You should read the following discussion and analysis in conjunction with our consolidated financial statements and the accompanying notes included in the Accountants' Report set forth in Appendix I to this Document. Our consolidated financial statements have been prepared in accordance with IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountants' Report and not merely rely on the information contained in this section.

These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties, over which we do not have control. In evaluating our business, you should carefully consider all of the information, including, but not limited to, that set forth under "Risk Factors," "Forward-Looking Statements" and provided elsewhere in this Document.

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

OVERVIEW

We are a leading global sugar confectionery company. We are engaged in the design, manufacturing and sales of innovative products designed to deliver both happiness and health to consumers worldwide. We market our products primarily under two brands, Amos and Biobor. Our business model is built on a fully integrated value chain, which seamlessly connects deep consumer and market trend insights, and innovation-driven product development, with world-class manufacturing and global channel and marketing. This end-to-end integration leads to high-quality, impactful products and ensures operational efficiency and a rapid "concept-to-shelf" product pipeline on a global scale.

BASIS OF PREPARATION

Our historical financial information during the Track Record Period has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). For details of the basis of preparation, see Note 2.1 to the Accountants' Report included in Appendix I to this Document. Further details of the material accounting policy information adopted are set out in Note 2.3 of the Accountants' Report included in Appendix I to this Document.

The preparation of our historical financial information during the Track Record Period in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to our historical financial information during the Track Record Period are disclosed in Note 3 to the Accountants' Report included in Appendix I to this Document.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business and results of operations have been, and are expected to continue to be, influenced by various general factors affecting the global confectionery industry, including overall macroeconomic and its impact on consumer behavior, production and procurement costs, geopolitical dynamics and regulatory developments, and the overall competitive landscape. Adverse movements in any of these areas may have a material impact on our business and results of operations. In addition to these general factors, our results of operations are affected by the following specific factors, including:

Product Portfolio and Continuous Product Innovation and Upgrade

Our revenue growth and profitability are significantly shaped by our product portfolio and innovation capabilities. Our current portfolio primarily comprises (i) own-brand products, including Amos and Biobor, and (ii) third-party brands. The continued expansion of this portfolio relies on our ability to leverage consumer insights effectively and drive focused research and development initiatives.

This broadening portfolio enables us to respond swiftly to changing market dynamics and shifts in consumer behavior. Continuous product enhancement is essential to sustaining our competitive position and driving sustainable revenue growth. By drawing on deep consumer understanding and strong R&D capabilities, we consistently introduce products that align closely with market trends, particularly in areas such as nutritional confectionery products. For example, the introduction of Biobor was a direct response to emerging customer needs, underscoring how our innovation focus helps build differentiated, resonant brands.

Global Sales Network and Channel Expansion

We reach consumers through an extensive multi-channel sales network integrating key accounts (primarily including retailers), distributors and online direct sales channels. Effective management and continuous expansion of these channels enable us to deeply penetrate diverse markets, covering different consumption scenarios and geographic regions, thereby supporting revenue growth and market share gains. For details, see "Business — Our Sales Channels." We believe our ability to grow our business will depend on whether we can continue to expand our sales and distribution network to reach more consumers and to provide them with easy access to our products.

Moreover, we will also actively expand our business globally. During the Track Record Period, we generated a substantial portion of revenue from overseas markets such as North America, Europe, Oceania and other regions, in aggregate representing 52.8%, 68.0% and 77.1% of our total revenues in 2023, 2024 and 2025, respectively. We plan to continue to penetrate in existing markets and expand our footprints into new markets. Global operations are subject to various inherent challenges, including but not limited to difficulties in product development, manufacturing, logistics, and navigating unfamiliar regulatory framework. Changes in international trade policies can also impact our export activities. Adjustments in tariffs, quotas, and trade agreements may either facilitate or hinder our access to overseas markets. Accordingly, our revenue and results of operations may be affected. See "Risk Factors — Risks Relating to Our Business and Industry — Operating globally exposes us to inherent risks, which will persist as we further expand our international footprint. Shifts in the global economic landscape, along with evolving diplomatic and trade relations, could negatively impact our operating results and lead to fluctuations to the demand for our products."

As a result of our global operations, we have transactional currency exposures. For example, a significant portion of our sales are made in United States dollars, while our purchases are primarily made in Renminbi. Therefore, foreign exchange fluctuation may affect our gross profits and gross profit margins. We will continue to monitor and manage our foreign exchange exposure effectively and will consider hedging any exposure where appropriate.

Brand Building and Marketing Effectiveness

Our brand recognition and marketing effectiveness are fundamental drivers of our financial performance. Product and marketing innovation serves as the core of our brand-building strategy. As our brand portfolio matures, we have consistently reinforced a premium positioning in the consumer mindset, while strengthening the differentiated association of our brands with happiness and health. Our online approach leverages social commerce and content platforms through a dedicated in-house team, maintaining a robust presence on major global social media platforms such as TikTok and Instagram, enabling seamless integration of brand storytelling and product innovation. Offline, we go beyond traditional shelf placements and promotions by integrating our online marketing initiatives. Initiatives like the "Candy Dream Factory" create immersive brand experiences that connect with global consumers under the unifying proposition of "Happy and Healthy," fostering deep emotional and cultural resonance. In 2023, 2024, and 2025, selling and distribution expenses amounted to RMB198.9 million, RMB266.7 million, and RMB429.5 million, representing 18.6%, 17.0%, and 15.4% of revenue, respectively, demonstrating improving marketing efficiency and a strong return on brand investment. The elevated recognition of our brand drives our direct sales and sales to key accounts, which in turn contributed to our increased overall gross profit margin. We believe that maintaining strong brand relevance — through continuous innovation, integrated channel execution, and online brand exposure — is essential to sustaining revenue momentum and expanding operating margins.

Cost Structure and Operational Efficiency

Our profitability depends largely on our ability to effectively control costs and enhance operational efficiency. In 2023, 2024 and 2025, our costs of sales amounted to RMB619.6 million, RMB912.6 million and RMB1,402.3 million, representing 57.9%, 58.1% and 50.4% of revenue, respectively. In the same years, our operating expenses, including selling and distribution expenses, administrative expenses, and research and development expenses, amounted to RMB280.0 million, RMB389.4 million and RMB583.0 million, representing 26.2%, 24.8% and 21.0% of revenue, respectively. Our cost structure is affected by the fluctuation of raw material prices, such as gelatin, white granulated sugar and glucose syrup. Our production costs and profit margin depend on our ability to source major raw materials at competitive prices. To mitigate the impact of volatile raw material prices, we have maintained stable and long-term relationship with key suppliers.

In addition, our operating efficiency is affected by our ability to control the aggregate of operating expenses. As our business continues to grow, we expect total operating expenses to increase in absolute terms while we expect to benefit from economies of scale to improve our operational efficiency in the long term.

Our Ability to Increase Production Capacity and Utilization

Our ability to further increase production capacity is critical to supporting stable and sustained business growth, though such expansion entails additional costs and uncertainties. To manage and strengthen our production capabilities, we plan to build new production facilities, upgrade existing equipment, develop additional production lines, and refine our manufacturing processes. In line with this strategy, we are establishing a manufacturing plant in Vietnam to produce our own-brand products. We expect this manufacturing plant to enhance regional supply-chain resilience and serve growing international demand, in particular, the North America and Europe. The factory is expected to commence operations by or around the end of 2026. In addition, to rapidly scale our manufacturing capacity, we leverage qualified third-party OEM partners. This approach enables flexible production expansion without the upfront capital investment. By collaborating with established OEMs that have certified production lines and operational expertise, we can accelerate time-to-market for new products, enter new geographic regions more efficiently, and better manage demand volatility. This flexible arrangement, together with our own manufacturing strategy, provide an agile and cost-effective pathway to support our business growth. For details, please see "Business — Manufacturing." Overall, our future revenue and operating performance will increasingly depend on our ability to scale production capacity in line with market needs.

MATERIAL ACCOUNTING POLICY INFORMATION AND ESTIMATES

Some of our accounting policies require us to apply estimates, assumptions, and complex judgments related to accounting items. These estimates, assumptions, and judgments have a significant impact on our financial position and results of operations. Our management continuously evaluates such estimates, assumptions, and judgments based on past experience, industry practices, and expectations of future events that are deemed reasonable under the circumstances. During the Track Record Period, there had not been any material deviation from our management's estimates or assumptions and actual results, and we had not made any material changes to these estimates or assumptions. We do not expect any material changes to these estimates and assumptions in the foreseeable future.

Our material accounting policy information, estimates and judgments, which are important for understanding our financial condition and results of operations, are set forth in further detail in Note 2.3 and Note 3 to the Accountants' Report included in Appendix I to this Document.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

The following table sets forth a summary of our consolidated statements of profit or loss, in absolute amounts, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Revenue	1,070,381	100.0	1,571,251	100.0	2,782,069	100.0
Cost of sales	(619,605)	(57.9)	(912,573)	(58.1)	(1,402,289)	(50.4)
Gross profit	**450,776**	**42.1**	**658,678**	**41.9**	**1,379,780**	**49.6**
Other income and gains	15,542	1.5	18,056	1.1	18,785	0.7
Selling and distribution expenses	(198,924)	(18.6)	(266,656)	(17.0)	(429,503)	(15.4)
Administrative expenses	(73,826)	(6.9)	(107,416)	(6.8)	(135,225)	(4.9)
Research and development expenses	(7,292)	(0.7)	(15,279)	(1.0)	(18,258)	(0.7)
Impairment losses on financial instruments, net	(360)	(0.0)	(6,250)	(0.4)	(3,520)	(0.1)
Other expenses	(2,136)	(0.2)	(2,358)	(0.2)	(3,045)	(0.1)
Finance costs	(1,337)	(0.1)	(14,173)	(0.9)	(11,985)	(0.4)
Profit before tax	**182,443**	**17.0**	**264,602**	**16.8**	**797,029**	**28.6**
Income tax expense	(45,400)	(4.2)	(66,271)	(4.2)	(197,008)	(7.1)
Profit for the year	**137,043**	**12.8**	**198,331**	**12.6**	**600,021**	**21.6**

Non-IFRS Financial Measure

We use adjusted net profit, a non-IFRS financial measure, in evaluating our operating results and for financial and operational decision-making purposes. We believe that adjusted net profit (non-IFRS measures) helps identify underlying trends in our business, provides useful information about our results of operations, and enhances the overall understanding of our past performance and future prospects.

Adjusted net profit (non-IFRS measures) should not be considered in isolation or construed as an alternative to net profit or any other measure of performance or as an indicator of our operating performance. Adjusted net profit (non-IFRS measures) presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

Adjusted net profit (non-IFRS measures) represents net profit excluding share-based compensation expenses, which is a non-cash item, and [**REDACTED**] expenses, which related to the [**REDACTED**]. The table below sets forth a reconciliation of our net profit to adjusted net profit (non-IFRS measures) for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
		(in thousands)	
Profits for the year	**137,043**	**198,331**	**600,021**
Add:			
Share-based compensation expenses	4,598	4,167	3,238
[**REDACTED**] expenses	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Adjusted net profits (non-IFRS measures)	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we generated revenue from sales of sugar confectionery products to customers across the globe.

Revenue by Product Line

The following table sets forth the breakdown of our revenue by product line in absolute amounts and as a percentage of our total revenue, for the years indicated. For a detailed discussion of the fluctuations of our revenue during the Track Record Period, see "— Period-to-Period Comparison of Results of Operations".

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Own-brand Products						
Amos	505,717	47.2	828,450	52.7	1,968,282	70.7
Biobor	166,583	15.6	163,131	10.4	199,524	7.2
Sub-total	**672,300**	**62.8**	**991,581**	**63.1**	**2,167,806**	**77.9**
Third-party Brands	398,081	37.2	579,670	36.9	614,263	22.1
Total	**1,070,381**	**100.0**	**1,571,251**	**100.0**	**2,782,069**	**100.0**

Own-brand products. The revenue generated from own-brand products increased from RMB672.3 million in 2023 to RMB991.6 million in 2024, and further to RMB2,167.8 million in 2025, primarily attributable to the increased demands for our blockbuster products across multiple geographic and sales channels, such as Peelerz and 4D gummies. With expansion of Biobor into more markets, we expect the revenue contribution of Biobor will gradually increase.

Third-party brands. Third-party brands primarily include our ODM products, and to a lesser extent, we also sell third-party brand products that are not manufactured by us. The revenue generated from third-party brands increased from RMB398.1 million in 2023 to RMB579.7 million in 2024, and further increased to RMB614.3 million in 2025, primarily attributable to the deepened collaboration and more favorable pricing arrangement with our clients. The revenue generated from third-party brands, as a percentage of total revenue, decreased from 37.2% in 2023 to 36.9% in 2024, and further to 22.1% in 2025, reflecting our strategic focus on our own-brand products.

Revenue By Geographical Market

The following table sets forth a breakdown of our total revenue by geographical market in absolute amounts and as a percentage of total revenue for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
North America	353,369	33.0	720,044	45.9	1,465,279	52.7
China[1]	505,046	47.2	502,995	32.0	636,755	22.9
Europe	43,623	4.1	67,110	4.3	272,635	9.8
Oceania[2]	56,419	5.3	140,478	8.9	186,979	6.7
Other regions[3]	111,924	10.4	140,624	8.9	220,421	7.9
Total	**1,070,381**	**100.0**	**1,571,251**	**100.0**	**2,782,069**	**100.0**

Notes:

(1) Includes Chinese Mainland, Hong Kong SAR, Macao SAR, and Taiwan region.

(2) Includes Australia and New Zealand.

(3) Primarily includes Latin America, Southeast Asia, East Asia and Africa.

During the Track Record Period, we generate our revenue primarily from North America and China. Revenue generated from North America increased from RMB353.4 million in 2023 to RMB720.0 million in 2024, and further to RMB1,465.3 million in 2025, primarily attributable to elevated brand recognition of our own-brand products, our enhanced sales and marketing efforts and the successful introduction of high-demand products in the region. Revenue generated from China remained relatively stable at RMB505.0 million and RMB503.0 million in 2023 and 2024, respectively. Revenue generated from China increased to RMB636.8 million in 2025, primarily attributable to the increased demand of our products and deepened collaboration with existing clients and channels.

Key Operating Metrics

The following table sets forth sales volume and average selling price for the years indicated.

	Year ended December 31,					
	2023		2024		2025	
	Sales Volume	**Average Selling Price**	**Sales Volume**	**Average Selling Price**	**Sales Volume**	**Average Selling Price**
	(thousand ton)	*(RMB in thousands per ton)*	*(thousand ton)*	*(RMB in thousands per ton)*	*(thousand ton)*	*(RMB in thousands per ton)*
Own-brand Products						
Amos	9.1	55.5	14.2	58.2	32.0	61.5
Biobor	1.9	88.8	1.8	88.3	2.2	89.0
Third-party Brands	15.0	26.6	21.7	26.7	20.2	30.5

The average selling price of Amos increased from RMB55.5 thousand per ton in 2023 to RMB58.2 thousand per ton in 2024, and further increased to RMB61.5 thousand per ton in 2025, primarily attributable to the introduction of higher-priced products, combined with stronger pricing in North America market. The sales volume of Amos substantially increased from 9.1 thousand ton in 2023 to 14.2 thousand ton in 2024, and further increased to 32.0 thousand ton in 2025, primarily attributable to increased demands for our blockbuster products across multiple geographies and sales channels, such as Peelerz and 4D gummies. The average selling price of Biobor remained relatively stable at RMB88.8 thousand per ton, RMB88.3 thousand per ton, and RMB89.0 thousand per ton in 2023, 2024 and 2025, respectively. The average selling price of third -party brands increased from RMB26.7 thousand per ton in 2024 to RMB30.5 thousand per ton in 2025, primarily attributable to the deepened collaboration and more favorable pricing arrangement with our existing clients.

Cost of Sales

Our cost of sales primarily consists of (i) raw materials costs, which include costs related to OEMs, (ii) manufacturing costs in relation to our production facilities, (iii) logistic fees, (iv) labor costs, (v) tariff, and (vi) others.

The following table sets out a breakdown of our cost of sales by nature, in absolute amounts and as a percentage of our total cost of sales, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Raw materials costs	449,786	72.6	575,642	63.1	876,759	62.5
Manufacturing costs	71,959	11.6	119,062	13.0	132,641	9.5
Logistic fees	41,355	6.7	99,702	10.9	165,364	11.8
Labor costs	41,088	6.6	71,117	7.8	93,881	6.7
Tariff	6,000	1.0	31,702	3.5	107,944	7.7
Others[(1)]	9,417	1.5	15,348	1.7	25,700	1.8
Total	**619,605**	**100.0**	**912,573**	**100.0**	**1,402,289**	**100.0**

Notes:

(1) Primarily includes inventory write-downs.

Gross Profit and Gross Profit Margin

The following table sets out the gross profit and gross profit margin by product lines, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	**Gross profit margin**	**Gross profit**	**Gross profit margin**	**Gross profit**	**Gross profit margin**
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Own-brand Products						
Amos	233,979	46.3	384,750	46.4	1,045,669	53.1
Biobor	88,284	53.0	81,876	50.2	105,962	53.1
Third-party Brands	128,513	32.3	192,052	33.1	228,149	37.1
Total	**450,776**	**42.1**	**658,678**	**41.9**	**1,379,780**	**49.6**

Our overall gross profit margins remained relatively stable at 42.1% and 41.9% in 2023 and 2024, respectively. Our overall gross profit margin subsequently increased to 49.6% in 2025, primarily driven by the steady growth in sales volume and average selling price of our two own-brand products during the Track Record Period as a result of enhanced brand recognition. In addition, our gross profits were also affected by third-party brands, which also recorded an increased growth profit margin, primarily driven by the increased average selling price.

Selling and Distribution Expenses

Our selling and distribution expenses consist of (i) employee compensation, (ii) promotion expenses, (iii) transportation and business development, (iv) warehouse fee, (v) share-based compensation expenses and (vi) others.

The following table sets forth a breakdown of our selling and distribution expenses, in absolute amounts and as a percentage of our total selling and distribution expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Employee compensation	100,492	50.5	119,826	44.9	183,890	42.8
Promotion expenses	62,905	31.6	84,420	31.7	151,808	35.3
Transportation and business development	9,978	5.0	17,777	6.7	14,695	3.4
Warehouse fee	5,024	2.5	21,056	7.9	57,526	13.4
Share-based compensation expenses	1,508	0.8	1,076	0.4	666	0.2
Others(1)	19,017	9.6	22,501	8.4	20,918	4.9
Total	**198,924**	**100.0**	**266,656**	**100.0**	**429,503**	**100.0**

Notes:

(1) Primarily include depreciation expenses for office leasing and sample fees.

Administrative Expenses

Our administrative expenses consist of (i) employee compensation, (ii) depreciation and amortization, (iii) office expense, (iv) professional service, (v) share-based compensation expenses, (vi) short-term lease payments, (vii) [**REDACTED**] expenses, and (viii) others.

The following table sets forth a breakdown of our administrative expenses, in absolute amounts and as a percentage of our total administrative expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Employee compensation	40,557	54.9	50,058	46.6	65,794	48.7
Depreciation and amortization	7,526	10.2	15,560	14.5	17,174	12.7
Office expense	7,901	10.7	12,840	12.0	13,386	9.9
Professional service	8,930	12.1	11,473	10.7	14,832	11.0
Share-based compensation expenses	2,926	4.0	2,926	2.7	2,422	1.8
Short-term lease payments	886	1.2	1,824	1.7	2,274	1.7
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Others(1)	5,100	6.9	12,735	11.8	18,918	13.9
Total	[REDACTED]	**100.0**	[REDACTED]	**100.0**	[REDACTED]	**100.0**

Notes:

(1) Primarily include stamp duty, property tax, and travel expenses.

Research and Development Expenses

Our research and development expenses consist of (i) employee compensation, including share-based compensation expenses, (ii) material cost, (iii) service fee, (iv) depreciation and amortization, and (v) others.

The following table sets forth the breakdown of our research and development expenses, in absolute amounts and as a percentage of our total research and development expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Employee compensation	5,875	80.6	8,138	53.3	11,538	63.2
Material cost	582	8.0	4,404	28.8	3,330	18.2
Service fee	469	6.4	1,745	11.4	1,918	10.5
Depreciation and amortization	233	3.2	766	5.0	1,229	6.7
Others	133	1.8	226	1.5	243	1.4
Total	**7,292**	**100.0**	**15,279**	**100.0**	**18,258**	**100.0**

Other Income and Gains

Other income and gains consist of (i) other income and (ii) gains. Other income consists of (i) bank interest income, (ii) government grants — income, and (iii) others. Gains consist of (i) gains from financial assets at fair value through profit or loss, (ii) foreign exchange gains, (iii) gains on early termination or revision of certain lease contract.

The following table sets forth the breakdown of our other income and gains for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Other income						
Bank interest income	892	5.7	2,843	15.7	2,799	14.9
Government grants – income	5,867	37.7	2,678	14.8	1,762	9.4
Others	647	4.2	635	3.5	725	3.9
Total other income	7,406	47.6	6,156	34.0	5,286	28.2
Gains						
Gains from financial assets at fair value through profit or loss	3,828	24.6	3,575	19.9	6,271	33.3
Foreign exchange gains, net	3,709	23.9	8,325	46.1	7,228	38.5
Gains on early termination or revision of certain lease contracts	599	3.9	–	–	–	–
Total gains	8,136	52.4	11,900	66.0	13,499	71.8
Total	**15,542**	**100.0**	**18,056**	**100.0**	**18,785**	**100.0**

Impairment Losses on Financial Instruments, Net

Impairment losses on financial instruments, net represents expected credit losses for trade receivables amounting to RMB0.4 million, RMB6.3 million and RMB3.5 million in 2023, 2024 and 2025, respectively.

Finance Costs

Our finance costs consist of (i) interest expenses on lease liabilities, and (ii) interest on bank and other borrowings.

The following table sets forth the breakdown of our finance costs, in absolute amounts and as a percentage of our total finance costs, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)					
Interest expenses on lease liabilities	1,136	85.0	824	5.8	1,128	9.4
Interest on bank and other borrowings	5,956	445.5	13,667	96.4	10,857	90.6
Less: interest capitalized	(5,755)	(430.5)	(318)	(2.2)	–	–
Total	**1,337**	**100.0**	**14,173**	**100.0**	**11,985**	**100.0**

Income Tax Expenses

We are subject to income tax on an entity basis on profits arising in, or derived from, tax jurisdictions in which members of our Group are domiciled and operate.

PRC

Under the Law of the PRC on EIT Law and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25% unless subject to tax exemption. Certain of the Group's PRC subsidiaries are qualified as small and micro enterprises and were entitled to a preferential EIT rate of 5% for the taxable income below RMB3 million during the years ended December 31, 2023, 2024 and 2025.

Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Track Record Period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

United States

Under United States Internal Revenue Code, the subsidiaries established in United States are subject to a unified Federal CIT rate of 21% and variable state income and franchise tax ranging from 0.75% to 9.8% depends on which state the subsidiaries has nexus with.

Other Overseas Areas

The Company's other overseas subsidiaries are subject to income tax at rates ranging from 9% to 30%.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

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

Revenue by Product Line

Our revenue increased by 77.1% from RMB1,571.3 million in 2024 to RMB2,782.1 million in 2025, primarily due to revenue growth of our own-brand products, and to a less extent to the third-party brands.

Own-brand products. Revenue from own-brand products increased by 118.6% from RMB991.6 million in 2024 to RMB2,167.8 million in 2025, primarily attributable to our revenue growth from both Amos and Biobor.

- ***Amos***. Revenue from Amos increased by 137.6% from RMB828.5 million in 2024 to RMB1,968.3 million in 2025, primarily attributable to (i) the increased sales volume from 14.2 thousand ton in 2024 to 32.0 thousand ton in 2025, as a result of increased demands for our blockbuster products across multiple geographics and sales channels, such as Peelerz and 4D gummies, driven by our increased sales efforts, and (ii) increased average selling price from RMB58.2 thousand per ton in 2024 to RMB61.5 thousand per ton in 2025, primarily due to the introduction of higher-priced products, combined with stronger pricing in North America market.

- ***Biobor***. Revenue from Biobor increased by 22.3% from RMB163.1 million in 2024 to RMB199.5 million in 2025, primarily attributable to the increased sales volume from 1.8 thousand ton in 2024 to 2.2 thousand ton in 2025, and the increased average selling price from RMB88.3 thousand per ton in 2024 to RMB89.0 thousand per ton in 2025, both primarily due to the strengthened relationship with existing sales channels driven by our enhanced branding.

Third-party brands. Revenue from third-party brands increased by 6.0% from RMB579.7 million in 2024 to RMB614.3 million in 2025, primarily attributable to the increased average selling price from RMB26.7 thousand per ton in 2024 to RMB30.5 thousand per ton in 2025, mainly attributable to the deepened collaboration and more favorable pricing arrangement with our existing clients, despite the decreased sales volume from 21.7 thousand ton in 2024 to 20.2 thousand ton in 2025, primarily due to our strategic focus on own-brand products.

Revenue By Geographical Market

Our revenue increased by 77.1% from RMB1,571.3 million in 2024 to RMB2,782.1 million in 2025, primarily due to revenue growth in North America, Europe and China. Our revenue generated in North America increased by 103.5% from RMB720.0 million in 2024 to RMB1,465.3 million in 2025, primarily attributable to robust regional demand, driven by introduction of new products, deeper penetration of established sales channels, and enhanced brand recognition. Our revenue generated in Europe increased by 306.3% from RMB67.1 million in 2024 to RMB272.6 million in 2025, primarily attributable to our strategic partnerships with leading retailers, such as Costco, and distributors in key new markets, including the UK, the Netherlands, and France. Our revenue generated in China increased by 26.6% from RMB503.0 million in 2024 to RMB636.8 million in 2025, primarily attributable to the increased product demand, including higher-priced products, and deepened collaboration with existing sales channels.

Cost of Sales

Our cost of sales increased 53.7% from RMB912.6 million in 2024 to RMB1,402.3 million in 2025, primarily driven by (i) the increase of raw materials from RMB575.6 million in 2024 to RMB876.8 million in 2025, in line with our business growth, (ii) the increase of logistic fees from RMB99.7 million in 2024 to RMB165.4 million in 2025, in line with our business growth in overseas markets, and (iii) the increase of tariff from RMB31.7 million in 2024 to RMB107.9 million in 2025, in line with our business growth in North America.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 109.5% from RMB658.7 million in 2024 to RMB1,379.8 million in 2025, respectively.

Our overall gross profit margins increased from 41.9% in 2024 to 49.6% in 2025, primarily attributable to the steady growth of our own-brand products. Gross profit margins of Amos increased from 46.4% in 2024 to 53.1% in 2025, primarily attributable to the increased average selling price from RMB58.2 thousand per ton in 2024 to RMB61.5 thousand per ton in 2025. Gross profit margins of Biobor increased from 50.2% in 2024 to 53.1% in 2025, primarily attributable to the enhanced brand value and more efficient cost management. Gross profit margins of third-party brands increased from 33.1% in 2024 to 37.1% in 2025, primarily attributable to the increased average selling price from RMB26.7 thousand per ton in 2024 to RMB30.5 thousand per ton in 2025.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 61.1% from RMB266.7 million in 2024 to RMB429.5 million in 2025, respectively, primarily attributable to an increase in (i) promotion expenses from RMB84.4 million in 2024 to RMB151.8 million in 2025, primarily due to our enhanced marketing initiatives for our new products, and (ii) employee compensation from RMB119.8 million in 2024 to RMB183.9 million in 2025, primarily due to our expanded sales team and higher salaries.

Administrative Expenses

Our administrative expenses increased by 25.9% from RMB107.4 million in 2024 to RMB135.2 million in 2025, primarily attributable to an increase in employee compensation from RMB50.1 million in 2024 to RMB65.8 million in 2025 as a result of expanded team size and higher salaries.

Research and Development Expenses

Our research and development expenses increased by 19.5% from RMB15.3 million in 2024 to RMB18.3 million in 2025, respectively, primarily attributable to the increase in employee compensation from RMB8.1 million in 2024 to RMB11.5 million in 2025, primarily due to the R&D team expansion to support the development of new products.

Other Income and Gains

Our other income and gains increased by 4.0% from RMB18.1 million in 2024 to RMB18.8 million in 2025, respectively, primarily attributable to an increase in gains from financial assets at fair value through profit or loss from RMB3.6 million in 2024 to RMB6.3 million in 2025, primarily due to the increased financial assets we purchased.

Impairment Losses on Financial Instruments, Net

Impairment losses on financial instruments, net narrowed by 43.7% from RMB6.3 million in 2024 to RMB3.5 million in 2025, respectively, primarily attributable to our enhanced receivables management.

Finance Costs

Our finance costs decreased by 15.4% from RMB14.2 million in 2024 to RMB12.0 million in 2025, respectively, primarily attributable to a decrease in interest on bank and other borrowings from RMB13.7 million in 2024 to RMB10.9 million in 2025, respectively, primarily due to the decreased interest rate.

Income Tax Expense

We recorded income tax of RMB66.3 million and RMB197.0 million in 2024 and 2025, respectively.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 202.5% from RMB198.3 million in 2024 to RMB600.0 million in 2025.

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

Revenue by Product Line

Our revenue increased by 46.8% from RMB1,070.4 million in 2023 to RMB1,571.3 million in 2024, primarily due to revenue growth of own-brand products, and to a less extent to the revenue growth of third-party brands.

Own-brand products. Revenue from own-brand products increased by 47.5% from RMB672.3 million in 2023 to RMB991.6 million in 2024, primarily attributable to the revenue growth from Amos.

- ***Amos***. Revenue from Amos increased by 63.8% from RMB505.7 million in 2023 to RMB828.5 million in 2024, (i) primarily attributable to the increased sales volume from 9.1 thousand ton in 2023 to 14.2 thousand ton in 2024, primarily due to increased demands for our blockbuster products across multiple geographics and sales channels, such as 4D gummies and Peelerz, driven by our increased sales efforts, and (ii) the increased average selling price from RMB55.5 thousand per ton in 2023 to RMB58.2 thousand per ton in 2024, primarily due to the introduction of higher-priced products, combined with stronger pricing in North America market.

- ***Biobor***. Revenue from Biobor remained stable at RMB166.6 million and RMB163.1 million in 2023 and 2024. The sales volume of Biobor remained relatively stable at 1.9 thousand ton and 1.8 thousand ton in 2023 and 2024, relatively, and the average selling price of Biobor also remained relatively stable at RMB88.8 thousand per ton and RMB88.3 thousand per ton in 2023 and 2024, respectively.

Third-party brands. Revenue from third-party brands increased by 45.6% from RMB398.1 million in 2023 to RMB579.7 million in 2024, primarily attributable to the increased sales volume from 15.0 thousand ton in 2023 to 21.7 thousand ton in 2024, primarily due to deepened relationship with existing sales channels. The average selling price remained relatively stable at RMB26.6 thousand per ton and RMB26.7 thousand per ton in 2023 and 2024, respectively.

Revenue By Geographical Market

Our revenue increased by 46.8% from RMB1,070.4 million in 2023 to RMB1,571.3 million in 2024, primarily due to revenue growth in North America and Oceania.

Our revenue generated in North America increased by 103.8% from RMB353.4 million in 2023 to RMB720.0 million in 2024, primarily attributable to robust regional demand, driven by introduction of new products, deeper penetration of established sales channels, and enhanced brand recognition. Our revenue generated in Oceania increased by 149.0% from RMB56.4 million in 2023 to RMB140.5 million in 2024, primarily attributable to our increased sales to existing retailers and distributors as we deepen our penetration in the market.

Cost of Sales

Our cost of sales increased by 47.3% from RMB619.6 million in 2023 to RMB912.6 million in 2024, primarily driven by (i) the increase in raw materials from RMB449.8 million in 2023 to RMB575.6 million in 2024, in line with our business growth, and (ii) the increase in manufacturing costs from RMB72.0 million in 2023 to RMB119.1 million in 2024, in line with our business growth.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 46.1% from RMB450.8 million in 2023 to RMB658.7 million in 2024.

Our overall gross profit margins remained relatively stable at 42.1% and 41.9% in 2023 and 2024, respectively. Gross profit margins of Amos remained relatively stable at 46.3% and 46.4% in 2023 and 2024, respectively. Gross profit of Biobor decreased from 53.0% in 2023 to 50.2% in 2024, primarily attributable to increased raw material costs associated with the introduction of diversified packaging in 2024 to capture higher market shares. Gross profit margins of third-party brands remained relatively stable at 32.3% and 33.1% in 2023 and 2024, respectively.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 34.0% from RMB198.9 million in 2023 to RMB266.7 million in 2024, primarily attributable to (i) an increase in promotion expenses from RMB62.9 million in 2023 to RMB84.4 million in 2024, primarily attributable to our enhanced marketing initiatives, and (ii) an increase in employee compensation from RMB100.5 million in 2023 to RMB119.8 million in 2024 as a result of our efforts in expanding our sales network.

Administrative Expenses

Our administrative expenses increased by 45.5% from RMB73.8 million in 2023 to RMB107.4 million in 2024, primarily attributable to the increase in (i) employee compensation from RMB40.6 million in 2023 to RMB50.1 million in 2024, primarily attributable to the team expansion and higher salaries, and (ii) depreciation and amortization from RMB7.5 million in 2023 to RMB15.6 million in 2024, primarily related to our Jiangmen factories.

Research and Development Expenses

Our research and development expenses increased by 109.5% from RMB7.3 million in 2023 to RMB15.3 million in 2024, primarily attributable to the increase in (i) material costs from RMB0.6 million in 2023 to RMB4.4 million in 2024, primarily due to our enhanced product development efforts, and (ii) employee compensation from RMB5.9 million in 2023 to RMB8.1 million in 2024, primarily due to the employment of professionals.

Other Income and Gains

Our other income and gains increased by 16.2% from RMB15.5 million in 2023 to RMB18.1 million in 2024, primarily attributable to an increase in foreign exchange gains from RMB3.7 million in 2023 to RMB8.3 million in 2024, primarily driven by increased revenue from overseas regions and stronger US dollars against RMB during the year.

Impairment Losses on Financial Instruments, Net

Impairment losses on financial instruments, net increased from RMB0.4 million in 2023 to RMB6.3 million in 2024, primarily attributable to the increased trade receivables in line with our business growth.

Finance Costs

Our finance costs increased from RMB1.3 million in 2023 to RMB14.2 million in 2024, primarily due to an increase in interest on bank and other borrowings from RMB6.0 million in 2023 to RMB13.7 million in 2024, mainly attributable to the cessation of interest capitalization following the completion of the construction of Jiangmen factories.

Income Tax Expense

We recorded income tax expense of RMB45.4 million and RMB66.3 million in 2023 and 2024, respectively.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 44.7% from RMB137.0 million in 2023 to RMB198.3 million in 2024.

DISCUSSION OF CERTAIN KEY ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our consolidated financial statements included in Appendix I to this Document.

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Total non-current assets	571,080	646,015	713,744
Total current assets	546,153	850,937	1,550,765
Total assets	**1,117,233**	**1,496,952**	**2,264,509**
Total non-current liabilities	280,557	301,527	322,279
Total current liabilities	289,423	486,772	1,093,355
Total liabilities	**569,980**	**788,299**	**1,415,634**
Net current assets	**256,730**	**364,165**	**457,410**
Net assets	**547,253**	**708,653**	**848,875**

Current Assets and Liabilities

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

	As of December 31,			As of February 28,
	2023	**2024**	**2025**	**2026**
				(unaudited)
		(RMB in thousands)		
Current assets				
Inventories	103,388	205,653	321,796	284,877
Trade receivables	99,414	278,736	365,880	424,093
Prepayments, other receivables and other assets	75,808	76,158	98,718	150,262
Prepaid income tax	1,324	3,040	1,799	340
Financial assets at fair value through profit or loss	80,325	59,487	442,767	199,687
Restricted cash	3,620	1,018	1,816	275
Time deposits	2,374	21,910	–	–
Cash and cash equivalents	179,900	204,935	317,989	262,841
Total current assets	**546,153**	**850,937**	**1,550,765**	**1,322,375**

	As of December 31,			As of February 28,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current liabilities				
Trade payables	114,983	221,914	233,384	268,225
Other payables and accruals	110,297	136,523	554,183	191,409
Contract liabilities	28,780	29,697	60,490	31,747
Interest-bearing bank and other borrowings	13,583	51,800	114,008	115,436
Lease liabilities	11,470	10,415	16,398	16,484
Tax payable	10,310	36,423	114,892	97,058
Total current liabilities	**289,423**	**486,772**	**1,093,355**	**720,359**
Net current assets	**256,730**	**364,165**	**457,410**	**602,016**

Our net current assets increased from RMB457.4 million as of December 31, 2025 to RMB602.0 million as of February 28, 2026, primarily due to the decrease in current liabilities outweighs the decrease in current assets. Our current assets decreased primarily attributable to the decrease of financial assets at fair value through profit or loss from RMB442.8 million as of December 31, 2025 to RMB199.7 million as of February 28, 2026, primarily attributable to our disposal of relevant financial assets. Our current liabilities decreased primarily attributable to the decrease of other payables and accruals from RMB554.2 million as of December 31, 2025 to RMB191.4 million as of February 28, 2026, primarily attributable to the payment of dividends.

Our net current assets increased from RMB364.2 million as of December 31, 2024 to RMB457.4 million as of December 31, 2025, primarily due to the increase in current assets outweighs the increase in current liabilities. Our current assets increased primarily attributable to (i) an increase in financial assets at fair value through profit or loss from RMB59.5 million as of December 31, 2024 to RMB442.8 million as of December 31, 2025, (ii) an increase in inventories from RMB205.7 million as of December 31, 2024 to RMB321.8 million as of December 31, 2025, mainly due to our business growth, (iii) an increase in cash and cash equivalents from RMB204.9 million as of December 31, 2024 to RMB318.0 million as of December 31, 2025, and (iv) an increase in trade receivables from RMB278.7 million as of December 31, 2024 to RMB365.9 million as of December 31, 2025, in line with our business growth. Our current liabilities increased primarily attributable to (i) an increase in other payables and accruals from RMB136.5 million as of December 31, 2024 to RMB554.2 million as of December 31, 2025, mainly due to an increased payroll and welfare, driven by team expansion and higher salaries, (ii) an increase in tax payable from RMB36.4 million as of December 31, 2024 to RMB114.9 million as of December 31, 2025, and (iii) an increase in interest-bearing bank and other borrowings from RMB51.8 million as of December 31, 2024 to RMB114.0 million as of December 31, 2025.

Our net current assets increased from RMB256.7 million as of December 31, 2023 to RMB364.2 million as of December 31, 2024, primarily due to the increase in current assets outweighs the increase in current liabilities. Our current assets increased primarily attributable to (i) an increase in trade receivables from RMB99.4 million as of December 31, 2023 to RMB278.7 million as of December 31, 2024, in line with our business growth, and (ii) an increase in inventories from RMB103.4 million as of December 31, 2023 to RMB205.7 million as of December 31, 2024, primarily driven by the increased production scale resulting from capacity expansion at the newly established Jiangmen factories. Our current liabilities increased primarily attributable to (i) an increase in trade payables from RMB115.0 million as of December 31, 2023 to RMB221.9 million as of December 31, 2024, (ii) an increase in interest-bearing bank and other borrowings from RMB13.6 million as of December 31, 2023 to RMB51.8 million as of December 31, 2024, and (iii) an increase in tax payables from RMB10.3 million as of December 31, 2023 to RMB36.4 million as of December 31, 2024, in line with our business growth.

Assets

Property, Plant and Equipment

Our property, plant and equipment consist of (i) buildings, (ii) machinery, (iii) furniture, fixtures and office equipment, (iv) motor vehicles and others, (v) construction in progress, and (vi) leasehold improvement. The following table sets forth the breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Buildings	44,417	405,169	393,846
Machinery	64,606	131,075	132,809
Furniture, fixtures and office equipment	3,234	15,930	21,076
Motor vehicles and others	2,350	2,831	2,344
Construction in progress	378,911	10,271	9,626
Leasehold improvements	4,284	3,806	4,239
Total	**497,802**	**569,082**	**563,940**

The carrying amount of our property, plant and equipment increased from RMB497.8 million as of December 31, 2023 to RMB569.1 million as of December 31, 2024, mainly due to (i) an increase in buildings from RMB44.4 million as of December 31, 2023 to RMB405.2 million as of December 31, 2024, primarily attributable to the commencement of operation of Jiangmen factories, and (ii) an increase in machinery from RMB64.6 million as of December 31, 2023 to RMB131.1 million as of December 31, 2024, primarily attributable to the upgrading of machinery in Jiangmen factories, partially offset by a decrease in construction in progress from RMB378.9 million in 2023 to RMB10.3 million in 2024, primarily due to the transfer of construction in progress to fixed assets. The carrying amount of our property, plant and equipment remained relatively stable at RMB569.1 million and RMB563.9 million in 2024 and 2025, respectively.

Inventories

Our inventories primarily include (i) finished goods, (ii) raw materials, (iii) work in progress, and (iv) goods in transit. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Finished goods	50,990	138,888	249,609
Raw materials	33,112	43,052	42,790
Work in progress	11,814	12,430	13,458
Goods in transit	7,472	11,283	15,939
Total	**103,388**	**205,653**	**321,796**

Our inventories increased from RMB103.4 million as of December 31, 2023 to RMB205.7 million as of December 31, 2024, primarily attributable to an increase in finished goods from RMB51.0 million as of December 31, 2023 to RMB138.9 million as of December 31, 2024, primarily due to the increased production scale resulting from capacity expansion at the newly established Jiangmen factories to support increased demands. Our inventories subsequently increased to RMB321.8 million as of December 31, 2025, primarily attributable to an increase in finished goods from RMB138.9 million as of December 31, 2024 to RMB249.6 million as of December 31, 2025, was in line with our business growth.

We assess impairment to inventories from time to time during the Track Record Period and may write down our inventories to their net realizable value if they become expired or damaged, or their prices go down, and their net realizable value substantially decreases. The write-down of inventories was RMB5.5 million, RMB12.3 million, and RMB18.1 million for the year ended December 31, 2023, 2024 and 2025, respectively. The increase of write-down of inventories in 2024 and 2025 was primarily in line with our business growth.

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

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within 1 year	103,327	205,284	318,947
Over 1 year[1]	61	369	2,849
Total	103,388	205,653	321,796

Note:

(1) Primarily in relation to finished goods for overseas sales.

The following table sets forth our inventory turnover days during the years indicated.

	As of December 31,		
	2023	2024	2025
		(days)	
Inventory turnover days[1]	51	62	69

Note:

(1) Inventory turnover days for a year are calculated as the average of the beginning and ending balances of net value of inventory for the year divided by cost of sales for that year and multiplied by the number of days in that year (i.e. 365 days for a calendar year).

Our inventory turnover days increased from 51 days in 2023 to 62 days in 2024, and then increased to 69 days in 2025, primarily attributable to the increased sales to overseas markets, which carries longer transit time.

As of February 28, 2026, RMB181.3 million, or 56.3% of inventories outstanding as of December 31, 2025, had been subsequently settled.

Trade Receivables

Our trade receivables consist of trade receivables arising from our business operations. The following table sets forth a breakdown of our trade receivables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Trade receivables	103,579	289,049	378,875
Allowance for expected credit losses	(4,165)	(10,313)	(12,995)
Total	**99,414**	**278,736**	**365,880**

Our trade receivables significantly increased from RMB99.4 million as of December 31, 2023 to RMB278.7 million as of December 31, 2024, primarily due to the rapid growth of international business in 2024, which led to increase in trade receivable in the year end.

Our trade receivables subsequently increased to RMB365.9 million as of December 31, 2025, primarily due to our increased trade receivables from retailers in line with our robust revenue growth.

As of December 31, 2023, 2024 and 2025, we recorded loss allowances for expected credit losses of RMB4.2 million, RMB10.3 million and RMB13.0 million, respectively.

The following table sets forth an aging analysis of our trade receivables, based on the transaction date and net of allowance for expected credit losses, as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Within 3 months	88,654	247,674	303,116
3 to 6 months	8,431	20,244	43,633
6 to 12 months	1,354	9,039	17,194
Over 12 months	975	1,779	1,937
Total	**99,414**	**278,736**	**365,880**

The following table sets forth the turnover days of our trade receivables for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	(days)		
Trade receivables turnover days[(1)]	37	44	42

Note:

(1) Trade receivables turnover days for a period are calculated as the average of the opening and ending balances of trade receivables divided by revenue for the relevant period, and then multiplied by the number of days in that year (i.e. 365 days for a calendar year).

Our trade receivables turnover days increased from 37 days in 2023 to 44 days in 2024, primarily attributable to the increased sales volume to certain key accounts, to whom we granted longer credit terms. Our trade receivables turnover days remained relatively stable at 44 days and 42 days in 2024 and 2025, respectively.

As of February 28, 2026, RMB262.7 million, or 71.8% of our trade receivables outstanding as of December 31, 2025, had been subsequently settled.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets consist of (i) prepayments to suppliers, (ii) value-added tax recoverable, (iii) low-value consumables (iv) rental deposits, and (v) others. The following table sets forth a breakdown of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Prepayments to suppliers	13,004	16,031	55,292
Value-added tax recoverable	51,007	43,749	22,305
Low-value consumables	2,419	7,729	11,123
Rental deposits	5,372	4,427	3,626
Others	4,006	4,222	6,372
Total	**75,808**	**76,158**	**98,718**

Our prepayments, other receivables and other assets increased from RMB75.8 million as of December 31, 2023 to RMB76.2 million as of December 31, 2024, primarily attributed to (i) an increase in low-value consumables from RMB2.4 million as of December 31, 2023 to RMB7.7 million as of December 31, 2024, driven by the operation of Jiangmen production center, and (ii) an increase in prepayments to suppliers from RMB13.0 million as of December 31, 2023 to RMB16.0 million as of December 31, 2024, primarily driven by our business growth, partially offset by a decrease in value-added tax recoverable from RMB51.0 million as of December 31, 2023 to RMB43.7 million as of December 31, 2024, primarily due to the increased output value-added tax with the commencement of production of Jiangmen production center.

Our prepayments, other receivables and other assets subsequently increased to RMB98.7 million as of December 31, 2025, primarily attributable to an increase in prepayments to suppliers from RMB16.0 million as of December 31, 2024 to RMB55.3 million as of December 31, 2025, primarily driven by our business growth, partially offset by a decrease in value-added tax recoverable from RMB43.7 million as of December 31, 2024 to RMB22.3 million as of December 31, 2025.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss consists of (i) wealth management products, and (ii) structured deposits. Our financial assets at fair value through profit or loss decreased from RMB80.3 million as of December 31, 2023 to RMB59.5 million as of December 31, 2024, primarily due to the decrease in structured deposits from RMB80.3 million as of December 31, 2023 to RMB50.4 million as of December 31, 2024, partially offset by an increase in wealth management products from nil as of December 31, 2023 to RMB9.0 million as of December 31, 2024.

Our financial assets at fair value through profit or loss subsequently increased to RMB442.8 million as of December 31, 2025, primarily due to the increase in wealth management products from RMB9.0 million as of December 31, 2024 to RMB397.7 million as of December 31, 2025.

With regard to the purchase of wealth management products, we have established an investment policy focused on risk diversification and stable returns, with fund security as the top priority. We invest only in low-risk products issued by reputable banks. We monitor risk management from time to time. The Board sets the overall investment strategy and approves material investments. Our finance department is primarily responsible for formulating, executing, and overseeing our investment decisions. To support this, we have put in place the following treasury policies and internal authorization controls:

- We have formulated internal control measures to regulate our process of investment in wealth management products;

- The finance department will support to source wealth management product investment opportunities, performing analysis, seeking necessary approvals, executing transactions, and managing ongoing investments when necessary; and

- Investments in wealth management products could be made when we have surplus cash that is not required for our short-term working capital purposes and in no event beyond the amount authorized by our senior management team.

Prior to making an investment, we will evaluate the sufficiency of our remaining working capital for our business needs, operating activities, research and development need, and capital expenditures to assess and determine the amount available for investment following the proposed transaction. We adopt a prudent approach in selecting financial assets. Our investment strategy related to financial assets focuses on prudently minimizing financial risks by aligning investment maturities with anticipated operating cash needs, while aiming to deliver stable and reasonable returns to benefit our shareholders. We make investment decisions related to financial assets on a case-by-case basis after thoroughly considering a number of factors, including but not limited to the macro-economic environment, general market conditions, risk control and credit of invested subjects, our own working capital conditions, and the expected profit or potential loss of the investment. To control our risk exposure, we have in the past sought and may continue in the future to seek other low-risk wealth management products. After the [**REDACTED**], we intend to continue our investment in wealth management products strictly in compliance with internal policies and guidelines, Articles of Association, and the requirements under Chapter 14 of the Listing Rules.

Cash and Cash Equivalents

Our cash and cash equivalents increased from RMB179.9 million as of December 31, 2023 to RMB204.9 million as of December 31, 2024, and further increased to RMB318.0 million as of December 31, 2025, primarily attributed to the increased profits resulting from our business growth.

Liabilities

Trade Payables

Our trade payables increased from RMB115.0 million as of December 31, 2023 to RMB221.9 million as of December 31, 2024, and further increased to RMB233.4 million as of December 31, 2025 primarily due to our higher inventory stocking to support our revenue growth.

We are generally granted a credit period of 30 to 90 days by our suppliers on purchases of goods. All of our trade payables as of December 31, 2023, 2024 and 2025 were within one year.

The following table sets forth the turnover days of our trade payables for the years indicated.

	As of December 31,		
	2023	2024	2025
		(days)	
Trade payables turnover days[(1)]	75	67	59

Note:

(1) Trade payables turnover days for a year are calculated as the average of the opening and closing trade payables balances divided by the cost of sales for the relevant period, and then multiplied by the number of days in that year (i.e. 365 days for a calendar year).

The turnover days of trade payables decreased from 75 days in 2023 to 67 days in 2024, and further decreased to 59 days in 2025, primarily attributable to the accelerated payment cycle.

As of February 28, 2026, RMB166.3 million, or 71.2% of our trade payables outstanding as of December 31, 2025, had been subsequently settled.

Other Payables and Accruals

The following table sets forth a breakdown of our other payables and accruals as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Current			
Dividend payable	–	–	400,000
Other payables for property, plant and equipment	50,247	56,167	29,034
Accrued expenses	14,380	26,091	27,127
Payroll and welfare payable	31,544	37,710	81,857
Other tax payables	5,748	9,260	7,565
Others	8,378	7,295	8,600
Subtotal	110,297	136,523	554,183
Non-Current			
Other payables for property, plant and equipment	–	11,243	–
Others	–	–	839
Subtotal	–	11,243	839
Total	**110,297**	**147,766**	**555,022**

Our other payables and accruals increased from RMB110.3 million as of December 31, 2023 to RMB147.8 million as of December 31, 2024, primarily attributable to the increase of (i) other payables for property, plant and equipment from RMB50.2 million as of December 31, 2023 to RMB67.4 million as of December 31, 2024, and (ii) accrued expenses from RMB14.4 million as of December 31, 2023 to RMB26.1 million as of December 31, 2024. Our other payables and accruals subsequently increased from RMB147.8 million as of December 31, 2024 to RMB555.0 million as of December 31, 2025, primarily due to the dividend declared in 2025 amounting to RMB400.0 million which was paid in 2026.

Contract Liabilities

Our contract liabilities primarily represent advanced payments relating to sales of products. Our contract liabilities remained stable from RMB28.8 million as of December 31, 2023 to RMB29.7 million as of December 31, 2024. Our contract liabilities increased to RMB60.5 million as of December 31, 2025, primarily attributable to the increased advance payments we received from customers, in line with our business growth.

As of February 28, 2026, RMB44.5 million, or 73.6% of contract liabilities outstanding as of December 31, 2025, had been subsequently settled.

Tax Payables

Our tax payable increased from RMB10.3 million as of December 31, 2023 to RMB36.4 million as of December 31, 2024 and further to RMB114.9 million as of December 31, 2025, primarily attributable to our increased profits for the year.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period and up to the Latest Practicable Date, we relied on cash and cash equivalents, cash generated from operations, and bank loans as the major sources of liquidity. We intend to finance our future capital requirements in the same manner after the [**REDACTED**]. We do not anticipate any changes to the availability of financing to fund our operation in the future.

Cash Flow

The following table sets forth our cash flows for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash flows from operating activities	126,199	112,813	588,532
Net cash flows used in investing activities	(306,128)	(67,536)	(478,282)
Net cash flows from/(used in) financing activities	188,634	(28,567)	(4,424)
Net increase in cash and cash equivalents	**8,705**	**16,710**	**105,826**
Cash and cash equivalents at beginning of year	167,486	179,900	204,935
Effect of foreign exchange differences, net	3,709	8,325	7,228
Cash and cash equivalents at the end of the year	**179,900**	**204,935**	**317,989**

Net Cash Flows from Operating Activities

Net cash flows from operating activities in 2025, was RMB588.5 million, which primarily consists of profit before tax of RMB797.0 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) depreciation of property, plant and equipment of RMB35.3 million, (ii) depreciation of right-of-use assets of RMB14.6 million, and (iii) write-down of inventories to net realisable value of RMB18.1 million. The amount was further adjusted by changes in working capital, primarily attributable to (i) an increase in inventories of RMB134.3 million, and (ii) an increase in trade receivables of RMB90.7 million, partially offset by (i) an increase in other payables and accruals of RMB44.8 million, and (ii) an increase in contract liabilities of RMB30.8 million.

Net cash flows from operating activities in 2024 was RMB112.8 million, which primarily consists of profit before tax of RMB264.6 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items, primarily include (i) depreciation of property, plant and equipment of RMB26.4 million, (ii) depreciation of right-of-use assets of RMB14.6 million, and (iii) net impairment losses of inventories of RMB12.3 million. The amount was further adjusted by changes in working capital, primarily attributable to (i) an increase in trade receivables of RMB185.6 million, and (ii) an increase in inventories of RMB114.6 million, partially offset by (i) an increase in trade payables of RMB106.9 million, and (ii) an increase in other payables and accruals of RMB20.3 million.

Net cash flows from operating activities in 2023 was RMB126.2 million, which primarily consists of profit before tax of RMB182.4 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items, primarily include (i) depreciation of right-of-use assets of RMB15.5 million, and (ii) depreciation of property, plant and equipment of RMB7.0 million. The amount was further adjusted by changes in working capital, primarily attributable to (i) an increase in prepayments, deposits and other receivables of RMB38.5 million, and (ii) an increase in inventories of RMB39.9 million, partially offset by (i) an increase in trade payables of RMB41.4 million, and (ii) a decrease in trade receivables of RMB17.3 million.

Net Cash Flows Used in Investing Activities

Net cash flows used in investing activities in 2025 was RMB478.3 million, primarily due to (i) purchases of wealth management products and structured deposits of RMB2,054.6 million, and (ii) purchases of property, plant and equipment of RMB112.6 million, partially offset by proceeds from sale of wealth management products and structured deposits of RMB1,677.3 million.

Net cash flows used in investing activities in 2024 was RMB67.5 million, primarily due to (i) purchases of wealth management products and structured deposits of RMB682.9 million, and (ii) purchases of property, plant and equipment of RMB82.8 million, partially offset by proceeds from sale of wealth management products and structured deposits of RMB707.7 million.

Net cash flows used in investing activities in 2023 was RMB306.1 million, primarily due to (i) purchases of wealth management products and structured deposits of RMB1,087.4 million, and (ii) purchases of property, plant and equipment of RMB245.4 million, partially offset by proceeds from sale of wealth management products and structured deposits of RMB1,030.9 million.

Net Cash Flows from/Used in Financing Activities

Net cash flows used in financing activities in 2025 was RMB4.4 million, primarily due to (i) repayment of bank and other borrowings of RMB404.7 million, (ii) dividends paid to equity shareholders of RMB55.9 million, and (iii) principal portion of lease payments of RMB12.5 million, partially offset by new bank and other borrowings of RMB481.0 million.

Net cash flows used in financing activities in 2024 was RMB28.6 million, primarily due to (i) repayment of bank and other borrowings of RMB177.1 million, (ii) dividends paid to equity shareholders of RMB42.1 million, and (iii) principal portion of lease payments of RMB14.0 million, partially offset by new bank and other borrowings of RMB217.7 million.

Net cash flows from financing activities in 2023 was RMB188.6 million, primarily due to new bank and other borrowings of RMB242.2 million, partially offset by (i) dividends paid to equity shareholders of RMB32.3 million, and (ii) principal portion of lease payments of RMB14.7 million.

INDEBTEDNESS

As of February 28, 2026, being the most recent practicable date for the purpose of the indebtedness statement, we had total indebtedness of RMB450.8 million, including interest-bearing bank and other borrowings and lease liabilities.

The following table sets forth our indebtedness as of the dates indicated.

	As of December 31,			As of February 28,
	2023	2024	2025	2026
	(RMB in thousands)			
Current				
Interest-bearing bank and other borrowings	13,583	51,800	114,008	115,436
Lease liabilities	11,470	10,415	16,398	16,484
Non-current				
Interest-bearing bank and other borrowings	274,788	278,615	292,376	292,376
Lease liabilities	5,716	11,669	29,064	26,475
Total	**305,557**	**352,499**	**451,846**	**450,771**

Interest-Bearing Bank and Other Borrowings

The interest-bearing bank and other borrowings consists of (i) secured long term bank loans and (ii) secured other borrowings. The interest rates of our bank loans range from 1.2% to 4.0% during the Track Record Period. As of February 28, 2026, our unutilized banking facilities were RMB449.4 million. For details, see Note 27 to the Accountants' Report included in Appendix I to this Document.

Lease Liabilities

The current portion of lease liabilities remained relatively stable at RMB11.5 million and RMB10.4 million as of December 31, 2023 and 2024, respectively. The current portion of lease liabilities further increased to RMB16.4 million as of December 31, 2025, primarily attributable to the increased lease for warehousing purpose in Jiangmen.

The non-current portion of lease liabilities increased from RMB5.7 million as of December 31, 2023 to RMB11.7 million as of December 31, 2024, primarily due to the new leases for offices and warehousing uses. The non-current portion of lease liabilities further increased to RMB29.1 million as of December 31, 2025, primarily attributable to the increased lease for warehousing purpose in Jiangmen.

Except as otherwise disclosed under the sections titled "— Indebtedness", we did not have any material bank overdrafts, loans, or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, other recognized lease liabilities, guarantees, or other material contingent liabilities.

Our Directors confirm that as of the Latest Practicable Date, the agreements under our borrowings did not contain any covenants that would have a material and adverse effect on our ability to obtain additional borrowings or issue debt or equity securities in the future. Our Directors further confirm that we had no defaults in bank and other borrowings, nor did we breach any covenants (that were not waived) during the Track Record Period and up to the Latest Practicable Date. Additionally, our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any difficulties in obtaining credit facilities, nor any withdrawal of facilities or requests for early repayment. Our Directors further confirm that there have been no material changes in our indebtedness since February 28, 2026 and up to the date of this Document.

CAPITAL EXPENDITURES

Our historical capital expenditures primarily included payments for the purchase of property, plant and equipment and intangible assets. In 2023, 2024 and 2025, our capital expenditures amounted to RMB247.3 million, RMB84.0 million and RMB122.9 million. We will continue to make capital expenditures to support the expected growth of our business and our expansion plans. For details, see "Future Plans and Use of [**REDACTED**] — Use of [**REDACTED**]." We intend to fund these future capital expenditures with financial resources available to us, including our existing cash and bank balances, unutilized banking facilities, cash flows generated from our operating activities and net [**REDACTED**] from the [**REDACTED**].

CAPITAL COMMITMENTS

As of December 31, 2023, 2024 and 2025, we had capital commitment related to property, plant and equipment, intangible assets, and leases in an aggregate amount of RMB7.6 million, RMB0.6 million and RMB154.9 million.

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,		
	2023	**2024**	**2025**
Revenue growth	22.1%	46.8%	77.1%
Gross profit margin	42.1%	41.9%	49.6%
Net profit margin	12.8%	12.6%	21.6%
Adjusted net profits margin(1)	13.2%	12.9%	21.7%
Current ratio(2)	1.9	1.7	1.4
Quick ratio(3)	1.5	1.3	1.1
Return on equity(4)	25.0%	28.0%	70.7%

Notes:

(1) Calculated by adjusted net profit as of the end of the year divided by total revenue as of the end of the same year.

(2) Calculated by current assets as of the end of the year divided by current liabilities as of the end of the same year.

(3) Calculated by current assets as of the end of the year less inventories as of the end of the same year divided by current liabilities as of the end of the same year.

(4) Calculated by profit for the year divided by the average of the beginning and ending balances of total equity for the same year and multiplied by 100%.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our related party transactions, see Note 36 to the Accountants' Report included in Appendix I to this Document.

Our Directors are of the view that each of the related party transactions set out in Note 36 to the Accountants' Report included in Appendix I to this Document was conducted in the ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet arrangement.

CONTINGENT LIABILITIES

As of December 31, 2023 and 2024 and 2025, we did not have any contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities as of the Latest Practicable Date.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT FINANCIAL RISK

We are exposed to a variety of market and other financial risks, including interest rate risk, foreign currency risk, credit risk and liquidity risk. We manage and monitor these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Interest Rate Risk

Our exposure to the risk of changes in market interest rates relates primarily to our long term debt obligations with a floating interest rate.

Our policy is to manage interest cost using a mix of fixed and variable rate debts. We enter into interest rate swaps, in which we agree to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Foreign Currency Risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units and investing and financing activities by investment holding units in currencies other than the units' functional currencies.

Credit Risk

We trade mainly with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Liquidity Risk

We monitor our risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both our financial instruments and financial assets, such as trade receivables, and projected cash flows from operations.

DIVIDENDS

During the Track Record Period, we have declared dividend of RMB32.3 million, RMB42.1 million and RMB455.9 million for the year ended December 31, 2023, 2024 and 2025, respectively. After the Track Record Period and as of the date of this Document, we did not declare any dividends to our Shareholders.

According to applicable laws in the PRC and our Articles of Association, dividends may be paid only out of distributable profit and we may distribute after-tax profits after making up losses and appropriation of statutory reserves. Any future determination to pay dividends, as well as the amount will be made at the discretion of our Board of Directors which will be subject to the shareholder approval processes and may be based on a number of factors, including but not limited to our future operations and earnings, capital requirements and surplus, cash flows and general financial condition, contractual restrictions, taxation and other factors from time to time that the Board of Directors may deem relevant, and will also be subject to our Articles of Association and constitutional documents, as well as applicable laws and regulations. Any future declarations and payments of dividends may or may not reflect the historical declarations and payments of dividends.

WORKING CAPITAL SUFFICIENCY

Our Directors are of the opinion taking into account the financial resources available to our Group, including the estimated net [**REDACTED**] from the [**REDACTED**], the expected cash flows generated from operating activities, cash and cash equivalents, and unutilized banking facilities, we have sufficient working capital for our present requirements and for the next 12 months from the date of this Document.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we have distributable reserves of RMB252.0 million.

[REDACTED] EXPENSES

Our [**REDACTED**] expenses mainly include (i) [**REDACTED**]-related expenses, such as [**REDACTED**] fees and [**REDACTED**], and (ii) non-[**REDACTED**]-related expenses, comprising professional fees paid to our legal advisers and reporting accountants for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**], and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total [**REDACTED**] expenses (based on the mid-point of the [**REDACTED**] range and [assuming that the [**REDACTED**] is not exercised]) for the [**REDACTED**] are approximately RMB[**REDACTED**], accounting for approximately [**REDACTED**]% of our gross [**REDACTED**]. Among such estimated total [**REDACTED**] expenses, we expect to pay [**REDACTED**]-related expenses of RMB[**REDACTED**], professional fees for our legal advisers and reporting accountants of RMB[**REDACTED**] and other fees and expenses of RMB[**REDACTED**]. An estimated amount of RMB[**REDACTED**] for our [**REDACTED**] expenses, accounting for approximately [**REDACTED**]% of our gross [**REDACTED**], is expected to be expensed through the statement of profit or loss and an estimated amount of RMB[**REDACTED**] is expected to be recognized directly as a deduction from equity upon the [**REDACTED**]. We did not recognize any [**REDACTED**] expenses in 2023 and 2024. We recognized [**REDACTED**] expenses of RMB[**REDACTED**] in 2025, in our consolidated statements of profit or loss and other comprehensive income.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of the Document, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, being the end date of the periods reported on in the Accountants' Report set out in Appendix I to this Document, and there had been no event since December 31, 2025, that would materially affect the information shown in the Accountants' Report set out in Appendix I to this Document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

UNAUDITED [REDACTED] ADJUSTED NET TANGIBLE ASSETS

Please refer to "Appendix II — Unaudited [**REDACTED**] Financial Information" for further details.

PROPERTY INTERESTS AND PROPERTY VALUATION REPORT

Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer, set out in Appendix III of this Document, sets out details of our property interests as of February 28, 2026. Jones Lang LaSalle Corporate Appraisal and Advisory Limited valued our property interests at an amount of RMB424.4 million as of February 28, 2026.

A reconciliation of the net book value of our property interests as of December 31, 2025 as set out in Accountants' Report in Appendix I to their market value as of February 28, 2026 as stated in the property valuation report in Appendix III is set out below:

	(RMB in thousands)
Net book value of the property interests as of December 31, 2025	405,959
Addition	9,743
Depreciation	(2,215)
Net book value of the property interests as of February 28, 2026	413,487
Fair value gain	10,913
Market value of the property interests as of February 28, 2026 as set out in the property valuation report in Appendix III to this Document	424,400