,186	100.0	862,952	100.0	1,048,355	100.0

Note: Others mainly include Romania, Thailand, Mexico, Malaysia and Indonesia.

BUSINESS

Production line testing equipment

Our production line testing equipment provides comprehensive quality control solutions covering the entire process from components to semi-finished products to finished products for the consumer electronics, home appliances, and automotive industries. By leveraging our testing technologies, we ensure product consistency and reliability, thereby enhancing the overall user experience.

The following table sets out certain examples of production line testing equipment we sold to our major customers:

Products	Description
	<i>Applications</i> Applicable to consumer electronics production lines, including products such as laptops, tablets, earphones, and smart bands particularly in post-SMT testing stations that require high speed, high precision, and high flexibility.
PCBA functional and performance testing equipment.	
<i>Key Features</i> Comprehensive testing capabilities: supporting three core testing functions, i.e. FCT, DFU, and SoC validation, covering the full range of motherboard testing requirements. Precise testing ability: enabling detection of key parameters including voltage, current, frequency, audio, USB communication, and temperature-controlled environment simulation. Independent firmware programming: enabling firmware burning and upgrading to be performed independently via low-level communication protocols, without relying on the operating system of the device under test. Optional temperature control: simulating chip operating temperatures ranging from 16°C to 99°C, ensuring stability validation for system-level chips. Automation integration: seamlessly connecting with production line automation equipment such as robotic arms, enabling efficient and automated testing processes. Information system integration: supporting integration with MES for automatic data collection and full-process traceability.	
	<i>Applications</i> Applicable to consumer electronics, automotive electronics, smart audio and other industries, for mobile phones, tablets, TVs, headphones, car audio and other equipment.
Speaker quality testing equipment.	

BUSINESS

Products	Description
<i>Key Features</i>	
Excellent sound insulation ability: effectively isolating external noise interference with soundproof box with shielding effect of ≥ 50 dB @1kHz.	
High measurement consistency: ensuring stable and reliable acoustic test results with $GRR \leq 10\%$.	
Automatic docking capability: integrating with production lines, robotic arms, and conveyor belts to achieve automatic loading and unloading and beat control.	
Multi-specification compatibility: supporting testing of multiple types of speakers, including headphones, mobile phones, speakers, and automotive speakers.	
Testing software platform: integrating common acoustic analysis algorithms, supporting flexible configuration of test processes, and enabling integration with information systems.	



Applications

Applicable to electroacoustic performance testing of digital microphones in consumer electronics, covering mobile phones, tablets, smart speakers, headphones and other products, assisting in security in audio quality and user experience.

Microphone acoustics performance testing equipment.

<i>Key Features</i>	
Multiple frequency compatibility: supporting 26 PDM clock frequencies, including 0.768MHz to 3.072MHz which are adaptable to different models of digital microphones.	
Flexible voltage adjustment: supplying adjustable voltage ranges from 1.2V to 3.5V, which can cover the testing requirements of various microphone types.	
Excellent sound insulation ability: effectively isolating external noise interference with the sound insulation index of test boxes reaches ≥ 50 dB (@1kHz).	
Strong test consistency: ensuring stable and reliable test results with $GRR \leq 10\%$.	
Brilliant automated docking: integrating production lines, robotic arms and belt lines to achieve automatic loading and unloading and rhythm control.	

BUSINESS

Products	Description
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Applications

Applicable to acoustic performance testing of voice interactive products including smart speakers in consumer electronics, covering key areas including R&D verification and quality control.

Intelligent speaker acoustic performance testing equipment.

Key Features

Wideband coverage : supporting full-band acoustic performance testing from 100Hz to 40kHz, catering to both voice and ultrasound application scenarios.

High test consistency: ensuring data stability during large-scale testing with $GRR \leq 10\%$.

Excellent sound insulation ability: effectively isolating external noise interference with the test chamber with a sound insulation rating of $\geq 50\text{dB}$ (@1kHz).

Brilliant automated docking: integrating production lines, robotic arms, and conveyor belts to enable automated loading and unloading and rhythm control.

Scene reconstruction capabilities: simulating a realistic voice interaction environment for two-way acoustic testing with a built-in artificial mouth module.

Manufacturing processing equipment

We provide manufacturing processing equipment mainly for the automotive sector. Our manufacturing processing equipment provides comprehensive smart manufacturing equipment solutions and production line integration services, covering the entire process of machining, surface treatment, assembly, logistics and environmental control, empowering high-end intelligent manufacturing.

Machining: including CNC machining, lathes, milling machines, grinding machines, drilling, etc.

Forming: including stamping, injection moulding, blow moulding, die casting, spinning, etc.

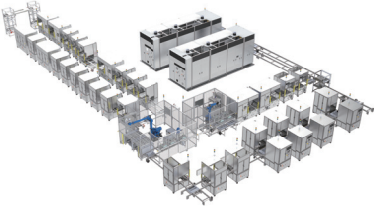
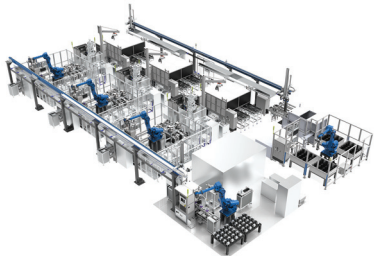
Joining: including welding (arc welding, laser welding, spot welding), fastening (bolts, rivets), bonding, etc

Surface treatment: including electroplating, spray coating, anodising, heat treatment (quenching, annealing), etc.

Special crafts: including laser cutting, waterjet cutting, EDM, ultrasonic machining.

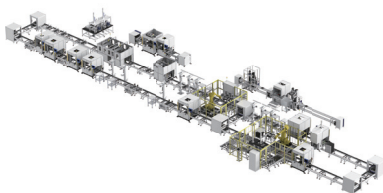
The added value of our Company lies in our ability to integrate these diverse processes with our proprietary testing technology seamlessly. By combining different manufacturing techniques and testing technologies into a cohesive production line, we enhance efficiency, reduce lead times, and improve product quality. The following table sets out certain examples of our manufacturing processing equipment we sold to our major customers:

BUSINESS

Products	Description
 Inverter intelligent assembly testing solutions <i>Key Features</i> Automatic assembly testing: integrating key assembly and testing processes to achieve closed-loop control, ensuring consistency and efficiency. Flexible and compatible design: supporting rapid switching and customisation of inverters on multiple platforms to meet the adaptation needs of different vehicle models. Efficient production rhythm: the entire line rhythm is optimised with the UPH reaching 60 units which meets the needs of fast-paced production lines. High yield rate guarantee: after the whole line is in stable operation, the quality rate remains high, effectively reducing the repair rate and cost. Comprehensive operational efficiency: with OEE $\geq$ 90%, it supports customers to achieve efficient operation of production lines and optimal resource allocation.	<i>Applications</i> Applicable to the manufacturing of new energy vehicle powertrains, covering the automated assembly and testing of core electronic control components including inverters, main control modules, and on-board computers. Its intelligent assembly and testing line for new energy vehicle inverters integrates the entire process, including housing assembly, power module bonding, functional and electrical performance testing, and thermal management evaluation, which improves assembly consistency and testing efficiency, helping customers achieve high-quality, automated production control.
 Intelligent assembly and testing solutions for automotive rotors <i>Key Features</i> Automatic assembly testing: it integrates key assembly and testing processes to achieve closed-loop control and ensure consistency and efficiency. Standard workstation design: it is equipped with 13 standard workstations, supporting modular expansion and convenient maintenance. Efficient production line rhythm: the whole line rhythm is optimised with the UPH reaching 60 units, which is suitable for fast-paced manufacturing. Comprehensive operational efficiency: with OEE $\geq$ 90%, it supports customers in achieving efficient production line operation and optimal resource allocation.	<i>Applications</i> Applicable to the automated assembly and testing of rotors in new energy vehicle drive motors. It covers the manufacturing of core components for various types of electric drive systems in passenger vehicles while the intelligent assembles and tests targeting rotors, a core component of new energy vehicle drive motors, cover key processes including magnet insertion, injection molding, shaft insertion, press-fitting, magnetisation, oil injection, dynamic balancing, and parameter testing. The entire line is highly automated, ensuring assembly consistency and production efficiency to help automotive motor manufacturers build efficient and reliable intelligent production lines.

BUSINESS

Products



Electric drive automated assembly and testing solutions

Description

Applications

Applicable to the automated assembly and testing process of core components including main drive, electric bridge, and electric shaft in the electric drive system of new energy vehicles. It is widely used in the intelligent manufacturing scene of electric drive products and specially designed for the electric drive system of new energy vehicles, which integrates key processes including assembly, press-fitting, tightening, and injection molding, electrical performance testing and EOL testing. To build an automated production line covering the entire process, the system has high flexibility and intelligent capabilities while supporting multi-platform switching and precise process control.

Key Features

Flexible process compatibility: it supports rapid switching and customised production of multi-platform electric drive products, and is suitable for a variety of vehicle models and structures.

Efficient production line rhythm: the entire line cycle reaches 96 seconds, meeting the needs of fast-paced production and delivery.

Comprehensive operational efficiency: with OEE $\geq 90\%$, it achieves high equipment utilisation and production line operation efficiency.

Standard workstation design: it is equipped with 55 standard workstations, supporting modular expansion and convenient maintenance.

Products



Millimeter-wave radar assembly and testing solutions

Description

Applications

Applicable to the automated assembly and testing process of products related to the intelligent driving system of new energy vehicles. It covers multiple types of millimeter-wave radar modules including corner radar, forward radar, cockpit radar, and 4D millimeter-wave radar and is designed for millimeter-wave radar (including corner radar, forward radar, cockpit radar, and 4D millimeter-wave radar) in the intelligent driving system of new energy vehicles, which covers key processes including PCBA burning, FCT, shell assembly, laser welding, dispensing, riveting, lasermarking, airtightness testing, radar calibration and EOL testing. The entire line features a highly automated and flexible design, comprehensively improving assembly consistency and testing efficiency.

Key Features

Automatic assembly testing: it integrates programming, FCT, housing assembly, laser welding, riveting, calibration and other processes to improve consistency and efficiency.

Flexible process compatibility: it supports rapid switching and customised production of multi-platform products including corner radar, forward radar, and cockpit radar.

Efficient production line rhythm: the entire line cycle is ≤ 20 seconds with the UPH reaching 180 units, which meets the needs of fast-paced delivery.

Comprehensive operational efficiency: with OEE $\geq 85\%$, it supports efficient operation of production lines and high equipment utilisation.

Standard workstation configuration: with standard 12-14 workstations, it supports modular expansion and convenient maintenance.

BUSINESS

Products

Description



Intelligent driving domain controller
automatic testing solutions

Applications

Applicable to the automated testing process of core components including intelligent driving domain controller and cockpit domain controller in the intelligent driving system of new energy vehicles, helping to achieve high-quality product delivery and large-scale production verification. Components – domain controllers are built, integrating CANFD communication, in-vehicle Ethernet, FCT, IMU calibration, LVDS, GNSS and EOL and other functional manufacturing and testing processes to build a fully automatic testing process.

Key Features

Automatic testing process: it integrates core product manufacturing processes, creating a closed-loop process to ensure testing consistency and efficiency.

Flexible product compatibility: it supports rapid switching and customised production for multiple platforms, including intelligent driving domain controllers and cockpit domain controllers.

Efficient production line rhythm: the entire line cycle is ≤ 52 seconds, with the UPH reaching 70 units, which meets fast-paced delivery requirements.

Comprehensive operational efficiency: with $OEE \geq 85\%$, it achieves high equipment utilisation and production line operation efficiency.

Standard workstation design: it is equipped with six standard workstations, supporting modular expansion and convenient maintenance.



Automotive knob assembly & testing
solutions

Applications

Widely used in the automated testing of touch-sensitive control knobs, air conditioning adjustment knobs, and various display touchscreens in automotive multimedia entertainment systems. It is suitable for quality verification and functional testing of cockpit components in passenger cars and commercial vehicles and designed specifically for the core human-computer interaction components in automotive multimedia entertainment systems. When systematically integrating multi-dimensional testing capabilities for electrical performance, display, touch, optics, and mechanics, it encompasses testing procedure including communication, electrical parameter testing, screen touch and colorimetry, defective pixel and screen flicker detection, ambient light uniformity testing, knob torque and angle testing, and press feel.

Key Features

Automatic testing process: turntable-type automatic testing covers the entire process and improves test consistency and efficiency.

Flexible process compatibility: it supports quick switching and customised production of knob and touch screen knob products to meet the needs of multi-platform adaptation.

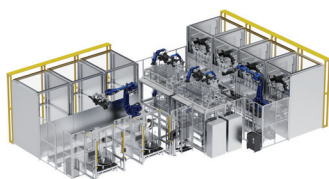
Efficient production line rhythm: the entire line cycle is ≤ 22 seconds, with the UPH reaching 180 units, which meets the demands of fast-paced mass production.

Overall operational efficiency: with $OEE \geq 85\%$, it supports customers in achieving efficient production line operation and optimal resource allocation.

Standard workstation configuration: it is equipped with eight workstations with turntable structure to enable easy maintenance and expansion.

BUSINESS

Products



Production line visual inspection equipment

Description

Applications

Applicable to the production testing of automotive parts castings, including surface defect identification for key structural components including engine housings, suspension structures, and steering systems. It can also be extended to meet the quality inspection needs of complex surface products including interior and exterior trims. It integrates with industrial cameras and intelligent algorithms, supporting automatic identification and classification of multiple defects, including cracks, pinholes, and pores. It is suitable for both online full inspection and offline spot checks on casting production lines. Real-time storage and traceability are also supported in terms of defect data to facilitate quality optimisation and digital management.

Key Features

Flying detection system: the robot linear speed reaches 1000 mm/s with no stopping for taking photos, which meets the needs of high-speed flying photography.

Automatic path generation: it automatically generates robot paths based on product 3D digital models to shorten deployment cycles.

Excellent recognition accuracy: detection accuracy is higher than 0.1 mm, accurately identifying various defects including cracks, pores, and scratches.

Real-time closed-loop detection: with image processing millisecond response, it supports online 100% full inspection improves inspection efficiency.

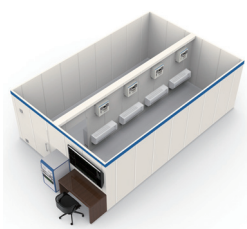
We plan to extend our offerings to consumer electronics and home appliances sectors. We are devoted to developing our proprietary manufacturing techniques to enhance efficiency, precision, and scalability in these industries.

Smart laboratory equipment and software

We provide comprehensive Smart Lab solutions to meet experimental needs of our customers for the testing of the performance, reliability, and comfort of the products or components. This includes laboratory construction (such as environmental simulation laboratory), high-end equipment and software, LIMS systems, and data services.

The following table sets out certain examples of our smart laboratory equipment and software we sold to our major customers:

Products



Reliability laboratory equipment .

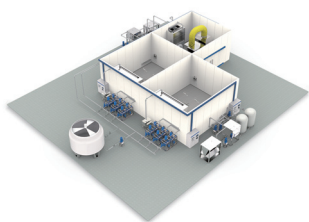
Description

Applications

Applicable to life testing and long-term operation evaluation of durable consumer products including air conditioners, refrigerators, and washing machines, with data support and decision-making basis available for enterprise R&D verification and quality improvement. It is targeted for the running test at the operating temperature (30°C to 55°C) under the general environment of air conditioners, refrigerators, washing machines and other products. It realises continuous monitoring and intelligent analysis of parameters including temperature, pressure, and current through working condition simulation and multi-channel data acquisition to help enterprises establish product design verification and reliability assessment systems.

BUSINESS

Products	Description
Key Features	
	Continuous stability monitoring: 7×24 hours uninterrupted operation is supported to ensure long-term testing needs.
	Flexible task configuration: testing I/O combination definition is supported, allowing for quick adaptation to various testing requirements.
	Multi-dimensional synchronous acquisition: real-time monitoring of multiple parameters are supported including temperature, pressure, and current, as well as linked, multi-dimensional synchronous acquisition and analysis.
	High-frequency data acquisition: the sampling cycle can be as minimal as 2 seconds per time, with high data precision and integrity.
	Real-time data storage: all monitoring data are stored in a real-time database for easy subsequent retrieval and tracing.
	Smart alarm settings: custom threshold alarms are supported with prompt and timely notifications when abnormalities exceed the limit (supporting system notifications, SMS, and emails).
	Rapid industrial communication: based on industrial Ethernet transmission, fast speed is achieved with strong anti-interference ability.
	Data intelligent analysis: built-in data mining and visualisation tools help identify and optimise quality issues.



Performance laboratory equipment

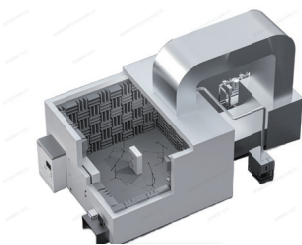
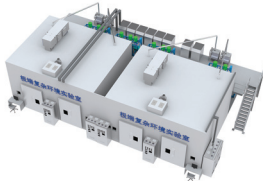
Applications

Applicable to performance testing and quality verification of equipment including air conditioners, heat pumps, and automotive thermal management systems, covering various application scenarios, including R&D verification, factory inspection, and benchmark testing. It utilises the air enthalpy difference method for high testing precision of the cooling and heating performance of thermal management equipment including air conditioners under standard and customised operating conditions. It boasts robust environmental simulation, data acquisition, and automated control capabilities, serving product R&D and quality verification needs in industries including air conditioners, heat pumps, and automotive thermal management, helping companies establish standardised, efficient, and energy-efficient experimental testing systems.

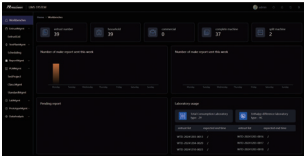
Key Features

- High testing precision:** with the air enthalpy difference method, the measurement error is controlled within $\pm 2\%$ for cooling/heating capacity.
- Strong environmental simulation:** temperatures from -60°C to 70°C and 20% to 98% humidity are supported with covering extreme operating conditions.
- Automated Process:** the testing procedures are conducted in full automation with automated data collection and control systems to improve testing efficiency.
- Repeatable Results:** based on thermodynamic principles and closed-loop control, stable and consistent test results are ensured.
- Wide application adaptability:** testing for multiple types of equipment are supported when covering the conventional cooling/heating capacity demand range.

BUSINESS

Products	Description
	Applications Applicable to noise, vibration, and comfort testing for products in industries including home appliances and automobiles, covering critical scenarios including R&D verification and production quality control. It provides a professional environment for acoustic performance testing of various products, including anechoic chambers, semi-anechoic chambers, and reverberation chambers in addition to supporting customised temperature control to simulate the product’s actual operating environment and meet the acoustic testing needs at different stages.
Comfort laboratory equipment. . .	
Key Features Ultra-low background noise: the noise floor in the semi-anechoic room can be as low as 9 dBA when the full anechoic chamber is able to achieve 0 dBA testing environment for local noise. Manageable environmental conditions: automatic adjustment is optional, supporting for the temperature range of -35°C to 70°C and humidity of 25% to 95%. Automatic test control: full-process interconnection and automatic control are achieved for testing samples, power supplies, working conditions systems, and noise test equipment. Multi-source data analysis: gray correlation analysis is supported in terms of electrical parameters, environment, protocol, and noise data. Intelligent control integration: intelligent control integrates noise, electrical parameters, speed, frequency and environmental parameters.	
	Applications Applicable to the energy storage, air conditioning, automotive and other industries requiring complex environmental simulation in its product testing and R&D processes. Integrating our self-developed control software and hardware, it is a comprehensive testing platform enabling precise temperature and humidity testing as well as extreme environment simulation, air conditioning performance monitoring, thermal runaway safety monitoring, and complex working condition coupling. It can accurately simulate real environmental conditions including high and low temperatures, alternating humid heat, rain, snowfall and light irradiation, meeting the stringent testing requirements of energy storage systems (compliant with new national standards such as GB/T 44026-2024), household, commercial and automotive air conditioners, computer room air conditioners and other products in R&D verification, type testing and quality control. It adopts advanced measurement and control separation technology and an energy-efficient solution. While providing millisecond-level accurate data and ensuring highly repeatable test results, it significantly reduces operating costs, providing critical support for manufacturers to accelerate innovation and for testing institutions to build credibility.
Environmental simulation laboratory equipment	

BUSINESS

Products	Description
Key Features	
Intelligent data and process management: the system automatically schedules test tasks via intelligent algorithms, collects real-time data and generates reports. It adopts full-lifecycle digital management and control technology to establish a fully traceable data chain that meets CNAS/CMA requirements, providing complete evidence for technical compliance for laboratory qualification certification and auditing.	
High precision and wide temperature range: supports wide temperature control from -70°C to +100°C with precise temperature and humidity regulation, achieving temperature accuracy of $\leq \pm 0.1^{\circ}\text{C}$. Optimised algorithms are applied to reduce energy consumption, while dynamic gradient control is supported to simulate extreme environments and reproduce multi-dimensional environmental stresses under extreme climatic conditions.	
Full-scenario environmental simulation capability: it possesses combined climatic and mechanical testing capabilities, supporting alternating damp-heat cycling, IPX5/6 water resistance verification, snowfall simulation and light irradiation testing. Through multi-field coupling technology, comprehensive environmental adaptability evaluation can be completed on a single platform.	
Multi-dimensional monitoring and performance analysis: dual-mode measurement is adopted to accurately obtain core indicators such as EER/COP. A multi-physics field monitoring system is integrated to achieve millisecond-level signal synchronisation. An intelligent diagnostic engine conducts energy efficiency decay analysis and fault identification based on digital twin technology.	
Multi-dimensional safety monitoring & thermal runaway analysis: Monitors gas concentration in real time using advanced detection technologies. A thermal runaway prediction model establishes early warnings based on abrupt temperature changes and gas emission, and provides full-lifecycle data traceability.	
	Applications
LIMS Pro Software	Applicable to the informatisation and intelligent development of corporate laboratories, serving various sectors including industrial manufacturing and quality control, environmental monitoring and protection, education and scientific research collaboration, food safety, and biopharmaceuticals. It is well-suited for scenarios including batch testing, quality control, and compliance audits. It serves the R&D and testing phases of industries including consumer electronics, home appliances, and automobiles, helping companies achieve digital, intelligent, and low-carbon laboratory operations. LIMS Pro is an information management and data analysis system designed for smart laboratory operations, integrating hardware IoT connectivity, operation, process control, quality management and intelligent-assisted decision-making capabilities to achieve intelligent management and control of the entire process from sample management, test execution to report output.
Key Features	
Closed-loop process: sample registration, scheduling, testing, reporting and archiving are covered for creating an efficient and traceable ISO17025 process management system	
Intelligent Assistance: built-in intelligent algorithms support anomaly identification, strategy optimisation and trend prediction to improve decision-making efficiency and data value	
Hardware IoT Connectivity: Modbus, TCP/IP, RS232, CAN and other IoT protocols are supported to easily connect to various types of test equipment	
Flexible configuration: report customisation, permission classification and audit tracking are provided to meet various compliance and management needs	
Multi-terminal deployment: Web, mobile and local clients are supported, adapting to different usage scenarios and IT architectures.	

BUSINESS

Standardised testing equipment

Our experience in and deep understanding of the smart TMC equipment and service industry has helped us to anticipate and adapt to changes in customer demand and market trends. This expertise has driven to our success in the design, R&D of our own equipment which is standardised and ready for use for diverse needs.

The following table sets out certain examples of our standardised testing equipment we sold to our major customers:

Products	Description
 VNS Series – Vibration, noise and stress-strain tester	Applications Applicable to vibration and noise testing, stress-strain analysis, structural mechanical performance evaluation, and PCB manufacturing stress control for consumer electronics, automotive components, home appliances and other products, covering the full-process testing needs from R&D validation to mass production quality inspection. As our core product line in the vibration, noise and stress-strain testing field, it is an integrated solution consisting of high-precision acquisition hardware and the MCM Suite professional analysis software. The hardware integrates 24-bit high-precision acquisition modules, while the software features built-in multi-dimensional analysis algorithms and automated control workflows, enabling one-stop completion from data acquisition to analysis reports while supporting product R&D validation and manufacturing quality control.

Key Features

Software and hardware product system: the high-precision acquisition hardware and MCM Suite professional analysis software work in deep coordination, enabling a one-stop full testing workflow from sensor signal conditioning and data acquisition to multi-dimensional analysis and report generation.

High-precision acquisition core: The entire series adopts 24-bit Delta-Sigma ADC with a dynamic range of up to 118 dB and acquisition accuracy higher than $\pm 0.05\%$, ensuring stable capture of critical data.

Multi-channel synchronisation capability: supports synchronous sampling of up to 64 channels, with a single-channel sampling rate of up to 100 kS/s, meeting the requirements of multi-point distributed testing for complex structural components.

Multi-sensor compatibility: Compatible with various mainstream sensors including IEPE accelerometers, condenser microphones, strain gauges, and pressure sensors, adapting to diverse testing scenarios such as vibration, noise, and stress-strain measurement.

Professional analysis algorithm library: MCM Suite features built-in multi-dimensional analysis algorithms including time-domain, frequency-domain, time-frequency, and order tracking, supporting in-depth feature extraction and engineering diagnostics.

Automated test workflow: Supports customised configuration and automated execution of test processes, improving testing efficiency and data consistency, and can be seamlessly integrated with laboratory management systems such as LIMS.

Flexible product deployment architecture: includes benchtop and portable models to meet different application scenarios such as R&D validation and production line quality inspection. Featuring a modular hardware design, it supports flexible channel configuration and process unit expansion, and can be easily upgraded to adapt to evolving testing requirements.

BUSINESS

Products



AcquiLink System Series – Signal acquisition and analysis system .

Description

Applications

Applicable to R&D validation and automated production line quality inspection of audio devices such as speakers, headphones, microphones, and smart speakers for consumer electronics, automotive electronics, smart home and other industries, as well as multi-channel measurement and analysis scenarios involving acoustics, vibration, noise and other physical quantities, covering the full-process testing needs from design verification to mass production quality control. An integrated solution combining high-precision acoustic and vibration testing hardware with intelligent analysis software, integrating the AcquiLink data acquisition card, AcquiSense Studio software testing platform, and Acqira intelligent analysis platform to support R&D validation and automated production line quality inspection.

Key Features

Software and hardware integration: it integrates the AcquiLink high-precision signal acquisition hardware in enhanced coordination with the AcquiSense Studio software platform and the Acqira intelligent analysis platform, completing the entire acoustic testing workflow in one stop, from signal excitation and data acquisition to intelligent analysis and report generation.

High-precision acquisition core: with 24-bit acquisition accuracy, 118 dB dynamic range, and THD+N as low as -111 dB, it supports multiple sampling rates from 44.1 kHz up to 192 kHz, covering the full frequency range required for acoustic testing.

Multi-channel integrated design: a single unit integrates 10 analogue input channels (including 2 DC channels) and 8 analogue output channels (including 2 power amplifier channels). It supports IEPE, AC/DC coupling, and 0 dB/20 dB gain adjustment, simplifying the test chain and improving system integration.

Power amplifier driving capability: built-in 2×10 W power amplifier output channels with impedance measurement, enabling direct driving of speakers and other devices under test without external amplifiers.

Natural language interaction: it supports configuration of test tasks and acquisition processes via voice or text, greatly lowering the barrier to professional software operation and improving testing efficiency.

Automated test workflow: it supports customised and automated execution of test flows, with seamless integration into production MES systems to meet high-throughput mass production quality inspection requirements.

Collaboration and sharing mechanism: it enables online viewing, commenting, permission management, and cross-team sharing of test data and reports, enhancing collaboration efficiency across R&D, testing, and production functions.

BUSINESS

Consumer Flexible Manufacturing Platform (*WowNow*) and Equipment

Leveraging our over-a-decade technological and know-how accumulation in industrial-grade testing and manufacturing processing equipment, along with our in house R&D capabilities in multimodal content generation and intelligent engineering modeling, we officially launched our consumer flexible manufacturing platform (*WowNow*) to the market in the fourth quarter of 2025. This platform aims to address the pain points of traditional personalised customization, namely, difficulty in small-batch production, high costs and long lead times, by enabling consumers to directly participate in product creation and manufacturing through the C2M (Consumer-to-Machine) model, realizing a new consumption experience of “Creation as manufacturing”. According to the CIC Report, the customer-to-machine (C2M) model represents a groundbreaking approach to consumer engagement and manufacturing.

Platform structure and core elements

The platform (*WowNow*) consists of four core elements, together connecting the entire chain from the demand of C-end users and creative design to flexible manufacturing and delivery services:

- (1) **User creation platform:** An online creative platform, owned and operated by our business partner — for which we provide core technology modules and services. The platform integrates third-party multimodal models, supporting functions which enable user to express their creativity through natural language, image uploads, and voice input. The platform can intelligently generate 2D creative design patterns and image and, by utilising our self-developed technologies, automatically convert them into industrial 3D models and CAM processing codes, achieving end-to-end transformation from inspiration to manufacturable files.
- (2) **C2M manufacturing equipment:** Being the core hardware which functions as the manufacturing aspect of the platform, the C2M equipment integrates multiple manufacturing process modules and NFC content writing. It can fully and automatically invoke corresponding processes to complete the machining of customised products. We offer the equipment under the “WN One” (equipped with single work desks) and “WN Max” (equipped with dual work desks) series. It is specifically designed for small-batch production of customised and personalised products, such as *TimeTag*. As such, consumers are allowed to input their customisation requirements through the user creation platform and complete the production of consumer goods swiftly.
- (3) **Digital identity system:** A unique digital identity can be assigned to each customised product manufactured by C2M equipment. *TimeTag*, being the customised products, serves as the digital carrier of the *WowNow* platform. During customisation, users can elect to couple digital content (e.g. text, images) to their customised products through an embedded NFC chip. C-end users can access such digital contents by tapping NFC-embedded *TimeTag* with their mobile phones or *TimeEcho*, a dedicated player in the ecosystem for reading digital content stored on *TimeTag*, enabling a connection between the physical product and the digital world, creating a new “physical + digital” interactive experience.
- (4) **Accessories and others:** We offer *TimeTag*, *TimeEcho* and a series of ancillary consumables around the C2M equipment and manufacturing processes, including substrates, UV printing materials, and CNC cutting tools. *TimeTag* enables the tangible presentation of user creations and the coupling of digital content, forming a complete business loop of “equipment + consumables + accessories + content + service”. Given that this business segment was newly launched in November 2025, we did not record any revenue from sale of consumables and accessories during FY2025.

BUSINESS

The following table sets out the applications and key features of our flexible intelligent manufacturing equipment:

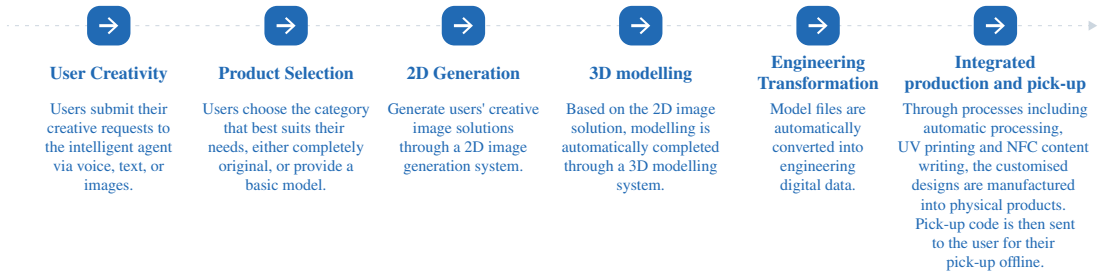
Product	Description
	Applications It is applicable to distributed production scenarios where consumers need to customise their products, especially for customised manufacturing needs from single items to small batches. The equipment can be deployed in indoor and outdoor locations including community businesses, retail stores, scenic spots, universities, and airports. It is a comprehensive intelligent processing equipment designed for C2M mode with various process capabilities including CNC precision carving, UV printing, automatic storage and retrieval and modular production scheduling in addition to supporting small batch customised production. The equipment is equipped with self-developed industrial intelligence to realise equipment status perception, task automation scheduling and full-process intelligent control.

C2M flexible manufacturing equipment

Key Features

- Intelligent-assisted creation:** equipped with self-developed dialogue engine and image generation model, it enables users to complete design via natural language, automatically converts 2D images into industrial-grade 3D models and CAM machining codes, significantly lowering the creation threshold.
- Multi-process integrated manufacturing:** it integrates three core process modules: CNC precision engraving, UV printing, and NFC content writing. It supports automatic loading/unloading, intelligent tool change, and process parameter identification, meeting the needs of small-batch personalized customization.
- Integration of Digital Content:** it supports writing digital content such as images, text, audio and video into *TimeTag*. Users can unlock dynamic experiences by tapping with mobile phones or machines under *WowNow* ecosystem.
- Distributed deployment & intelligent scheduling:** it is equipped with a self-developed industrial agent, enabling automatic task scheduling, equipment status perception, and full-process intelligent control. It can be flexibly deployed in retail stores, scenic spots, communities and other locations, supporting remote operation & maintenance and multi-terminal collaboration.
- Modular & scalable design:** it adopts a modular design, allowing expansion of process modules according to scenario requirements; the software supports remote updates and process library expansion, with upgradability and scenario adaptability.

The diagram below illustrates how the C2M manufacturing equipment and user creation platform work to complete the customised production:



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Apart from offering customised designs, the NFC technology is also integrated for quick access to digital content that captures and celebrates personal memories and connections, allowing our products with the capability for “emotional socialisation.”

Set out below are some examples of customised products that are available for production through our C2M manufacturing equipment:



According to the CIC Report, there is a growing demand for personalised items and small-batch customised products in the PRC. To capitalise on this trend, our initial focus will be on addressing the customisation needs of individual consumers within the cultural and creative industries, trendy collectibles, and the cultural tourism sector. We plan to cooperate with business partners to strategically locate our flexible intelligent manufacturing equipment in high-traffic areas such as universities, shopping malls, airports, tourist attractions, and exhibition halls, making it easily accessible to consumers. The customised products produced not only embody the attributes of cultural and creative crafts but also offer social attributes, creating a more engaging experience for consumers.

RESEARCH AND DEVELOPMENT

Since our establishment, we have been carrying out in-house R&D to cope with the fast-changing demands of our customers amid constant technological advancement in the industry. We have built a global distributed R&D system, establishing six R&D centres in Zhuhai, Guangzhou, Shanghai, Suzhou, the United States, and Germany, deploying R&D directions differentiated according to regional industry characteristics to meet the precise R&D needs of customers in North America, Europe, and Asia. Additionally, we have entered into industry-academia-research partnerships with Kunming University of Science and Technology and Guangdong Academy of Sciences Zhuhai Industrial Technology Research Institute in 2024, to jointly advance innovation in intelligent abnormal sound detection technology for consumer goods.

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As at 31 December 2025, we had a total number of 567 R&D personnel, representing approximately 47% of our total workforce and covering multiple professional and technical fields including computer science, electrical engineering, electronic engineering, mechanical engineering, software engineering, and industrial design. With our solid R&D capabilities, we are able to provide designs and products based on market trends, as well as deliver tailor-made product development services for our customers who require customised products.

For FY2023, FY2024 and FY2025, our R&D expenses were RMB98.4 million, RMB144.7 million and RMB168.2 million, respectively, representing 14.1%, 16.8% and 16.0% of our total revenue for each period, demonstrating our strong commitment to sustained R&D investment and continuous enhancement of our core competitiveness.

As at the Latest Practicable Date, we had 422 registered patents, of which 92 are invention patents. We also possessed 110 registered software copyrights. Meanwhile, our R&D and production innovation capabilities have been recognised by the industry and the relevant government authorities, which includes National Key “Little Giant” Enterprise (國家級重點“小巨人”企業) designated by the Ministry of Industry and Information Technology of the PRC (中國工業和信息化部) in 2024, National Specialised and Innovative “Little Giant” Enterprise (國家級專精特新“小巨人”企業) designated by the Ministry of Industry and Information Technology of the PRC (中國工業和信息化部) in 2022, and Intellectual Property Advantage Enterprise (國家知識產權優勢企業) designated by National Intellectual Property Administration (國家知識產權局) in 2019. For further information, see paragraphs headed “Awards and Recognition” in this section below.

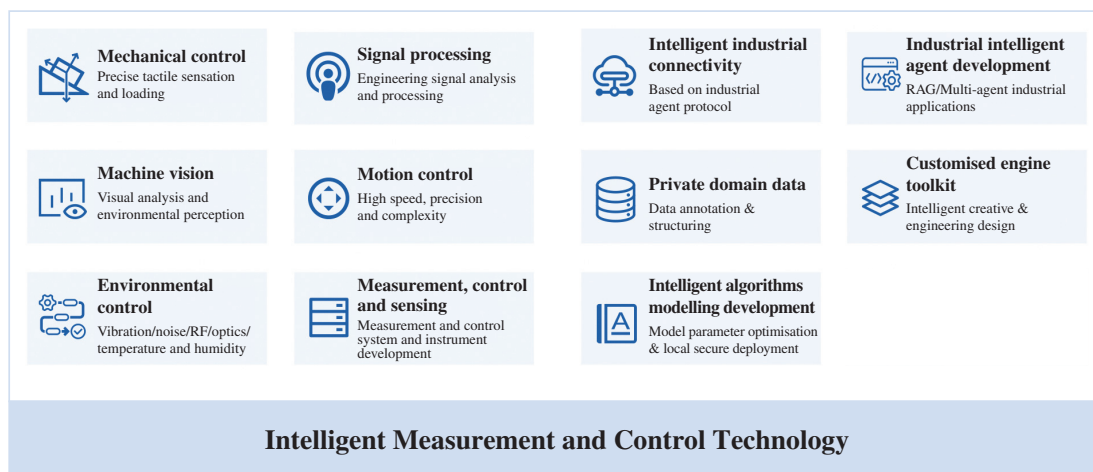
R&D process

We categorise our R&D initiatives into three main areas, namely (i) technology research; (ii) product development; and (iii) system integration.

Technology research

Technology research is the core foundation of our technological accumulation. Focusing on the technology system of “Intelligent Measurement and Control Technology”, we continuously build technologies around key areas such as measurement and control of vibration and noise testing, optical and mechanical testing, and electronic testing. At the same time, we have accelerated the integration of digitalisation and intelligentisation in engineering design, manufacturing process, testing, and operation and maintenance processes, promoting the structured accumulation of engineering knowledge and automated implementation through a data-driven approach. Additionally, we are building a knowledge graph tailored to the industrial sector, providing foundational support for standardised product development and system integration, thereby strengthening the intelligent foundation of future flexible manufacturing platforms.

The diagram below sets out the fundamental technologies used in our products:



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Product Development

Product development is the engineering, standardisation, and commercialisation extension of our technological capabilities, dedicated to transforming core technological achievements into versatile and flexible software and hardware products. On the software side, we developed core application modules including the MCM Suite testing platform and intelligent LIMS system; on the hardware side, we focus on modular products such as measurement and control instruments, electronic modules, and environmental control units. Product development emphasises standard interface design and modular architecture, facilitating rapid deployment and cross-scenario adaptability.

System integration

System integration is a key capability for us to customise solutions based on the needs of different industry scenarios, primarily focusing on the engineering requirements of clients in the consumer electronics, automotive, and home appliances sectors during product development, testing validation, and manufacturing quality control stages. We formed multi-level comprehensive solutions ranging from production line testing equipment and manufacturing processing equipment to smart laboratory equipment and software. In recent years, we prioritised the construction of flexible manufacturing capabilities driven by “intelligent measurement and control technology” enhancing the efficiency, energy-saving, and consistency of equipment. Additionally, we established a complete project delivery and operation and maintenance system, achieving a full lifecycle closed loop from deployment to service, and comprehensively supporting clients’ engineering innovation and manufacturing upgrades.

These three streams of projects are intricately interlinked and frequently occur simultaneously. The technology research projects focus on developing new technologies and innovations, and the product development projects focus on developing new products based on the outcome of the technology research projects. Both of them can be subsequently integrated into the system integration projects after reaching certain maturity to create new products catering the specific needs of our customers. As new technologies and new products are developed and used in our system integration projects, feedbacks can be obtained from our customers leading to further technological advancements.

Recent R&D Focus

During the Track Record Period and up to the Latest Practicable Date, we undertook a total of 148 R&D projects, 106 of which have been completed. We adjust our R&D focus based on the latest industry trends and projected growth areas from time to time. Our recent R&D focus lies on the following aspects:

- *AI technology research:* industrial and consumer AI agents, AI-assisted design and manufacturing, private domain data modeling and industry-specific semantic knowledge construction
- *Precise TMC technology research:* Multi-physics environmental control, acoustic & tactile perception technology, machine vision & intelligent inspection
- *Product development:* upgrade of intelligent laboratory platforms, consumer C2M platform (WowNow) upgrade, industrial flexible manufacturing platform upgrade, and series development of measurement, control & environmental control modules

BUSINESS

OUR PRODUCTION

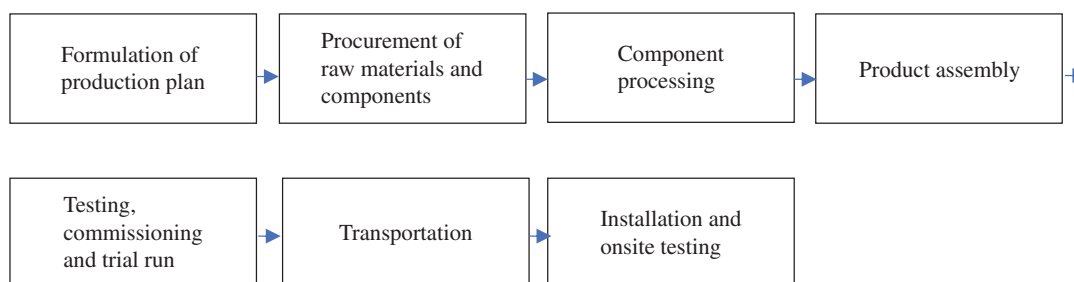
Production Process and Planning

Smart TMC Equipment

We primarily adopt a sales-driven production model for our customised smart TMC equipment for industrial customers. Due to significant differences in customers’ application scenarios, functional characteristics, technical parameters, and operational convenience regarding intelligent testing and manufacturing equipment, the equipment produced by us typically exhibit non-standardised features. Throughout the years of our operation, we have made substantial investment in building our flexible manufacturing R&D, manufacturing and services system, which is characterised by its ability to adapt to changes in the type and quantity of products being ordered by our customers. Depending on the customers’ requirements on our products, we will formulate a production plan taking into account factors including (i) our production capacity; (ii) availability of raw materials; (iii) level of our product inventories; (iv) quantity required under the orders; and (v) the level of technological complexity involved in production.

Under the sales-driven production model, our production is typically project-based. After a sales contract is signed, a project management team, involving our R&D staff and manufacturing staff will be formed to formulate a manufacturing plan based on the specifications in the contract.

The following diagram illustrates the production process of our smart TMC equipment



Generally, our manufacturing process under this model can be categorised into the following steps:

Formulation of production plan: Based on the customer’s technical specifications and contract details, our product management team will formulate a blueprint and its relevant production plan that fits our overall manufacturing planning while meeting the delivery timetable.

Procurement of raw materials and components: The principal raw materials and components we procure include non-standard components, standardised components and basic materials. We process raw materials and components either in-house or through suppliers according to our designs and technical specifications. See paragraph headed “Our Suppliers” in this section for further details.

Component processing: We conduct component processing, for example, CNC finishing, drilling, milling, grinding and wire drawing, electrical discharge machining, terminal crimping, etc. We may engage third party for component processing.

Product assembly: Different parts and components are assembled and integrated to form the final products.

Testing, commissioning and trial run: We will conduct rigorous testing and commissioning to detect potential defects and take remedial measures before delivering our product to a customer.

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Transportation: The final products are delivered to our customers by third party logistics service providers.

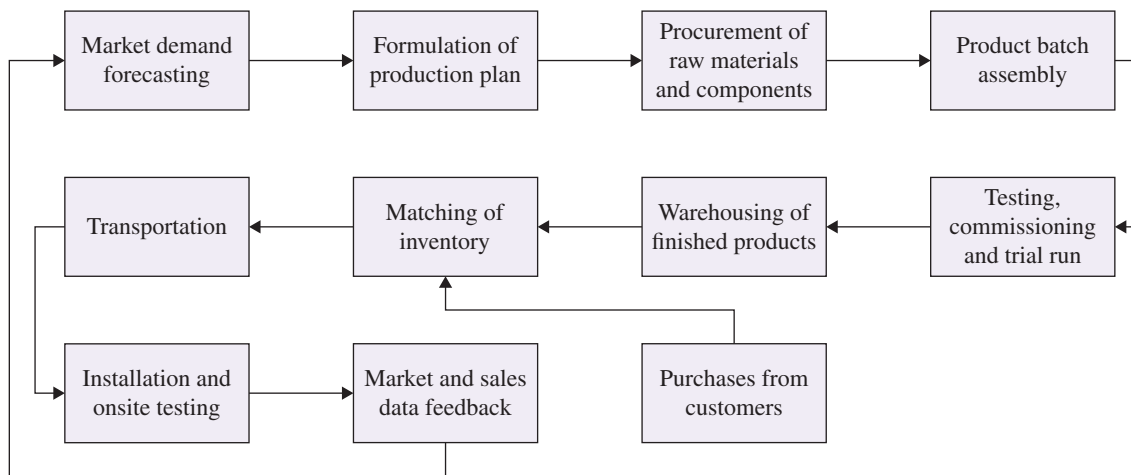
Installation and onsite testing: We will install and test our equipment on our customers’ premises and connect to the rest of the customer’s plant in accordance with our customer’s requirements. We also provide training to the customer’s employees in order to ensure the proper and efficient use of our products and solutions.

C2M Manufacturing Equipment

We are also gradually expanding our production capabilities to C2M manufacturing equipment, for which we primarily adopt a make-to-stock production model. Under this production model, our production is forecast-driven and batch-based. We first conduct an analysis and forecasting of market demand, before formulating a production plan based on the forecast data.

The C2M production model enables us to meet demands from both C-end users and channel partners for rapid product delivery, while also allowing for effective cost control and economies of scale by spreading fixed productions costs over a larger output and by optimising supply chain procurement. Furthermore, it helps smooth out production fluctuations by maintaining a high level of production capacity utilisation and enables stronger quality control with more stable product quality.

The following diagram illustrates the production process of our C2M manufacturing equipment:



Generally, our manufacturing process for C2M equipment can be categorised into the following steps:

Market demand forecasting: We will perform quantitative analysis based on historical sales data, industry growth rates, competitor analysis, and search engine/social media trends, combined with qualitative adjustments that take into account upcoming marketing activities such as new product launches and major promotion campaigns, to determine the market demand for our products.

Formulation of production plan: Based on the market demand forecast data, our product management team will formulate a blueprint and its relevant production plan that fits our overall manufacturing planning while meeting the delivery timetable.

Procurement of raw materials and components: Same as the sales-driven production model above.

Product batch assembly: Different parts and components are modularly assembled and undergo trial runs, followed by final assembly to form the final products.

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Testing, commissioning and trial run: We will conduct rigorous testing and commissioning to detect potential defects and take remedial measures.

Warehousing of finished products: Based on results of outgoing quality control, we will arrange for the qualified products to be warehoused in our inventory.

Matching of inventory: Upon receiving orders from or entering into contracts with our channel partners, we will match the corresponding products in our inventory according to contract specifications and requirements.

Transportation: Same as the sales-driven production model above.

Installation and onsite testing: Same as the sales-driven production model above.

Market and sales data feedback: Our market and sales data feedback will then drive our market demand forecasting.

To ensure the quality of our final products, we have integrated relevant quality inspection stations into each production line. For details, see paragraph headed “Quality Control and Management” in this section.

Our Manufacturing Bases

As at the Latest Practicable Date, we have various manufacturing bases in the PRC and Vietnam for our production, with selected information as follows:

	Production facility	Year of establishment	Total Gross Floor Area	Major operations during the Track Record Period
1. . . .	Zhuhai Manufacturing Base	2016	10,129 sq.m. (Since establishment) 26,087 sq.m. (Since 2023) ^(Note 1)	Production line testing equipment in consumer electronics sector; smart laboratory equipment in home appliances and automotives sectors; standardised testing equipment; C2M manufacturing equipment
2. . . .	Suzhou Xingpu Road Manufacturing Base	2025	14,820 sq.m.	Manufacturing processing equipment in automotives sector
3. . .	Suzhou Anzhi Street Manufacturing Base	2022 ^(Note 2)	12,641 sq.m.	Production line testing equipment and manufacturing processing equipment in automotive sector
4. . . .	Suzhou Lansheng Road Manufacturing Base	2020	6,068 sq.m.	Production line testing equipment in consumer electronics sector
5. . .	Vietnam Manufacturing Base	2023	4,136 sq.m.	Production line testing equipment in consumer electronics sector

Notes:

1. In 2023, we acquired a parcel of land in Zhuhai City as our headquarters. Upon completion of construction in the same year, we relocated our Zhuhai Manufacturing Base to our headquarters.
2. Since December 2024, we ceased the operation in Suzhou Anzhi Street Manufacturing Base. In March 2025, we commenced a renovation project in Suzhou Anzhi Street Manufacturing Base which was completed in May 2025.

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Set forth below is a photo of our Zhuhai Manufacturing Base:



Since we adopted a sales-driven production model with customisation features for our industrial flexible manufacturing segment, the equipment we produced differs in size, design plan and specification, and hence the type, materials and specification of equipment involved in each contract vary on a case-by-case basis. Our main production process are labour intensive that involves the welding and assembling of materials, parts and components into finished products by our production workers. Our Directors consider it difficult to accurately estimate our production capacity as well as utilisation rate of our production capacity by units or volume of production output during the Track Record Period. Various factors, such as customers’ demand and our production schedule, may affect the utilisation rate of our production facilities.

Expansion plans

Eastern China

We intend to establish our new manufacturing base of approximately 20,000 sq. m. in eastern China, which will focus on the manufacturing of flexible intelligent customisation equipment and smart laboratory equipment.

Timetable

Below are the key stages and expected timeline for setting up our manufacturing base in eastern China:

Key stage	Expected timeline
Acquisition of land as our eastern China manufacturing base	Second quarter of 2026
Completion of construction of our eastern China manufacturing base	Fourth quarter of 2027
Commencement of production in our eastern China manufacturing base	Third quarter of 2028

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Allocation of capital expenditure

Below is our planned allocation of capital expenditure for establishing our eastern China manufacturing base:

Use	Expected capital expenditure (RMB'000)	%
Land acquisition cost.	15,000	7.1
Construction and renovation	170,000	81.0
Acquisition and installation of machines and equipment	25,000	11.9
Total	210,000	100

Mexico

In addition, we plan to set up a manufacturing base in Mexico targeting our sales to the U.S. market. As at the Latest Practicable Date, we have entered into a lease with an Independent Third Party under which we rented a property located in Mexico with rentable area of approximately 1,300 sq.m. We expect to complete the renovation of the Mexico property in 2026 and commence production in our Mexico manufacturing base in the first quarter of 2027.

Machineries and equipment maintenance

As at the Latest Practicable Date, we owned a diverse range of production machineries and equipment which are material to our production process. The material machineries and equipment include high-speed micro-machining centre, circuit board CNC drilling machine, full/semi-anechoic chamber, Fanuc small machining centre, CNC machining centre, CNC machine tool.

We generally acquire equipment and machinery from domestic third-party suppliers. Our Group conducts regular maintenance on our machinery and equipment, including checking for normal wear and tear, and proper functioning of the machinery and equipment.

Our major production machineries and equipment generally have useful lives of approximately five to 10 years. In determining the useful life and residual value of our production machineries and equipment, we consider various factors, such as changes in market demand, production process and techniques and expected usage of the production equipment and machineries. The estimation of the useful life of production equipment and machineries is generally based on our experience with similar production machineries and equipment that are used in a similar way. We shall replace the production machineries and equipment when we deem appropriate, taking into account the condition and efficiency of the machineries and equipment and whether new machineries and equipment are required in view of new technology. We did not experience any material or prolonged interruptions to our production process due to equipment or machinery failure during the Track Record Period.

QUALITY CONTROL AND MANAGEMENT

Our quality control department is responsible for monitoring and examining every process of our product design, procurement, production, packaging and transportation. Any inaccuracies spotted would be timely reported such that appropriate measures can be taken promptly to rectify the inaccuracy and ensure timely delivery of our ordered products. In order to achieve consistently high quality control standards, we have a quality control department comprising 10 members in our PRC and overseas production facilities as at 31 December 2025. Our key quality control measures are as follows:

Product design. We leverage the R&D outcomes driven by the technical needs of the customers’ unique requirements to prevent design defects and quality issues during the product design.

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Inspection of raw materials	We maintain a list of qualified suppliers and we generally purchase raw materials only from selected qualified suppliers which fulfil our requirements, taking into account factors including, among others, market reputation, licence and qualification. We require our suppliers to provide quality inspection reports for each batch of important raw materials for our production. Our incoming quality control (IQC) requires our staff to conduct sample check on each batch of the raw materials in accordance with our internal guidelines and maintain a record for the inspection, including the inspection of appearance, structure, dimensions and performance of the raw materials.
Production quality control	Our in-process quality control (IPQC) policy requires our staff to strictly monitor each step of our production process to ensure it meets our quality control requirements. We conduct first-article inspections before mass production or after significant changes such as equipment upgrades, design modifications, or process adjustments, with at least two prototype units tested for compliance with material, appearance, functionality, and packaging standards. Any identified defects are immediately flagged, and corrective actions are implemented in accordance with our internal protocols.
Finished products quality control	Our outgoing quality control policy requires us to conduct quality check on our products before packaging. Such quality check primarily focuses on product appearance, function, safety and sterilisation conditions.

In recognition of our efforts on maintaining quality control and management, we have been accredited with ISO9001: 2015 and our environmental management system is also ISO-certified with ISO14001: 2015. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant quality defects or product claims, refunds or returns from our customers in respect of our products which would have a material impact on our business, financial condition or results of operations.

OUR CUSTOMERS

In our industrial flexible manufacturing segment, we operate mainly through ODM business model. Our industrial customers mainly comprise leading manufacturing enterprises in the fields of consumer electronics, automotive, and home appliances.

Since FY2025, through our C2M flexible manufacturing platform *WowNow*, we commenced serving C-end users, delivering a personalised consumption experience of “Creation is manufacturing”. Currently, we predominantly operate under the channel partnership model and plan to gradually explore the direct operation model.

Our major customers

For FY2023, FY2024 and FY2025, our revenue from our five largest customers accounted for RMB387.5 million, RMB404.7 million and RMB509.2 million, representing 55.5%, 46.9% and 48.6% of our total revenue during the same period. During the same periods, the revenue from our largest customer amounted to RMB142.0 million, RMB128.3 million and RMB185.9 million, respectively, accounting for 20.3%, 14.9% and 17.7% of our total revenue, respectively.

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The following table sets forth our five largest customers for the years indicated:

Ranking	Customer	Major Products sold	Revenue ^(Note 10) (RMB'000)	% of total revenue	Typical credit term	Calendar year of commencement of business relationship
FY2023						
1.	Customer A ^(Note 1)	Production line testing equipment	141,983	20.3%	90 days	2017
2.	Customer B ^(Note 2)	Manufacturing processing equipment	100,363	14.4%	30 days	2018
3.	Customer C ^(Note 3)	Production line testing equipment	62,152	8.9%	60 days	2018
4.	Customer D ^(Note 4)	Production line testing equipment	47,712	6.8%	Not specified	2014
5.	Customer E ^(Note 5)	Manufacturing processing equipment	35,281	5.1%	30 days	2022
Total: . .			387,490	55.5%		

Ranking	Customer	Major Products sold	Revenue ^(Note 10) (RMB'000)	% of total revenue	Typical credit term	Calendar year of commencement of business relationship
FY2024						
1.	Customer A ^(Note 1)	Production line testing equipment	128,290	14.9%	90 days	2017
2.	Customer F ^(Note 6)	Production line testing equipment	90,374	10.5%	90 days	2018
3.	Customer G ^(Note 7)	Manufacturing processing equipment	72,215	8.4%	30 days	2022
4.	Customer B ^(Note 2)	Manufacturing processing equipment	58,049	6.7%	30 days	2018
5.	Customer C ^(Note 3)	Production line testing equipment	55,801	6.5%	60 days	2018
Total: . .			404,729	46.9%		

Ranking	Customer	Major Products sold	Revenue ^(Note 10) (RMB'000)	% of total revenue	Typical credit term	Calendar year of commencement of business relationship
FY2025						
1.	Customer F ^(Note 6)	Production line testing equipment	185,929	17.7%	90 days	2018
2.	Customer A ^(Note 1)	Production line testing equipment	146,048	13.9%	90 days	2017

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Ranking	Customer	Major Products sold	Revenue ^(Note 10) (RMB'000)	% of total revenue	Typical credit term	Calendar year of commencement of business relationship
3.	Customer C ^(Note 3)	Production line testing equipment	92,682	8.8%	60 days	2018
4.	Customer H ^(Note 8)	Production line testing equipment	44,466	4.2%	45 days	2017
5.	Customer I ^(Note 9)	Laboratory measurement and testing equipment	40,051	3.8%	Not specified	2016
Total: . .			509,175	48.6%		

Notes:

- (1) Founded in Taiwan in 1974, Customer A is currently operating over 40 plants in mainland China, and is the world's largest intelligent electronics manufacturing service provider, ranking first globally in the electronics manufacturing services (EMS) field according to the annual ranking report released by Market Metrics.
- (2) Customer B was established in 1986, and is a Chinese automotive conglomerate that owns a diverse portfolio of automotive brands. It has been listed among Fortune Global 500 (ranking 155th in 2025), with manufacturing bases spread across China and various overseas countries.
- (3) Customer C was established in 1988 and listed on the Taiwan Stock Exchange in 1999. It ranks among the Fortune Global 500 companies (ranking 348th in 2025), and is the world's leading company in research, development and manufacturing of notebook computers and also a premier cloud computing solutions provider.
- (4) Customer D was established in 1991 and listed on the Shenzhen Stock Exchange in 1996. It is a global appliances enterprise integrating R&D, production, sales and service, and its business is involved in both consumer products and industrial equipment sectors. Its products are exported to over 180 countries and regions.
- (5) Customer E was incorporated in 2019, primarily focusing on automotive powertrain and intelligent domain control areas. It is a High and New Technology Enterprise and a Science and Technology Reform Demonstration Enterprise, undertakes major scientific research projects commissioned by national, provincial and municipal government departments, and collaborates with renowned universities and research institutes to set up R&D platforms. It has obtained the CNAS national laboratory accreditation, and has more than 200 patents.
- (6) Customer F was established in 2004 and successfully listed on the Shenzhen Stock Exchange in 2010. With over 20 years of industry experience, it ranks third globally in the electronics manufacturing services field according to the annual ranking report released by Market Metrics.
- (7) Customer G was established in 2022, focusing on the R&D, manufacturing and sales of high-performance EDU for pure electric and hybrid vehicles. Its business covers the entire value chain of components and software. Currently, it has over 1,700 employees in Sweden and China.
- (8) Customer H is a leading global consumer electronics brand company founded in 1976 and listed on the NASDAQ in 1980. Headquartered in the US with multinational operations, it ranks 8th on the 2025 Fortune Global 500 list.
- (9) Customer I was established in 1968 and listed on the Shenzhen Stock Exchange in 2013 and on the Hong Kong Stock Exchange in 2024. It is a leading Chinese manufacturer of home appliances with multinational operations and has been ranked among Fortune Global 500 (ranking 246th in 2025).
- (10) Included revenue attributable to each of our top five customers and/or their respective group companies, if applicable.

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Sales arrangement under our industrial flexible manufacturing business

Identification of business opportunities

We generally identify business opportunities and potential customers through (a) participation in industry exhibitions and (b) invitations for tender submission or fee quotation by the potential customers. At times, our existing customers and suppliers may give us referral leads.

For certain sales, such as sales to automotive manufacturers and sales of smart laboratory equipment and software, there is normally a tender process where we are required to submit tender with design proposals for some of our customers’ new projects. Depending on the complexity of the project requirements, our customers who require us to submit such tender proposals normally provide us with the technical requirements and specifications of the new products one to eight weeks in advance for us to prepare the project proposal.

The following table sets forth breakdown of our revenue by quotation/direct engagement and tendering during the year indicated:

	FY2023		FY2024		FY2025	
	RMB’000	%	RMB’000	%	RMB’000	%
Quotation/direct engagement	463,588	66.4	525,170	60.9	876,312	83.6
Tendering	234,598	33.6	337,782	39.1	172,044	16.4
Total	698,186	100.0	862,952	100.0	1,048,355	100.0

The following table sets out our tender success rates for the years indicated:

	FY2023	FY2024	FY2025
Number of tender submitted	240	343	314
Number of projects awarded	64	87	98
Tender success rate^(Note)	26.7%	25.4%	31.2

Note: Tender success rate is computed based on the number of contracts awarded (regardless of the date of award) out of the number of tenders submitted during the respective financial years.

We had a sustainable tender success rate at 26.7%, 25.4% and 31.2% for FY2023, FY2024 and FY2025, respectively, and we believe that demonstrates our capability to capture new projects and business opportunities.

Project assessment

Once we identify a potential project, we will perform technical assessment and preliminarily analyse on the specifications and requirements of the projects such as considering the relevant raw materials to be procured, the estimated time and costs required and the availability of our workforce. When considering whether to bid for a potential tender or submit a reply to an invitation for quote, we will make preliminary assessment with reference to factors including (i) profitability, taking into account including the size of project and associated costs; (ii) the feasibility of undertaking such project with reference to the specifications, our capacity and expertise, our available labour and financial resources; (iii) expected competition from other market players (if any); and (iv) future business opportunities brought by the potential project.

Design of project plan and submission of tenders or quotations

If we consider that a project is commercially viable, we will prepare a project proposal, together with a fee quotation or tender documents. The project proposal will include details relating to the design, manufacturing and installation of the customised equipment, such as (i) the price and quantity of equipment offered; (ii) the hardware and software adopted; (iii) expected milestone dates and project completion date; and (iv) quality standards and control.

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Signing of contracts/confirmation of purchase orders

If our proposal is adopted, our potential customers will enter into project contract or purchase order with us.

A summary of the key commercial terms of project contracts we entered into with our customers is set forth below:

Product specifications . . .	We specify the product name, specifications, model, and quantity in the agreement.
Quality control	The quality of the products shall be in compliance with the specific standards designated by our customers as set out in the contract.
Contract sum	Generally a fixed all-inclusive amount.
Payment terms	Our customers are typically required to prepay a predetermined percentage of the total contract value prior to shipment, and settle the remaining balance within the agreed-upon timeframe.
Performance guarantee . .	For certain contracts, we are required to provide performance bonds at specified amount with a financial institution or by cash, which will remain in effect until the issue of the product acceptance certificate.
Confidentiality	All confidential information provided by either party shall not be disclosed to any third party without prior consent.
On-site installation and testing	On-site installation and testing of our products are usually conducted by us after the delivery of our products to our customers’ site. After passing the on-site installation and testing procedures, our customers are contractually required to issue to us the product acceptance certificate.
Warranty	We typically offer customers product warranties from one to two years.

Alternatively, our customers may enter into purchase orders with us directly, which set out the product name, specifications, model, quantity, payment terms and delivery details.

Operating model for our consumer flexible manufacturing business

Currently, we adopt a channel partnership model for our C2M business. We maintain a buyer-seller relationship with our channel partners. We sell C2M manufacturing equipment to channel partners (such as cultural and creative enterprises, scenic area operators, and brand collaborators), who then operate the C2M equipment at locations managed by themselves. C-end customers can elect to order and purchase customised products from the C2M equipment operated by our channel partners. Currently, our revenue under this model is primarily derived from sales of C2M manufacturing equipment to our channel partners. During FY2025, we recorded RMB31.8 million in our consumer flexible manufacturing business.

Going forward, as our channel partners may require replenishment of consumables and accessories, such as processing substrates, CNC cutting tools, and UV printing materials, for the purpose of the production, as well as equipment maintenance and technical support, it is our plan to broaden our income stream by selling consumables and accessories and providing ancillary services to our channel partners. We will also explore collaboration and partnerships with renowned intellectual properties (IP) holders, cultural tourism scenic spots, and cultural and creative retail brands to launch co-branded customized products, thereby expanding our income stream and enhancing our brand awareness.

BUSINESS

We also entered a trial-run phase for a direct operation model under which we deploy and operate the C2M equipment by ourselves, at venues such as community businesses, retail stores, scenic spots. We plan to run our C2M business under a dual-operation model structure starting from the second quarter of 2026.

Equipment sales contracts with our channel partners

A summary of the key commercial terms of equipment sales contracts we entered into with our channel partners is set forth below:

Product specifications . . .	We specify the product name, specifications, model, and quantity in the agreement.
Contract sum	Generally a fixed all-inclusive amount.
Payment terms	The contract price is typically paid in instalments upon product delivery according to an agreed-upon timeframe.
Confidentiality	All confidential information provided by either party shall not be disclosed to any third party without prior consent.
On-site installation and testing	On-site installation and testing of the C2M equipment are usually conducted by us after delivery to the site managed by our channel partners. After passing the on-site installation and testing procedures, our channel partners are contractually required to issue to us the product acceptance certificate.
Warranty	We typically offer product warranties for one year.

PRICING

We generally adopt a cost-plus pricing approach and determine the price of our customised equipment by reference to an estimated cost of completing the project plus our targeted profit margin, while we make appropriate adjustment with reference to the following factors: (i) types of equipment and services provided; (ii) complexity of the project; (iii) prevailing market rates of similar services or products offered by our competitors; (iv) payment terms; (v) cost; and (vi) track record and relationship with our customers. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, there was no loss-making project as a result of material inaccurate estimation or cost overruns.

LOGISTICS MANAGEMENT

Our logistics arrangements are mainly supported by third-party logistics service providers. We select logistics service providers through a centralised procurement and bidding process based on the corporate strength, operational capabilities, system construction capabilities, collaboration track record, price and scale of operation of the logistics service providers. Our arrangements with third-party logistics service providers allow us to provide fast and efficient delivery services of our products, reduce our capital investment and reduce the risk of incurring liability for traffic accidents, delivery delays or loss. Once our logistics service providers confirm receipt of the products to be delivered, the risks relating to the transportation and delivery of our products are transferred to the logistics service providers. During the Track Record Period, there had been no material disruption or delay in the delivery of products to our customers.

BUSINESS

SALES AND MARKETING

Our sales and marketing channels

Our commitment to quality service is reinforced by an extensive integrated sales network, featuring PRC service centres and international service centres in locations such as Thailand, South Korea, Malaysia, the U.S., and Germany. Our direct sales efforts include live presentations and demonstrations conducted by our dedicated sales team, offering customers convenience and a tailored experience. We have implemented a comprehensive set of customer handling guidelines and procedures to ensure timely and effective responses to customer inquiries.

Our sales team is responsible for the design and implementation of our marketing strategies and campaigns, which are implemented through a coordinated marketing effort supported by other departments. We also conduct other marketing activities, such as participation in industry conferences and professional exhibitions.

As at 31 December 2025, our sales team consisted of approximately 150 sales personnel. For FY2023, FY2024 and FY2025, our selling expenses amounted to RMB23.4 million, RMB23.4 million and RMB46.2 million, respectively, which accounted for 3.3%, 2.7% and 4.4%, respectively, of our total revenue during the same periods.

After-sales services

We strive to establish a responsive service system that provides our customers with timely hardware and software technical support, as well as advisory services and solutions. We aim to ensure that both our domestic and international customers receive excellent after-sales support. During the Track Record Period and up to the Latest Practicable Date, we did not have any material product liability or legal claims on our products, nor did we experience any material complaint, product recalls, exchange or sales returns.

Our products typically come with a one-year or two-year quality warranty from the date of acceptance. During the warranty period, we provide free on-site engineering, maintenance and repair or replacement of certain parts or accessories free-of-charge for manufacturing defects such as any defect in design, manufacture, materials or parts. For FY2023, FY2024 and FY2025, our provision for warranties amounted to RMB6.1 million, RMB7.4 million and RMB5.4 million, respectively. After the warranty period, we also provide post-warranty after-sales services which general involve system upgrade, maintenance, data migration and technology consulting. We generally provide post-warranty services at a lump sum fixed price, taking into account the cost associated with our services.

SEASONALITY

We experience significant seasonal fluctuations in our revenue and profitability. In line with industry norm, we typically complete final acceptance of our products, including our production line testing equipment, manufacturing processing equipment, smart laboratory equipment and software and standardised testing equipment, in the second half of the year, due to the business practices of downstream customers. As a result, we generally record much higher revenue in the second half of each financial year. For further details, see “Risk Factors — Our business is subject to seasonality”.

BUSINESS

OUR SUPPLIERS

Raw materials

The raw materials for our products can be categorised into non-standard components, standardised components and basic materials, which can be used for a wide range of equipment across different production lines. We mainly procure raw materials from the PRC. The following table sets out the major raw materials and components we use:

Type	Major raw materials and components
Non-standard components	mechanical frameworks and structures designed by us
Standardised components	<i>electronic materials:</i> chips, connectors, resistors, capacitors, PCBs, and PCBA <i>electrical components:</i> switches, power supplies, buttons, industrial control units, motors, drivers, and cables <i>mechanical standard parts:</i> cylinders, guide rails, valves, bearings, pins, and lead screws <i>other components that independently perform specific functions in system integration</i>
Basic materials	Metal sheets, fiberglass, polyoxymethylene, and Teflon, which are used to produce mechanical structural components or core modules for needle boards

While we design and manufacture components for our products in-house, we outsource the processing of certain non-core and relatively simple components such as PCBs to our suppliers for custom production. In these cases, we provide design drawings for the suppliers to produce and process the items according to the specifications and requirements provided. Standard parts are typically acquired directly based on the types and prices offered by suppliers.

Subcontracting

During the Track Record Period, we procured labour by way of labour subcontracting to meet our need in daily business operations. We have entered into labour subcontracting agreements with third party labour subcontractor agencies. Key duties of the subcontracted labour mainly included assembling and debugging electrical cabinet equipment. Typically, the labour subcontractor agency is responsible for bearing the relevant costs of social insurance and other statutory employee benefits. We allow subcontracted staff to work on our sites and we pay a lump sum service fee to the labour subcontractor agency calculated based on the number of units processed by the subcontracted staff. We are responsible to provide training to ensure the occupational health and safety of the independent contractors. To manage the risks of leakage of confidential information, such as proprietary technology, know-how, trade secrets and other intellectual property rights of our customers and us, associated with labour subcontracting, our agreements with our labour subcontractor agencies also stipulated relevant clauses imposing confidentiality obligations so as to protect our customers and our intellectual property rights. As advised by our PRC Legal Advisers, our labour subcontracting arrangement under such agreements as aforementioned does not violate the mandatory and prohibitive provisions under PRC laws and regulations in all material aspects. In general, our Group is not required to obtain approval from our customers before entering into labour subcontracting agreement. Fee we incurred for labour subcontracting arrangement for our production amounted to RMB14.6 million, RMB24.7 million and RMB50.3 million for FY2023, FY2024 and FY2025, respectively. According to the CIC Report, it is not uncommon for smart TMC equipment manufacturers in the PRC to engage labour subcontractors.

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During the Track Record Period, we also engage subcontractors whenever necessary to perform part of the construction works. We engage our subcontractors on a project-by-project basis and we do not enter into any long-term contract with our subcontractors. We would delegate non-core works to our subcontractors, in particular, SMT chip mounting and mechanical installation and assembly.

Our Directors consider that outsourcing non-core production processes to subcontractors is beneficial for us to focus our business efforts on cultivating and enhancing our R&D capabilities, which we have core competitiveness. According to the CIC Report, subcontracting non-core production processes aligns with industry practices.

Our suppliers

We maintain a qualified suppliers list, from which we typically select our suppliers for procuring raw materials and subcontracting services. Ahead of engaging new suppliers, our R&D department, manufacturing department, quality control department and procurement department evaluate potential suppliers according to various aspects, including their qualifications, market reputation, production capacity, technology, quality and cost control. We also regularly evaluate the performance of our suppliers, focusing on criteria including quality, delivery, cost and, where applicable, the technical specifications of the products supplied by them.

The total purchase of our five largest suppliers amounted to RMB33.3 million, RMB36.4 million and RMB150.8 million, for FY2023, FY2024 and FY2025, representing 8.5%, 7.3% and 24.6% of our total purchase during the same period. During the same periods, the purchase from our largest supplier amounted to RMB7.7 million, RMB10.4 million and RMB78.7 million, respectively, accounting for 2.0%, 2.1% and 12.9% of our total purchase, respectively.

The following table sets forth our five largest suppliers for the periods indicated:

Ranking	Supplier	Major products purchased/ services procured	Purchase ^(Note 12) (RMB'000)	% of total purchase	Typical credit term	Calendar year of commencement of business relationship
FY2023						
1	Supplier A ^(Note 1)	Customised PCBA	7,732	2.0%	60 days	2016
2	Supplier B ^(Note 2)	Programmable logic controllers, motors, drives	7,150	1.8%	30 days	2021
3	Supplier C ^(Note 3)	NI card	6,632	1.7%	30 days	2021
4	Supplier D ^(Note 4)	Non-standard parts, assembly services	6,034	1.5%	90 days	2021
5	Supplier E ^(Note 5)	Chiller	5,751	1.5%	Not specified	2022
Total: .			33,299	8.5%		
FY2024						
1	Supplier F ^(Note 6)	Electronic component	10,421	2.1%	Not specified	2020
2	Supplier D ^(Note 4)	Non-standard parts, assembly services	6,920	1.4%	90 days	2021
3	Supplier G ^(Note 7)	Dispense machine	6,615	1.3%	Not specified	2024
4	Supplier H ^(Note 8)	Water pipeline construction	6,254	1.2%	Not specified	2022
5	Supplier A ^(Note 1)	Customised PCBA	6,143	1.2%	60 days	2016
Total: .			36,353	7.3%		

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Ranking	Supplier	Major products purchased/ services procured	Purchase ^(Note 12) (RMB'000)	% of total purchase	Typical credit term	Calendar year of commencement of business relationship
FY2025						
1	Supplier I ^(Note 9)	Non-standard parts, assembly services	78,697	12.9%	30 days	2025
2	Supplier J ^(Note 10)	Electrical component	25,901	4.2%	Not specified	2024
3	Supplier F ^(Note 6)	Electronic component	20,831	3.4%	60 days	2024
4	Supplier A ^(Note 1)	Electronic component	13,449	2.2%	60 days	2017
5	Supplier K ^(Note 11)	Insulated panel	11,925	2.0%	Not specified	2023
Total: .			150,802	24.6%		

Notes:

- (1) Supplier A is incorporated in the PRC and engaged in, among others, integrated circuit design and electronic device manufacturing.
- (2) Supplier B is incorporated in the PRC and engaged in, among others, the wholesale of industrial equipment, automation equipment, computer hardware and software, and auxiliary equipment.
- (3) Supplier C is incorporated in the PRC and engaged in, among others, the sales of instruments and meters, and the sales of electronic measuring instruments.
- (4) Supplier D is incorporated in the PRC and engaged in, among others, the production, processing and sales of automation equipment and mechanical equipment.
- (5) Supplier E is incorporated in the PRC and engaged in, among others, the sales of refrigeration equipment and accessories, and water treatment equipment.
- (6) Supplier F is incorporated in the PRC and engaged in, among others, information technology consulting services; technology transfer and technology promotion.
- (7) Supplier G is incorporated in the PRC and engaged in, among others, the sales of office equipment and intelligent onboard equipment.
- (8) Supplier H is incorporated in the PRC and engaged in, among others, the design and construction of hydropower projects, waterproof engineering projects, and municipal engineering projects.
- (9) Supplier I is incorporated in the PRC and engaged in, among others, the manufacturing and sales of mechanical and electrical equipment and the provision of technical services.
- (10) Supplier J is incorporated in the PRC and engaged in, among others, the sales of intelligent instruments and meters, and the sales of electronic measuring instruments.
- (11) Supplier K is incorporated in the PRC and engaged in, among others, the design, manufacturing and sales of refrigeration equipment.
- (12) Included purchase from each of top five supplier and/or their respective group companies, if applicable.

Supplier owned by our former employees

Supplier I, our largest supplier for FY2025, was controlled by our former employee, Mr. X, who, by virtue of being a shareholder and being a general partner of a partnership which is a shareholder, collectively hold 51% of voting rights of Supplier I as at the Latest Practicable Date. It is believed that Mr. X, as expert in assembly process, left our Group in 2024 to set up Supplier I as he wishes to have more management authority and opportunities for development.

BUSINESS

We started to procure labour subcontracting services mainly for assembly process from Supplier I in 2025. See paragraph headed “Our Suppliers — Subcontracting” in this section above. We are responsible to provide the equipment and raw materials necessary for the performance of the subcontracting works to Supplier I. Our Directors are of the view that engaging Supplier I as our labour subcontracting service provider is beneficial to our Group for reasons below:

- (i) Supplier I possesses the necessary skills and experience in assembly works and have good understanding of our production needs and standards. It entered into our list of qualified suppliers and was selected as our supplier on a project-by-project basis through formal procedures, the Directors are confident that such engagement can maintain the high-quality standards of our products;
- (ii) By subcontracting assembly works to Supplier I, we can streamline our internal workflow and increasing our management efficiency, which allows us to focus our resources and business efforts on cultivating and enhancing our R&D capabilities.

For FY2025, the total purchase amount from Supplier I accounted for approximately RMB78.7 million, representing 12.8% of our total purchase during the same period. Our Directors confirmed that our purchase from Supplier I was on normal commercial terms negotiated on an arm’s length basis. Our internal control policy also ensures us to treat Supplier I in an equal manner as the way we treat other suppliers.

Our Directors confirm that as at the Latest Practicable Date, all of our top five suppliers were Independent Third Parties. To the best knowledge of our Directors, none of our Directors and their respective close associates or any of the Shareholders holding more than 5% of our Company’s share capital as at the Latest Practicable Date has any interest in any of our five largest suppliers during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period, we did not experience any material dispute with our suppliers, difficulties in the procurement of our raw materials, interruptions in our operations due to a shortage or delay of raw materials or significant fluctuations in material prices. We do not rely on any of our current suppliers as there are viable substitutes available on the market to meet our needs at a comparable price and quality.

Framework agreements

We generally procure raw materials and components from suppliers through non-exclusive supply contracts. During the Track Record Period, we have also signed legally binding framework agreements with selective suppliers to strengthen collaborative relations and build a supply chain thus ensuring a stable supply and procurement costs of raw materials.

A summary of the key commercial terms of framework agreements we entered into with our suppliers is set forth below:

Term	Generally no specific term specified.
Obligations of suppliers. .	Suppliers are required to deliver products in accordance with the specifications stipulated in separate purchase orders and the products supplied must conform to the pre-production samples and relevant national and industry standards.
Price	Prices shall be set out in separate quotations which shall be mutually agreed by both parties.
Minimum purchase commitment	No minimum purchase commitment was imposed on our Group.

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Payment terms and payment method.	For tailor-made supplies, we may be required to pay deposits of around 30% of the total purchase amount. Our suppliers typically grant us a credit period of 60-120 days and payment shall generally be made by acceptance bill or telegraphic transfer.
Confidentiality.	We usually include confidentiality clauses in the framework agreements, and the period of confidentiality obligations may be extended to after the expiration of the agreements.
Termination	The agreement may be unilaterally terminated by our Group in the event of material delay in delivery by the suppliers.

Project contracts

For the subcontracting of non-core production works, we generally enter into project contracts with our suppliers. A summary of the key commercial terms of project contracts we entered into with our suppliers is set forth below:

Term	Expected commencement date, milestone dates and/or completion date are normally specified.
Obligations of suppliers.	Suppliers are required to prepare the raw materials and perform the assigned works. The scope of work varies depending on the nature of works required, will be set out. Generally, we do not allow our suppliers to further assign the works to third parties without our prior consent.
Service fee	A fixed lump sum service fee with no adjustments is generally provided.
Payment term	Typically, we make one-off payment upon completion of the project.
Retention money	We may withhold up to 10% of the total service fee as retention money, which will be released in full upon three to 12 months from the issue of the acceptance certificate by us.

OVERLAPPING OF MAJOR CUSTOMERS AND SUPPLIERS

During the Track Record Period, (i) Customer D, one of our top five customers for FY2023, was also our supplier; and (ii) Supplier J, one of our top five suppliers for FY2025, was also our customer. Customer D was our customer since 2014, who purchased production line testing equipment from us. As Customer D is a global appliance enterprise, we also procure industrial appliances, such as air conditioners and refrigerators, from Customer D to fulfill our business needs since 2014. The following sets forth our transaction amounts with Customer D during the year indicated:

Period	Revenue generated from Customer G (RMB'000)	Percentage of our total revenue (%)	Gross profit derived from the sales to Customer G (RMB'000)	Gross profit margin (%)	Purchase amount from Customer G (RMB'000)	Percentage of our total purchase (%)
FY2023	47,712	6.8	17,186	36.0	374	—
FY2024	36,107	4.2	15,025	41.6	145	0.0
FY2025	11,457	1.1	7,593	66.3	182	0.0

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Supplier J was first our supplier since 2024, from whom we purchased raw materials including but not limited to sensors, thermocouple wires, analogue input modules. During our cooperation, Supplier J familiarised with our business and products, and realised that our testing equipment can be used in their quality control process to ensure reliability and consistency in product quality. Hence, Supplier J started to purchase our production line testing equipment in 2024.

The following sets forth our transaction amounts with Supplier J during the year indicated:

Period	Revenue generated from Supplier J (RMB'000)	Percentage of our total revenue (%)	Gross profit derived from the sales to supplier J (RMB'000)	Gross profit margin (%)	Purchase amount from Supplier M (RMB'000)	Percentage of our total purchase (%)
FY2024	10	0.0	2	18.1	2,018	0.4
FY2025	157	0.0	6	3.9	7,896	1.3

Apart from Customer D and Supplier J, no other top five suppliers during the Track Record Period were our customers, and no other top five customers during the Track Record Period were our suppliers. Since the products purchased from and sold to each of Customer D and Supplier J were different, the purchase amount from, and the revenue from, each of Customer D and Supplier J are treated separately from an accounting perspective and have not been offset against each other.

Our Directors confirm that our sales to and purchases from each of Customer D and Supplier J were (i) entered into after due consideration taking into account the prevailing purchase and selling prices at the relevant times, (ii) conducted in the ordinary course of business on an arm's length basis under normal commercial terms and similar to those transactions with other customers and suppliers and (iii) negotiated separately, and the sales to and purchases from each of Customer D and Supplier J were neither interconnected nor conditional upon each other.

INVENTORY MANAGEMENT

Our inventory consists of raw materials, works-in-progress finished goods and goods in transit. We focus on optimising our inventory management and actively monitor our inventory levels. For standardised components and basic materials, we maintain a reasonable inventory level and update our inventory plan regularly based on factors such as estimated consumption, product demand and prevailing market prices for the relevant raw materials and components. For custom components, we place purchase orders for raw materials and components upon signing sales contracts with the customer and based on our manufacturing plans.

As at 31 December 2023, 2024 and 2025, our inventories amounted to RMB205.7 million, RMB233.5 million and RMB290.8 million, and our inventory turnover days in FY2023, FY2024 and FY2025 are 192 days, 161 days and 176 days.

INFORMATION TECHNOLOGY SYSTEMS

Information technology is fundamental to our competitiveness and efficient operation. We utilise and maintain IT systems which are in line with our business expansion to cater to our diverse operational needs and support various critical functions covering sales, R&D, supply chain, production and after-sales services. We strive to continue optimising our IT systems. Set forth are our main IT systems:

- **ERP system:** We utilise the ERP system to effectively facilitate and manage, among others, our operation targets, supply chain, financial management, sales and logistics, procurement, quality control, export management, work order management and equipment management.
- **CRM System:** We have established a centralised CRM system to collect basic customer information, generate order specifications, and estimate build prices based on the degree of customisation of our customers.

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- **PLM system:** We use the PLM system to provide a comprehensive and unified R&D collaborative management platform for R&D design, processing plan and technical documentation. Through the PLM platform, we build a standardised and well-regulated product database and an online design specification system for promoting the implementation of project process in the R&D management system.

AWARDS AND RECOGNITION

The following table sets out a summary of the major awards and recognition we have received:

Year	Name of Award or Recognition	Issuing Authority
2025	Guangdong Manufacturing Individual Champion (廣東省製造業單項冠軍)	Department of Industry and Information Technology of Guangdong Province
	Specialised and Innovative SME (專精特新中小企業)	Department of Industry and Information Technology of Jiangsu Province
	2024 Guangdong Top 500 Manufacturing Enterprises (2024年廣東省製造業企業500強)	Guangdong Manufacturers Association
	2024 Guangdong Famous High-tech Product — Terminal Function and Performance Testing Equipment for Consumer Electronic Products (2024年廣東省名優高新技術產品—消費電子產品板端功能與性能測試裝備)	Guangdong High-tech Enterprise Association
	2024 Guangdong Famous High-tech Product — Acoustic Test Environment Control Box (2024年廣東省名優高新技術產品—聲學測試環境控制箱)	Guangdong High-tech Enterprise Association
	2024 Guangdong Famous High-tech Product — Laboratory Testing Data Cloud Platform (Shuyuan) (2024年廣東省名優高新技術產品—實驗室檢測數據雲平臺(數元))	Guangdong High-tech Enterprise Association
	Gazelle Enterprise (瞪羚企業)	Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, Guangdong Provincial Tax Service, State Taxation Administration
2024	Guangdong Province Service-Oriented Manufacturing Demonstration Enterprise (廣東省服務型製造示範企業)	Department of Industry and Information Technology of Guangdong Province
	Key “Little Giant” Enterprise (重點“小巨人”企業)	Ministry of Industry and Information Technology

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Year	Name of Award or Recognition	Issuing Authority
2023	National Intellectual Property Demonstration Enterprise China National Intellectual Property Administration (國家知識產權示範企業)	China National Intellectual Property Administration
	Provincial Corporate Technology Centre, Guangdong Province (廣東省省級企業技術中心)	Guangdong Provincial Economic and Information Commission, Guangdong Provincial Department of Finance, Guangdong Provincial Local Taxation Bureau, Guangdong Provincial Office of the State Administration of Taxation, Guangdong Sub-Administration of the General Administration of Customs
	Provincial Industrial Design Centre of Guangdong Province (廣東省省級工業設計中心)	Department of Industry and Information Technology of Guangdong Province
2022	National Intellectual Property Advantage Enterprise (國家知識產權優勢企業)	China National Intellectual Property Administration
	Specialised and Innovative “Little Giant” Enterprise (專精特新“小巨人”企業) ^(Note)	Ministry of Industry and Information Technology
2021	Top 100 High-tech Enterprises in Comprehensive Innovation Strength in 2021 (2021年高新技術企業創新綜合實力100強)	Guangdong Research and Development Centre for Technological Economy, Zhuhai Production Promotion Centre
2020	China Patent Excellence Award — Fan Abnormal Noise Detection System (中國專利優秀獎—風扇異音檢測系統)	China National Intellectual Property Administration
	Top 100 High-tech Enterprises in Comprehensive Innovation Strength in 2020 (2020年高新技術企業創新綜合實力100強)	Guangdong Research and Development Centre for Technological Economy, Zhuhai Production Promotion Centre
2019	Guangdong Acoustic and Mechanical Intelligent Testing Equipment Engineering Technology Research Centre (廣東省聲學與力學智能測試裝備工程技術研究中心)	Department of Science and Technology of Guangdong Province

Note: This recognition is valid from 1 July 2022 to 30 June 2025.

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INSURANCE

We maintain insurance policies that are required under PRC laws and regulations as well as policies based on our assessment of our operational needs and industry practice. Consistent with customary practice in China, we did not carry any business interruption or litigation insurance policies, which are not mandatory according to the laws and regulations of the PRC. We maintain various insurance policies including property insurance and accident insurance. Our Directors consider that our existing insurance coverage is in line with industry norm and is sufficient for our present operations. During the Track Record Period and up to the Latest Practicable Date, we did not file any material insurance claims in relation to our business. For details, see “Risk Factors — Risks Relating to Our Business and Industry — Our insurance policies may not be adequate to cover all risks of loss associated with our business operations”.

EMPLOYEES

As at 31 December 2025, we had a total of 1,203 employees (including our three executive Directors and one employee representative Director but excluding one non-executive Director and three independent non-executive Directors). Almost all of our employees are located in the PRC, with less than 5% of the population located in Hong Kong, the U.S. and Vietnam.

The table below sets out the breakdown of our employees by functions as at 31 December 2025:

Functions	Number of employees
General management and administration	313
R&D and technical	566
Production	84
Sales and marketing	166
Finance	23
Quality control	11
Procurement	40
Total	1,203

Training and recruitment

We believe that our ability to recruit and retain experienced and skilled labour is crucial to our growth and development. We generally recruit our employees by placing advertisements in the open market, or through personal referrals and recruitment agencies. Based on our business needs, we select candidates having regard their credentials, experience, qualifications and expertise. Remuneration packages of our employees generally include basic salaries, bonuses and other employee benefits such as medical insurance. We conduct annual appraisal on employee to review their salary and consider promotion where their performances meet our expectation.

We invest heavily in our employees and have developed sophisticated and systematic training programs to improve their skills and knowledge. We provide a variety of professional training to our employees at various levels according to their career development stages. The topics of our training programs include R&D, engineering, sales and marketing and leadership.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any major labour dispute or disturbance that had interfered with our operations and we believe we maintain good employee relations.

COMPETITION

According to the CIC Report, the global smart TMC equipment and service industry is a scattered industry, with a sum of market shares of the top 10 companies of around 30% in 2024, due to multiple testing and measurement demands executed by diverse technologies across various industries.

BUSINESS

INTELLECTUAL PROPERTIES

We consider safeguarding our intellectual property rights as a crucial element of our business success and we have a steadfast commitment to protecting them. We proactively manage our intellectual property portfolio to safeguard our innovations and maintain a competitive edge in the market. One of our primary measures is applying for patent protection for our core technologies, which enables us to secure exclusive rights and prevent unauthorised use. As at the Latest Practicable Date, we had 422 registered patents, of which 92 are invention patents, 281 are utility model patents, and 49 are design patents, and we had 107 patents in application. We also possessed 110 registered software copyrights. For details of the intellectual property rights owned by our Group, see “Statutory and General Information — B. Further Information About Our Business — 2. Our material intellectual property rights” in Appendix VII to this document.

Our agreements with our customers and our suppliers have stipulated relevant clauses imposing confidentiality obligations so as to protect our customers and our intellectual property rights. We have also entered into agreements with certain key R&D personnel, under which the intellectual property rights developed during their employment belongs to us and they agree to waive all relevant rights or claims to such intellectual property rights. The agreements also contain confidentiality and non-compete provisions to protect our rights to all invention, technology know-how and trade secrets that may arise during the R&D process.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material infringement of our intellectual property rights nor had we been subject to any material intellectual property rights claims by third parties.

THIRD-PARTY PAYMENT ARRANGEMENTS

Background

During the Track Record Period, two of our customers (the “**Relevant Customer(s)**”) settled payments with us through accounts that do not belong to the contractual parties under the corresponding sales and purchase agreements (the “**Third-Party Payment Arrangements**”). For FY2022, there was one Relevant Customer with one third-party payor (the “**Third-Party Payor(s)**”) and the aggregate amount of such third-party payment was RMB13.8 million, representing 2.4% of our total revenue for the same year. For FY2023, there was one Relevant Customer with one third-party payor, and the aggregate amount of such third-party payment was RMB136,500, representing less than 0.1% of our total revenue for the same year. Since the beginning of FY2024 and up to the Latest Practicable Date, there is no Third-Party Payment Arrangements. During the Track Record Period, Third-Party Payors consisted of the parent company of the respective Relevant Customers. Our Directors confirm that all Relevant Customers and Third-party Payors are independent of our Group.

As advised by our PRC Legal Advisers, (i) the risks of financial losses caused by the Third-Party Payment Arrangements, either in terms of (a) refund to Relevant Customers or Third-Party Payors or (b) administrative penalties, were low for our Group; (ii) the Third-Party Payment Arrangements during the Track Record Period do not contravene the mandatory provisions of the Civil Code of the PRC or other relevant applicable PRC laws and regulations currently in effect; (iii) the likelihood that we would be imposed any administrative penalties for being deemed as violating relevant PRC laws and regulations related to tax evasion in connection with aforementioned Third-Party Payment Arrangements is remote; and (iv) the risk of the Third-Party Payment Arrangements being deemed as constituting the crime of money laundering under Article 191 of the Criminal Law of the PRC (《中華人民共和國刑法》) for the purpose of disguising or concealing the source and nature of proceeds or gains is low. During the Track Record Period and up to the Latest Practicable Date, as confirmed by the Directors, (i) we had not encountered any disputes with, nor received any refund request or claim from, any Relevant Customers or Third-Party Payors; and (ii) we had not been subject to any disputes or administrative penalties by the relevant government authorities with respect to the Third-Party Payment Arrangements.

Reasons for Accepting Third-party Payment Arrangements

During the Track Record Period and up to the Latest Practicable Date, our Directors confirm that we had not proactively initiated any Third-Party Payment Arrangements. To the best knowledge of our Directors, the Relevant Customers arranged third-party payments for better internal cashflow management from time to time and therefore the Relevant Customers might procure their Third-Party Payors to settle their payments. On the other hand, from our

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perspective, (i) Third-Party Payment Arrangements did not create significant inconvenience to us, and (ii) we could confirm the amounts of third-party payments received with the Relevant Customer(s) and thereby mitigate the risks associated with receiving third-party payments. Therefore, we did not object to Third-Party Payment Arrangements initiated by the Relevant Customers. As confirmed by our Directors, during the Track Record Period, (i) we had not provided any discount, commission, rebate or other benefit to any of the Relevant Customers to facilitate or incentivise the Third-Party Payment Arrangements; and (ii) the pricing and payment terms of the agreements we entered into with the Relevant Customers were similar with customers not involved in the Third-Party Payment Arrangements.

Internal Control Measures

During the Track Record Period, we implemented internal control measures to monitor and manage the Third-Party Payment Arrangements. We required the Relevant Customers to provide us with the relevant information including, among other things, the identity of the involved designated third-party payors and their account information. Furthermore, in order to ensure the Third-Party Payment Arrangements are for bona fide transactions, our finance staff were only allowed to recognise payments from designated third-party payors of the Relevant Customers and we will only ship our products to the Relevant Customers on the condition that the information of the designated third-party payors matches that in the corresponding tripartite agreement. Furthermore, we also met with our customers periodically to understand the nature of their businesses, business models and ownerships. As at the Latest Practicable Date, we updated our internal control policies to prohibit the settlement of payments by our customers through Third-Party Payors. We also circulated notice internally to alert and inform relevant staff of our internal policies to the identification of and the prohibition of accepting, third-party payments. Considering that our revenue generated from Third-Party Payment Arrangements as a percentage of our total revenue was immaterial, our Directors are of the view that the cessation of the Third-Party Payment Arrangements would not have any material adverse impact on our business or financial conditions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Strategy and Governance

We place strong emphasis on ESG matters, regarding sustainable development and integrity as essential factors in our corporate operation. We have obtained ISO 14000 certification and continuously pursue energy efficiency, emission reduction, and waste minimisation. Moreover, we are dedicated to enhancing our internal managerial procedures and strengthening occupational health and care systems to provide all employees with a healthy and safe working environment, thereby advancing progress across key ESG issues.

We have established the Strategy and ESG Committee for ESG management, tasked with formulating and supervising our ESG strategy, monitoring the implementation of ESG objectives, and reviewing the ESG-related disclosures. In addition, we have set up an ESG Acting Group, which ensures the effective execution of ESG measures, assists departments in clarifying responsibilities, and defines key actions.

ESG Materiality Assessment

We have established an ESG materiality assessment framework to identify and prioritise key sustainability topics through both internal and external assessments. Internally, we review the lifecycle of our operations with reference to the ESG Reporting Guide under the Listing Rules, relevant guidelines in jurisdictions such as the United States and Vietnam, industry best practices and third-party ESG rating standards. Externally, we monitor regulatory and policy developments and engage with stakeholders, including customers, suppliers and investors, through surveys, interviews and other channels. Based on these assessments, we evaluate the actual and potential impact of ESG issues on our business, as well as the environment and society, taking into account factors such as scope, intensity and duration.

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Climate-related Risk Management and Response

We have incorporated climate-related risks into our overall risk management framework. The primary risks we face are as follows:

- *Physical Risks.* Extreme weather events such as typhoons and heavy rainfall may cause power outages, flooding and other disruptions to our production facilities, leading to safety incidents, suspension of research and production activities, and increased operating costs. We have established contingency measures, including the Extreme Weather Emergency Response Management Policy, to address such risks.
- *Transition Risks.* Increasing attention from regulators, investors and customers to ESG performance, together with more stringent requirements on emissions, resource utilisation and related disclosures, may increase our compliance burden. To address these risks, we closely monitor customer demand and technological developments and continue to invest in R&D and ESG management.

Environmental Protection

We comply with applicable environmental laws and regulations that have a material impact on our operations. We have established internal procedures covering wastewater, air emissions, noise discharge, solid waste, and resource and energy conservation as operational standards for environmental protection. We continue to manage resource consumption, greenhouse gas emissions and waste treatment in our operations and production activities. During the reporting period and up to the Latest Practicable Date, we had not incurred any significant fines or penalties for non-compliance with ESG-related laws and regulations.

Based on an analysis of publicly disclosed ESG emission data of industry peers, our Group’s carbon emission intensity, waste generation intensity, and resource consumption intensity are all at a relatively low level, demonstrating our competitive advantage in environmental performance.

Greenhouse Gas Emissions (GHG Emissions) and Wastes Management

Our Group has implemented a series of internal management measures and Noise Discharge Management Procedures and the Solid Waste Management Procedures, to enhance the management of emissions and waste discharge. For example, our Group has completed the installation of fume purification devices to filter emissions generated by the canteen; invested in dust removal equipment to reduce pollutant emissions; and adopted ultrasonic cleaning devices to process raw materials, thereby reducing solid waste.

The following table, to be disclosed in accordance with financial reporting periods, will present data on: scope 1 GHG emissions, scope 2 GHG emissions, hazardous waste generated, and total non-hazardous waste generated:

	Years Ended 31 December		
	2023	2024	2025
Scope 1 GHG emissions(tCO ₂ e)	239.5	387.1	249.6
Scope 2 GHG emissions(tCO ₂ e)	2,110.8	3,554.5	3,826.5
Hazardous waste (T)	1.1	10.0	4.2
Non-hazardous waste (T)	7.5	11.6	7.5

At the end of 2023, 5.27 tons of hazardous waste were stored and subsequently processed in 2024; therefore, the volume of hazardous waste disposed of in 2024 was relatively higher. Besides, during the track record period, the significant fluctuations in scope 1 GHG emissions were primarily driven by substantial fluctuations in diesel consumption, while the increase in scope 2 GHG emissions was mainly attributable to higher electricity consumption. The specific underlying reasons are detailed in the energy consumption table below.

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Energy Management

Our Group has established a comprehensive set of measures to manage the use and consumption of various types of energy, striving to maximise resource efficiency and conservation at all levels. For example, in certain office areas, sensor lighting has been installed, and reminders promoting electricity and water conservation have been posted in offices, meeting rooms, and other areas to encourage efficient use of resources.

In addition, our Group has deployed photovoltaic facilities, which, as at 31 December 2025, have generated 1,207,300 kWh of electricity. This initiative enabled partial self-sufficiency in green energy and therefore reduced secondary climate impacts caused by energy consumption. Our Group has also successfully passed the 2025 Voluntary Clean Production Audit and Acceptance Review organised by the Zhuhai municipal government, representing a significant milestone in its sustainable development journey.

The following table sets forth, based on financial reporting periods, the direct and indirect energy consumption, water consumption, and packaging material used for finished products, broken down by type.

	Years Ended 31 December		
	2023	2024	2025
Gasoline(L)	36,376	39,936	47,974
Diesel(L)	41,693	83,149	35,044
Natural Gas (L)	—	—	—
Coal Gas (m ³)	6,055	—	—
Electricity Consumption (MWh)	3,724	6,271	6,751
Water Consumption (m ³)	70,095	47,985	65,980
Packaging Materials (t)	127	208	207

The increased consumption of diesel since 2023 was mainly because our Group relocated its operations to a new plant and introduced commuter buses to improve employee welfare, which primarily consumed diesel. However, diesel consumption decreased significantly in 2025 as the commuter buses were replaced with electric vehicles starting from July 2025. Besides, beginning in mid-2023, the new plant was gradually put into operation. With the expansion of office, production, and living areas, electricity consumption has continued to rise accordingly.

Targets and Measures

Based on our Group’s actual business operations, a series of quantitative targets and corresponding measures have been established to mitigate the ESG impact of our activities. Specific targets include:

- By 2026, maintain average monthly electricity consumption below 400,000 kWh and average monthly water consumption below 5,500 tons; by 2030, achieve a 3% reduction in unit average monthly electricity and water consumption.
- Reduce and control the consumption of non-renewable resources such as petroleum, diesel, and natural gas. Based on 2025, achieve a 1.5% reduction in unit consumption by 2030.
- Wastewater discharge: achieve zero discharge of wastewater in all production processes.
- Hazardous waste disposal: ensure 100% compliant and lawful disposal of hazardous waste.

To achieve these targets, our Group will implement a series of measures across its production and daily operational processes, including:

- **Adoption of renewable energy:** enter into green power purchase agreements with regional power grids to reduce greenhouse gas emissions.

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- **Implementation of intelligent wastewater and effluent management:** introduce rainwater and sewage diversion through the upgrading of drainage networks and optimisation of facility layout to enhance overall water management efficiency.
- **Application of energy management and efficiency upgrades:** implement energy-saving upgrades in the plant, such as high-efficiency motors, variable frequency drives, and waste heat recovery systems, and enhance energy efficiency in office areas, including LED lighting, smart air-conditioning systems, and mandatory power-off policies after working hours.
- **Application of process optimisation and clean production process:** implement advanced production technologies and non-toxic/low-harm raw materials to reduce waste generation at the source. Promote green design and circular economy practices to enable resource recycling across industrial chains.

Social Responsibility

Employees

In terms of labour and employment, we are committed to complying with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, and other relevant laws and regulations. We enter into employment contracts with all employees and provide equal employment opportunities regardless of ethnicity, nationality, age or gender. We also value employees' health, safety and development, and provide training programmes based on operational and employee development needs. As at 31 December 2025, we had 1,070 full-time employees.

Health and Safety

We aim to achieve zero occupational disease incidents and zero major or above production safety accidents each year. To support these goals, we have established a health and safety management system and obtained ISO 14000 certification. During the reporting period, we did not experience any material violations of occupational health and safety laws or regulations.

Our occupational health and safety measures mainly include regular safety assessments and workplace hazard testing, training for safety management personnel and employees on accident prevention and emergency response, and health examinations and protective measures for employees in occupational risk positions.

Development and Training

We have established a talent development framework to attract, cultivate and retain talent and support employees' continuous growth through training programmes. We place emphasis on onboarding, professional skills enhancement and business-specific capability development, and formulate development plans for talents at different levels and stages. We also provide internal courses, professional literature, software training and career development resources to support employees' knowledge and skills development. In 2025, we delivered 732 hours of internal training courses.

Product Responsibility

Our product responsibility goal is to ensure zero penalties for violations of product- and service-related laws and regulations each year. Over the reporting period, there have been no product recalls due to health or safety issues, nor have we been subject to any penalties for violations of product- and service-related laws and regulations. We are committed to safeguarding data security arising from or related to our business operations, covering both internal operations and information between customers' transactions. We have established dedicated policies to implement robust data protection measures and ensure the confidentiality and integrity of such data. Our information security management system complies with ISO/IEC 27001:2022 standards and has been certified by the relevant authorities.

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Intellectual Property Protection

We have established an IP protection and management system covering the creation, utilisation, protection and incentivisation of intellectual property. We have also implemented internal policies, including the Intellectual Property Management Manual and the Intellectual Property Incentive Policy, to regulate IP ownership, application, maintenance, infringement response and employee incentives for innovation, while promoting IP commercialisation and application.

Supply Chain Management

We place emphasis on the standardised management of our supply chain and have implemented policies including the Supplier Management Procedures and the Procurement Management Procedures to regulate supplier admission, evaluation and cooperation. We apply supplier entry standards and conduct regular qualification reviews and performance evaluations to ensure compliance with our environmental and social responsibility requirements. Before admitting new suppliers, we assess their qualifications, delivery capacity, cost control, technical capabilities, product quality, after-sales service and CSR performance. We also require new suppliers to sign standard agreements covering compliance, anti-corruption, confidentiality, prohibited substances, quality assurance and social responsibility, and conduct regular evaluations on their operating environment, manufacturing processes, quality control and compliance.

Community Engagement

We attach great importance to fulfilling our corporate social responsibilities and actively support social welfare causes through donations and material contributions. In recent years, we have donated to the Red Cross Society of Doumen District, Zhuhai, to support local humanitarian aid and social service development. We have also collaborated with Shanpin Charity to promote rural revitalisation, community care, and other philanthropic projects, thereby responding effectively to societal needs.

Anti-Corruption, Anti-Bribery and Business Ethics

We place strong emphasis on business ethics and integrity, and have established internal policies and systems covering anti-corruption and anti-commercial bribery, anti-fraud, anti-money laundering, and conflicts of interest. These policies set out the relevant governance framework, prohibited conduct, reporting and investigation mechanisms, internal control requirements, and disciplinary measures. We also provide anti-corruption training to employees, directors and other relevant personnel on a regular basis. During the Track Record Period and up to the Latest Practicable Date, our Group had not been subject to any penalties for violations of applicable laws and regulations in relation to anti-corruption, anti-bribery and business ethics.

PROPERTIES

During the Track Record Period, we owned and leased properties in the PRC and overseas primarily as production facilities, R&D centres, offices and staff dormitories.

Owned Properties

As at the Latest Practicable Date, we own our headquarters located in 857 Kegang Avenue, Baijiao Town, Doumen District, Zhuhai City* (珠海市斗門區白蕉鎮科港大道857號), where our production and staff dormitory is located. Our headquarters comprises six parcels of land with an aggregate site area of approximately 52,000 sq.m.

As advised by our PRC Legal Advisers, we have proper title certificates for our owned property and we have the right to possess, use or dispose of such property in accordance with the relevant laws in the PRC. To the best knowledge of our Directors, no circumstances existed as at the Latest Practicable Date which would render such title certificates to be revoked or withdrawn as a result of non-compliance with any relevant laws and regulations of the PRC.

For further details of the properties owned by our Group, please refer to the property valuation report in Appendix III to this document.

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Leased Properties

As at the Latest Practicable Date, we leased over 104 properties as our offices, R&D and production facilities, warehouses and staff dormitories in the PRC with an aggregate gross floor area of 53,471.37 sq.m.. To the best knowledge of our Company, the lessors of all leased properties in the PRC are Independent Third Parties.

As at the Latest Practicable Date, the lessors of 20 of our leased properties in the PRC, of which 15 were used as staff dormitories and five were used as office, had not provided us with valid title certificates, or relevant authorisation documents evidencing their rights to lease the properties to us. As a result, the lease may not be valid, or there is a risk that we may not be able to continue to use such property. If we experience temporary interruption to our usage of any or all of our leased office space, we believe that there is sufficient supply of alternative properties in the PRC and we can easily find substitutes for the same purposes. Therefore, we do not rely on the aforementioned leases for our business operations, and we believe a contingency relocation plan is unnecessary.

According to applicable PRC laws and regulations, the lessor and the lessee to a lease agreement are required to file the lease agreement with relevant government authorities within 30 days after the execution of the lease agreement. As at the Latest Practicable Date, the lease agreements for 98 properties we leased, of which 88 properties are used for staff dormitories and 10 properties are used for production, offices and/or warehouses, with an aggregate gross floor area of approximately 24,500 sq.m., had not been filed with the local housing administration authorities as required under PRC laws and regulations. As advised by our PRC Legal Advisers, the absence of registration will not affect the validity of the lease agreements, nor materially and adversely affect our operations but we may be ordered by relevant competent authorities to complete the filing within a designated time limit, and we may be subject to a fine of RMB1,000 to RMB10,000 for each of the unregistered lease agreements if we and the landlords fail to register such lease agreements within a designated time limit. As at the Latest Practicable Date, our Group has not received any notification from the relevant authorities ordering rectification in relation to the aforesaid lease registration issue, nor has it been penalised by any relevant authorities. Mr. Wang, a member of the Single Largest Group of Shareholders, has undertaken to indemnify our Group in respect of all liabilities and penalties which may arise as a result of such non-registrations.

Our Directors believe that the foregoing issues, individually or in aggregate, do not have a material adverse impact on our business operations or financial condition, given that (i) during the Track Record Period and up to the Latest Practicable Date, our leases for the leased properties with title defects were not challenged by third parties or relevant authorities that had resulted in any material disputes, lawsuits or claims in connection with the rights to lease and use such properties occupied by us; (ii) the lack of registration of the leased properties does not affect the validity of the respective lease agreements; and (iii) it is believed there is a sufficient supply of similar properties and do not expect any impediments to our promptly obtaining alternative properties on equivalent terms.

We also leased various properties in the United States, Vietnam, Germany and Mexico with an aggregate gross floor area of approximately 6,800 sq.m.. To the best knowledge of our Company, the lessors of all overseas leased properties are Independent Third Parties.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. For more details, see “Risk Factors — Risks Relating to Our Business and Industry”. Our Directors oversee and manage the overall risks associated with our operations. We have prepared written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

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To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [REDACTED], we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an Audit Committee to review and supervise our financial reporting process and internal control system;
- adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;
- provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations; and
- attend training sessions by our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies listed in Hong Kong.

Internal Control

In July 2025, we engaged an independent consulting firm to perform a review over our internal control. The internal control consultant has conducted a review procedure on our internal control system in certain aspects, including financial reporting and disclosure controls, corporate level controls, information system control management and other procedures for our operations. We had improved our internal control system by adopting and implementing the corresponding enhanced internal control measures. Going forward, we will continue to regularly review and improve these internal control policies, measures and procedures. We plan to provide our Directors, senior management, and relevant employees with continuous training programs and updates regarding the relevant laws and regulations regularly.

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, save as disclosed below, no member of our Group was engaged in any litigation, claim or arbitration of material importance and no litigation, claim or arbitration is known to the Directors to be pending or threatened against an member of our Group which would have a material adverse impact on our financial position or results of operations. Save as disclosed in the subsection headed “Leased Properties” and as follows, there were no non-compliance incidents that had material and adverse effect on our business and results of operations during the Track Record Period and up to the Latest Practicable Date.

Contractual Dispute with Customer X

Customer X filed a lawsuit against us in November 2025 with the Haizhou District People’s Court of Lianyungang Municipality with regard to three construction contracts (the “**Construction Contracts**”). Under the Construction Contracts, we were engaged to carry out development and construction work for the plaintiff regarding three smart laboratories located in Lianyungang, Jiangsu province, the PRC. The plaintiff alleged that there were quality issues with the three smart laboratories as well as late completion acceptance of all construction projects. The plaintiff sought (i) rectification of the quality defects, failing which our Company shall pay the rectification costs provisionally estimated at RMB7.5 million (subject to appraisal and evaluation), (ii) payment of damages of RMB1.5 million and (iii) litigation costs, against our Company. As at the Latest Practicable Date, the lawsuit remained ongoing. The PRC legal advisers as to the litigation matter engaged by us is of the view that the likelihood of success of plaintiff’s claims is very remote, primarily due to:

- (i) there was no late project delivery on our part. Commencement of the construction projects was delayed due to the plaintiff’s own delay in completing the foundational civil works of the site and the parties agreed to extend the construction period. We in fact delivered all the projects within the extended construction period;
- (ii) all the projects were delivered in accordance with the contractual specifications; and

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- (iii) the plaintiff had unreasonably delayed or otherwise refused to carry out completion acceptance on its part. During the inspection, the plaintiff made unilateral demand that was beyond the technical specifications of the Construction Contracts and purported to refuse completion acceptance on the basis that these demands were not fulfilled.

Taking into account the aforesaid view of the PRC legal advisers as to the litigation matter, our Directors consider that the possibility of our Company being ordered to pay the abovementioned damages is very remote; further, based on the claim amount and our potential liability, the lawsuit will not have any material adverse impact on our financial position or results of operations.

Contractual Dispute with Customer Y

We filed a lawsuit against customer Y in November 2025 with the People’s Court of Liandu District, Lishui City, Zhejiang Province (“**Lishui Court**”) with respect to seven procurement contracts, on the basis that customer Y owed us the outstanding purchase price of RMB3,525,200 and related compensation for late payment.

Pursuant to the civil mediation document issued by the Lishui Court on 18 December 2025, we had reached a mediated settlement with customer Y. Under the settlement, the parties agreed and confirmed that customer Y shall pay to us an outstanding purchase price of RMB3,525,200, to be paid in five instalments. As at the Latest Practicable Date, we had received instalment payment amounting to RMB1,525,200. Given that we had reached a mediated settlement and received instalment payment, our Directors consider that the above matter will not have any material adverse impact on our financial position or results of operations.

Social Insurance and Housing Provident Funds

Background and reasons for non-compliance

During the Track Record Period, we failed to make full contribution to the social insurance and housing provident fund for some of our employees as required by the relevant PRC laws and regulations. For FY2023, FY2024 and FY2025, the aggregate shortfall of social insurance and housing provident fund amounted to RMB20.0 million, RMB25.7 million and RMB30.3 million, respectively.

Legal consequences and potential penalties

According to the relevant PRC laws and regulations, (i) if we fail to pay the full amount of social insurance contributions as required, the relevant PRC authorities may demand us to pay the outstanding contributions within a stipulated deadline and we may be liable for a late payment fee that equals to 0.05% of the outstanding amount of social insurance contributions for each day of the delay. If we fail to make such payments within the stipulated deadline, we may also be liable to a fine from one to three times of the amount of the outstanding amount of social insurance contributions; and (ii) in respect of outstanding housing provident fund contributions, we may be ordered to pay the outstanding housing provident fund contributions within a prescribed time period. If the payment is not made within such time limit, an application may be made to PRC courts for compulsory enforcement. In addition, according to the Urgent Notice on Proper Implementation of Stabilisation Measures for the Collection of Social Insurance Contributions (《關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》) issued by the Ministry of Human Resources and Social Security on 21 September 2018, administrative authorities are prohibited from organising or initiating retrospective bulk collection of social insurance shortfalls without proper authorisation.

As advised by our PRC Legal Advisers, the risk that we would be required to pay the shortfall of social insurance and housing provident fund or penalised for such non-compliance by the relevant government authorities is remote, for reasons as stated below:

- (i) as at the Latest Practicable Date, we had not received any notification from the relevant government authorities requiring us to pay any shortfalls or imposing any penalties with respect to social insurance and housing provident fund;

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- (ii) we have obtained written confirmations from various competent authorities that our Group had not been subject to any administrative penalty or administrative action by the human resources and social security administrative department for violation of labour protection laws and regulations during the Track Record Period;
- (iii) according to the telephone or face-to-face interviews with the competent authorities conducted by our PRC Legal Advisers, the relevant competent authorities will not normally take the initiative to recover or request for retroactive payment in relation to our Group’s failure to make full contribution to the social insurance and/or the housing provident fund, but will only carry out investigations upon receipt of complaints or reports from the employees and determine whether or not to recover or require retroactive payment in accordance with the circumstances of the investigation or reporting, and each of the relevant competent authorities had not received any complaints on our Group in relation to the payment of social insurance and the housing provident fund;
- (iv) we were not aware of any employee complaints nor have we received any demand, court filings or notices from any current or former employees regarding any outstanding social insurance or housing provident fund contributions as at the Latest Practicable Date; and
- (v) Mr. Wang, a member of our Single Largest Group of Shareholders has undertaken to indemnify our Group against any claims, charges, fines and other liabilities arising from such non-compliance.

Based on the above, our Directors are of the view that such non-compliance would not have a material and adverse effect on our business and results of operations.

Latest status and internal control measures adopted

We had not settled in full the shortfall amount because certain of our employees were not willing to bear the costs associated with social insurance and housing provident funds strictly in proportion to their salary. We have implemented the following measures to prevent future occurrences of such non-compliance: (i) we will review and monitor the reporting and contributions of social insurance and housing provident fund on a monthly basis; and (ii) we will keep abreast of latest developments in the PRC laws and regulations in relation to social insurance and housing provident fund, and regularly consult our PRC Legal Advisers on the relevant PRC laws and regulations in order to obtain timely update of relevant regulatory developments.