
SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the risks involved in [REDACTED] in the [REDACTED] are set out in the “Risk Factors” section of this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED]. There are unique challenges, risks and uncertainties associated with [REDACTED] in companies like ours. Your [REDACTED] decision should be made in light of these considerations.

OUR VISION

Architecting the world with AI.

OUR MISSION

Forge AI computing super systems. Transcend AI performance limits.

OVERVIEW

Who We Are

We are the largest independent AI computing cluster provider in China, leading disruptive innovation in AI infrastructure. The rapid evolution of AI technologies has driven growing demand for high-performance AI infrastructure. The bottleneck in designing and delivering such infrastructure lies not only in high-performance computing and networking chips themselves, but also in the ability to turn thousands or even tens of thousands of processors into a high-performance supercomputer through network systems, orchestration and scheduling mechanisms, and parallel computing technologies. Leveraging over two decades of accumulated expertise in distributed system and computer architecture, as well as our distinctive design rationale of hardware-level architecture convergence and system-level cross-layer optimization, we develop and provide full-stack AI computing cluster products and operation services. These capabilities enable us to fully unlock the potential of AI infrastructure and help customers achieve superior AI productivity.

We provide AI computing cluster products under the *Galaxy* brand, comprising AI computing devices and AI computing software. The AI computing devices consist of compute, networking and storage elements. Among them, our self-developed AI computing network system, *Mercury*, enables ultra-high-bandwidth interconnection among various elements and supports efficient, coordinated communication across homogeneous, heterogeneous and cross-region hardware. We have integrated a number of core technologies developed for our AI computing software into *Venus*, our AI computing operating system. *Venus* includes runtime and common component interfaces for executing AI workload tasks, as well as high-speed service engines for pre-training, post-training, inference and agentic workloads. We also provide a suite of AI computing cluster operation services under the *Galaxy Services* brand, primarily including maintenance and technical support services and compute services, enabling customers to access high-quality computing resources in a convenient and flexible manner.

We are among the few market participants in China with full-stack AI computing cluster product and service capabilities, according to Frost & Sullivan. Our offerings cover the full lifecycle of AI infrastructure, from software and hardware development, architecture design, and device and system deployment to performance tuning, fault detection and ongoing operations. We continuously serve key AI stakeholders, including large model companies, cloud service providers, education and research institutions, and telecommunications operators, addressing their evolving requirements across different types of AI workloads. By doing so, we help customers address real-world challenges and improve the

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utilization and stability of their AI computing clusters, which have earned us broad customer recognition and high customer loyalty. We are also gradually extending our business reach from the large model industry to a wide range of industry verticals through converged AI computing clusters with built-in agentic applications.

Our deep understanding of customer needs and unwavering commitment to technological advancement have contributed to a number of important achievements. According to Frost & Sullivan:

- We are the first independent AI computing cluster provider in China to participate in the deployment of RoCE-based clusters at the 1,000-GPU scale with our self-developed AI computing network system. We have an established system for deploying, operating and maintaining multiple clusters at the 10,000-GPU scale.
- We demonstrated leading performance in cluster scalability and reliability among AI computing cluster providers in China, as evidenced by cluster MFU improvement by 30% and average annualized SLA of 99.97%.
- We ranked first among independent AI computing cluster providers in China in terms of revenue in 2025.
- As of December 31, 2025, our market share in China’s AI computing cluster market for clusters at the 10,000-GPU scale was approximately 10%, while the remaining leading participants were primarily large internet companies and telecommunications operators.

The following sets forth our business highlights:

Business Highlights	4 AI Computing Clusters at 10,000-GPU Scale Powered by Us	Over 90,000 GPUs included in the AI Computing Clusters Powered by Us ¹	Over 34,000 PFLOPs Computing Capacity Under AI Computing Cluster Operation Services with SLA Guarantee ¹
Cluster Performance	By 30% Cluster MFU Improvement ¹	99.97% Average Annualized SLA ¹	Over 96% Computing Utilization Linearity on Clusters at the 10,000-GPU Scale ¹
Operating Data	304% Revenue CAGR from 2023 to 2025	Over 80% Repurchase Rate for KA Customers ²	2 Consecutive Years Adjusted Net Profit (Non-IFRS measure)

Notes:

1 As of the Latest Practicable Date.

2 During the Track Record Period and up to the Latest Practicable Date.

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Our Market Opportunities and Value Propositions

Large-scale AI workloads typically involve massive parameter sizes, vast volumes of data and intensive computing requirements, and therefore require ultra-large-scale parallel data processing capabilities and highly efficient parameter synchronization. Traditional computing architectures centered on general-purpose computing, which primarily rely on CPU-based centralized and serial processing, are increasingly unable to meet these requirements. In an AI computing cluster, AI computing software splits AI workload tasks into numerous concurrent subtasks, which are processed in parallel across thousands or even tens of thousands of GPUs. The AI computing network then efficiently synchronizes the computation results generated by each GPU. Through this high-concurrency processing model, AI workload tasks can be accelerated efficiently.

We have observed the following trends shaping the AI computing cluster industry:

- ***Scaling efficiency and enhanced stability:*** As AI computing clusters continue to expand rapidly, AI computing infrastructure is no longer focused solely on increasing cluster scale, but is shifting toward a balanced emphasis on both scale expansion and efficient resource utilization. At the same time, the focus of cluster optimization is shifting from single-node performance enhancement to improved stability at the distributed cluster level.
- ***Open ecosystem and full-stack technology:*** AI infrastructure companies are accelerating the development of highly interoperable architectures, moving from closed and standalone components toward open and interconnected systems that converge diverse computing resources, connect with existing infrastructure, and enable flexible and efficient capacity expansion. At the same time, the AI computing cluster delivery and service model is shifting from fragmented, point-to-point solutions toward converged software-hardware enablement.
- ***Expansion of AI applications:*** AI workloads have expanded from foundational pre-training to a broader range of scenarios, including post-training, inference and agentic workloads. The industry urgently needs AI computing cluster architectures that precisely match the resource deployment, network transmission and task scheduling requirements of different scenarios.
- ***Rapid technological advancement:*** As large models rapidly evolve toward trillion-parameter scale, AI computing clusters are also iterating rapidly across multiple dimensions. In terms of scale, clusters are upgrading toward 10,000-GPU and even 100,000-GPU scale. In terms of technology, computing chips, optical interconnection and storage technologies continue to achieve breakthroughs. Therefore, the industry needs to continuously optimize cluster architectures and resource scheduling models by leveraging multiple technology pathways, including opto-electronic hybrid interconnection, heterogeneous computing convergence and advanced computing architectures.

Our value propositions are rooted in the following capabilities:

- ***High-performance AI computing cluster products and services:*** In response to these evolving needs, we design and deploy high-performance AI computing cluster products and provide operation services to support customers in achieving high-performance AI computing. We help customers achieve greater parallel computing capabilities and higher resource utilization, thereby unlocking stronger cluster performance. We also enhance the operational stability of distributed clusters through rapid fault localization and multi-layer fault-tolerant recovery. In addition, we have established a real-time monitoring and intelligent alerting system, which significantly reduces the probability of network jitter and hardware failures and helps ensure the stable operation of clusters at the 10,000-GPU scale.

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- ***Diversified ecosystem with full-stack technology capabilities:*** We adopt an open cluster architecture that organizes resources into distinct but interoperable layers, and supports modular expansion based on customer deployment requirements. This enables compatibility with hardware from different vendors and mainstream AI frameworks, while supporting the unified management and coordinated operation of heterogeneous hardware resources with different specifications. We actively participate in building a domestic and self-developed product ecosystem for AI computing clusters. This enables us to empower AI computing clusters with performance comparable to leading international solutions and capture the opportunities driven by the rise of domestic AI computing chips.
- ***AI computing operating system enabling varied AI workloads:*** Our AI computing operating system, *Venus*, supports a variety of AI workloads across pre-training, post-training, inference and agentic scenarios. For pre-training scenarios, *Venus* supports the efficient and stable training of ultra-large models. For post-training scenarios, *Venus* improves resource utilization and coordinates different stages of multiple tasks. For inference scenarios, *Venus* supports traffic-based elastic scaling, as well as hardware acceleration mechanisms, to improve inference bandwidth. For agentic scenarios, *Venus* incorporates agent sandbox technology and provides an efficient and controlled execution environment required for task understanding, planning, tool calling and iterative verification.
- ***Multi-dimensional technology innovation:*** We closely follow industry development trends and are committed to applying advanced technologies to our products and services. Through our high-performance AI computing network system, *Mercury*, we have completed validation of OCS-based opto-electronic hybrid switching and implemented NPO solutions to address bottlenecks in ultra-high-speed transmission. We leverage heterogeneous computing and advanced computing architectures to enable more precise matching and efficient utilization of computing resources, and improve the computing efficiency of complex AI tasks and addressing the limitations of single-chip computing capacity.

COMPETITIVE STRENGTHS

We believe the following core competitive strengths will allow us to further consolidate our market leading position: (i) pioneering specialist for high-performance AI computing in China and driving continuous industry innovation; (ii) pioneering AI infrastructure capabilities and continuously setting industry benchmarks; (iii) building a business expansion flywheel and empowering benchmark customers; (iv) full-stack AI computing cluster offerings enabling one-stop, high-performance computing services; and (v) building open ecosystem to empower the AI industry chain. For details, see “Business — Competitive Strengths.”

GROWTH STRATEGIES

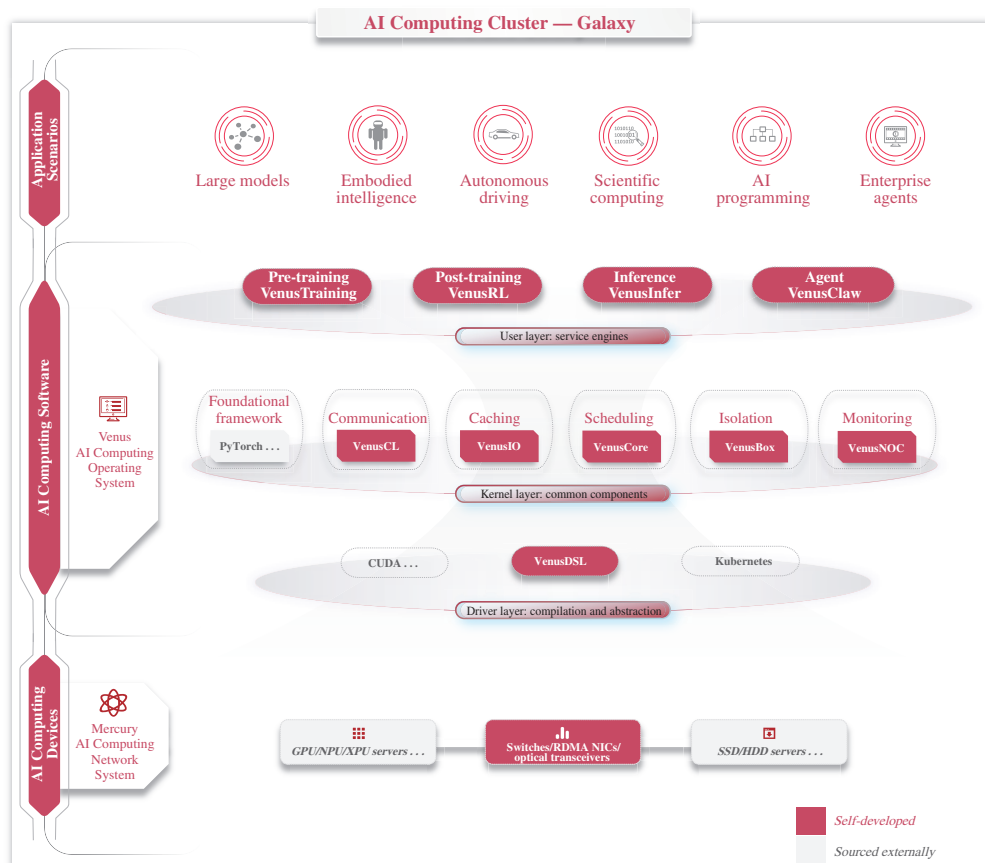
To achieve our vision and mission, we intend to pursue the following strategies: (i) continuously iterating AI computing cluster products and consolidating market leadership; (ii) strategic vertical integration and value chain expansion; (iii) deepening collaboration with benchmark customers and expanding market penetration; and (iv) expanding overseas presence and enhancing commercialization capabilities. For details, see “Business — Growth Strategies.”

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OUR PRODUCTS AND SERVICES

AI Computing Cluster Products — Galaxy

Our AI computing cluster products turn thousands or even tens of thousands of GPUs into a supercomputer, delivering unified AI computing resources with strong scalability, availability, observability and security. Our AI computing cluster products are deployed in high-power data centers comprising numerous racks. This overall architecture enables the AI computing clusters to operate as converged AI infrastructure. Our AI computing cluster products consist of AI computing devices and AI computing software, supporting various types of AI workloads, such as large models, embodied intelligence and scientific computing. The following diagram illustrates the architecture and components of our AI computing cluster product, *Galaxy*, including components developed in-house and those sourced externally, as well as the AI applications it supports:



- AI computing devices:** Within AI computing devices, our self-developed AI computing network system, *Mercury*, includes ultra-high-bandwidth switches, RDMA network interface cards (“NICs”), optical transceivers and other hardware components, as well as *MercuryNOS*, our open-source network operating system responsible for the scheduling and operations of these hardware components. *MercuryNOS* is designed to improve network bandwidth utilization, traffic distribution efficiency and transmission stability under highly concurrent workloads, while providing comprehensive, fine-grained monitoring visibility to support performance tuning and fault diagnosis for AI tasks. In addition, our AI computing cluster products and solutions also cover compute hardware and storage. Leveraging our deep understanding of AI computing clusters and close cooperation with business partners including compute hardware vendors, storage vendors and contract manufacturers, we have the capabilities to design, deploy and optimize compute and storage elements of AI computing clusters.

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- **AI computing operating system:** Our AI computing operating system, *Venus*, functions as the “brain” of the AI computing clusters, and consists of the driver layer, kernel layer and user layer. The driver layer provides the kernel layer with unified interfaces for accessing distributed devices. Within the kernel layer, in addition to vendor-provided parallel programming libraries and open-source cloud-native resource management platforms, our self-developed *VenusDSL* further enhances system portability and chip adaptability. The kernel layer provides the user layer with core runtime components required for AI workload processing, including the AI computing base framework, the high-speed collective communication library (*VenusCL*), the cache input/output (*VenusIO*), the multi-queue task scheduler (*VenusCore*), the resource and task isolation component (*VenusBox*), and the multi-dimensional monitoring component (*VenusNOC*). The user layer provides optimized service engines for different types of AI workloads, including *VenusTraining* for pre-training, *VenusRL* for post-training, *VenusInfer* for inference, and *VenusClaw* for agentic workloads.

To continuously address the performance challenges of AI infrastructure, our AI computing cluster products boast hardware-level architecture convergence and system-level cross-layer optimization, meeting the need to improve AI computing cluster efficiency and overcome bandwidth and power consumption bottlenecks. Unlike approaches that focus on isolated optimization of individual components, our AI computing cluster products are designed to transcend the performance limit brought by single-component optimization. It enables computing utilization optimization for complex, high-value scenarios such as large-scale AI training and inference, allowing further MFU improvement beyond SOTA solutions. Below are the technology highlights of our core self-developed components within our AI computing cluster products:

- **AI computing devices:** *Mercury* fully applies opto-electronic coordination in its design. We have validated OCS-based opto-electronic hybrid switching technology at scale and implemented 3.2T near-packaged optics, addressing bottlenecks in ultra-high-speed transmission while balancing system performance with ease of maintenance. These capabilities help overcome the bandwidth and power consumption limitations of traditional electrical interconnection. In addition, at the AI computing device level, we adopt optimized and workload-specific hardware architectures based on the different characteristics of the prefill and decoding stages in inference, as well as the different characteristics of attention computation and expert computation during decoding. This enables software-hardware coordination and heterogeneous acceleration.
- **AI computing operating system:** *Venus* applies compute-network-storage coordination and software-hardware coordination to achieve cross-layer optimization across multiple dimensions. *VenusDSL* improves computing efficiency by fusing multiple operators into optimized execution units. *VenusCL* improves computing resource utilization and pre-training efficiency by enabling kernel-free scheduling and more efficient parallel execution of computation and communication. *VenusRL* and *VenusCore* improve post-training efficiency by allowing rollout and model computation in reinforcement learning tasks to proceed in parallel where possible, thereby increasing computing resource utilization. *VenusInfer* and *VenusIO* build a hierarchical cache system across GPU memory, network direct access and flash storage, expanding cache capacity and significantly reducing the cost of long-context inference. *VenusClaw* and *VenusBox* reduce sandbox idle time through dynamic optimization of sandbox start-up and shutdown, while maintaining secure isolation, thereby lowering operating costs. *VenusNOC* combines active and passive monitoring methods to enable real-time performance analysis of online tasks without disrupting task execution, thereby strengthening our ability to track and diagnose complex issues. See “— Our Products and Services — AI Computing Cluster Products — AI Computing Software — Venus” for details.

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Leveraging our full-stack AI computing cluster product and service capabilities, we are able to serve customers across the cluster lifecycle, including architecture design, hardware selection, software-hardware adaptation, network interconnection, system tuning and performance validation. Depending on customer requirements, our delivery may range from full cluster deployment to targeted deployment of selected hardware and software components, cluster-level networking and convergence services, or software and performance tuning based on customers’ existing hardware infrastructure.

AI Computing Cluster Operation Services — Galaxy Services

Built on our high-performance AI computing cluster products, we launched our AI computing cluster operation services under the *Galaxy Services* brand. Powered by our self-developed AI computing network system, *Mercury*, and AI computing operating system, *Venus*, *Galaxy Services* address the limitations of traditional AI computing cluster deployments, which often focus on initial deployment but lack sustained operations support. It helps customers address challenges such as fragmented computing resources, high operation and maintenance requirements, low internal collaboration efficiency, and the burden of large upfront capital expenditure and ongoing operations costs. *Galaxy Services* also reduce the need for customers to maintain a large, dedicated operating team, while preserving data and operational security.

Galaxy Services boast the following key features, designed to help customers improve business agility and reduce operating expenses:

- ***Comprehensive support and SLA guarantee:*** Leveraging *Galaxy*’s native full-stack observability and elastic system architecture, *Galaxy Services* provide comprehensive operations and business adaptation support, covering hardware, systems and tasks, reducing the complexity of day-to-day cluster operations for customers. We also provide systematic maintenance support to guarantee hardware availability. Leveraging *VenusNOC*, we can accurately identify and diagnose hidden and complex issues in AI computing clusters.
- ***Cost-effective, high-quality computing resources:*** *Galaxy Services* provide customers with efficient and cost-effective high-quality computing resources through intelligent workload scheduling, refined cost management, and mechanisms that preserve the value of customers’ infrastructure investment. The system dynamically allocates resources and improves utilization, while supporting detailed billing, cost accounting and optimization recommendations to help enterprises reduce capital and operating expenditures. It also supports the reuse of existing infrastructure and smooth cluster expansion, enhancing performance, cost and long-term value.

Our Results

We achieved significant growth during the Track Record Period. Our revenue increased from RMB31.8 million in 2023 to RMB520.3 million in 2025 at a CAGR of 304.5%. Our gross profit increased from RMB2.4 million in 2023 to RMB65.4 million in 2024 and further to RMB113.2 million in 2025. We became profitable in 2024, and our adjusted net profit (non-IFRS measure) was RMB20.3 million and RMB31.1 million in 2024 and 2025, respectively.

OUR TECHNOLOGIES

We have established a comprehensive technology system that spans hardware, communication protocols, scheduling algorithms, and system software, enabling our converged AI computing clusters to operate with high performance, reliability, and scalability across large-scale and heterogeneous environments. Our core technologies span several key areas. At the AI computing device level, these include opto-electronic integration technologies, high-throughput switching hardware and network congestion control technologies. At the AI computing operating system level, our technologies include high-performance collective communication at the kernel layer, large-capacity caching, ultra-lightweight, high-efficiency and highly concurrent sandbox, and multi-dimensional, multi-scale active and passive monitoring. At the user layer, we also develop high-efficiency post-training frameworks. Looking ahead,

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we will continue to advance next-generation AI infrastructure through software-hardware co-design and cross-layer optimization, enhancing hardware programmability, software intelligence and system-level coordination. Through these efforts, we aim to deliver higher-quality AI computing cluster operation services and further strengthen our leading position in the AI computing cluster industry.

RESEARCH AND DEVELOPMENT

During the Track Record Period, our R&D primarily focused on improving technological capabilities of our AI computing cluster products. Looking ahead, we intend to continue increasing our investment in R&D to further enhance our technology capabilities across our converged AI computing cluster products.

We have established R&D framework that integrates industrial application with academic research. Through close collaboration between our research and product teams, we systematically evaluate emerging technological demands and advance solutions from conceptual development to commercial deployment where market potential is identified. In parallel, we actively engage with leading domestic hardware manufacturers and research institutions to conduct forward-looking joint research aligned with next-generation hardware architectures and performance requirements.

The AI computing cluster industry features a multi-layered value chain spanning chips, hardware, cluster scheduling and application services, each involving distinct and complex technical requirements. Technology iteration cycles are extremely short across the AI computing cluster industry value chain, and each specialized segment is subject to high technical barriers. We have one of the leading AI infrastructure teams in China, bringing together a deep pool of experts in AI computing clusters. We have accumulated over 20 years of expertise in distributed system and computer architecture, and our R&D team members have collectively published more than 90 papers in leading international conferences and journals. As of the Latest Practicable Date, we had a research and product development team comprising 80 members, representing 66.1% of our total employee base. Our R&D team possesses a solid educational background and extensive industry experience across system architecture, software engineering, and high-performance computing solutions, supporting our continuous innovation in AI computing clusters.

SALES AND MARKETING

We adopt a direct sales model, enabling our sales and technical teams to engage closely with customers throughout the entire sales cycle from technical consultation and product design to deployment and post-delivery support. For AI computing cluster products, we charge customers an one-off fixed fee and recognize revenue upon customer acceptance. We price our AI computing cluster products based on a range of factors, including the scope, scale and complexity of customer workload requirements, product configuration, delivery model, customer profile, procurement costs for certain hardware components, and prevailing market conditions. For maintenance and technical support services, we charge customers on an annual basis based on the scale of the AI computing cluster under maintenance, the time worked and labor assigned. For compute services, we charge customers a fixed fee based on the amount of computing resources provided. Our market expansion strategy is resource-driven and reputation-led, and at inception, we leveraged our management team’s and investors’ extensive alumni and industry networks to gain access to potential customers through referrals and introductions from strategic partners.

CUSTOMERS AND SUPPLIERS

Our customers primarily comprise large model companies, cloud service providers, education and research institutions, and telecommunications operations. In 2023, we served four customers, to whom we provided AI computing cluster products. In 2024 and 2025, revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB321.1 million and RMB294.2 million, representing approximately 98.9% and 56.6% of our total revenue for the corresponding year, respectively. In 2023, 2024 and 2025, revenue generated from our largest customer amounted to RMB15.5 million, RMB191.5 million and RMB86.3 million, respectively, representing approximately 48.6%, 59.0% and 16.6% of our total revenue for the corresponding year, respectively.

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We maintain stringent protocols for selecting and managing suppliers of critical components and services. Our selection criteria emphasize technological capabilities, production stability and quality assurance standards, with key suppliers required to maintain relevant certifications and demonstrate consistent quality management systems. To mitigate potential supply chain disruption risks, we have implemented a comprehensive risk management system. We maintain active engagement with a diverse pool of qualified suppliers and, where feasible, ensure that at least one alternative supplier is available for each key supplier category. As we continue to scale our business at a rapid pace, we consider it essential to preemptively maintain sufficient inventory levels to meet the growing demand for our products and ensure continuity of supply. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any suspension or termination of relationships with our major suppliers, nor had we encountered any material disputes or business disruptions arising from supply chain issues, and there had been no material changes to the terms of our agreements with our major suppliers. Through this comprehensive approach, we maintain strong relationships with our supplier base while ensuring consistent access to high-quality components and services necessary to meet our business needs.

During the Track Record Period, our suppliers primarily comprised providers of hardware components integrated into our products, including primarily compute hardware, networking equipment and storage units, as well as contract manufacturers for optical transceivers, RDMA NICs and our self-developed switches. In 2023, 2024 and 2025, the purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB47.1 million, RMB254.8 million and RMB284.7 million, respectively, representing approximately 90.7%, 75.5% and 54.2% of our total purchases for the corresponding year, respectively. In 2023, 2024 and 2025, the purchases from our largest suppliers in each period during the Track Record Period amounted to RMB28.3 million, RMB122.4 million and RMB151.6 million, respectively, representing approximately 54.5%, 36.2% and 18.8% of our total purchases for the corresponding year, respectively.

We had a higher level of customer and supplier concentration in 2023 and 2024, which was not unusual in light of the characteristics of the AI computing cluster market, as confirmed by Frost & Sullivan, especially given that we were at our early development stage in those years. We have been progressively diversifying both our offerings and our customer and supplier base. We do not consider ourselves to be dependent on any single customer or supplier. During the Track Record Period, certain of our five largest customers during each year of the Track Record Period were also our suppliers, and certain of our five largest suppliers during each year of the Track Record Period were also our customers. For details, see “Business — Overlap between Major Customers and Suppliers.” As participants in the AI infrastructure value chain, some suppliers also demand AI computing products and services and thus purchase from us. According to Frost & Sullivan, overlap between major customers and suppliers is common in the AI computing cluster industry.

COMPETITION

We face intense competition in China’s AI infrastructure industry. The principal competitive factors in our industry include technological capabilities, functionality, scope and performance of products, scalability and reliability of services, delivery expertise, marketing and sales capabilities, customer experiences, pricing, brand recognition and reputation. In addition, new and enhanced technologies and new market entrants may further increase competition in our industries. For details of our competitive landscape, see “Industry Overview.”

RISK FACTORS

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors” in this document. Some of the major risk factors that we face include: (i) the uncertainty inherent in AI technologies and industry development; (ii) failure to compete effectively; (iii) market demand for our offerings; (iv) performance of our AI computing cluster products and services; (v) failure to keep pace with technological development; (vi) return in R&D investment; (vii) continued efforts from our senior management and key personnel; (viii) revenue concentration; (ix) failure to expand our business; and (x) failure to implement business strategies. For details, see “Risk Factors.”

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PRE-[REDACTED] INVESTMENTS

We have received several rounds of Pre-[REDACTED] Investments since our establishment. For further details of the identity and background of our Pre-[REDACTED] Investors and the principal terms of our Pre-[REDACTED] Investments, see “History and Development — Pre-[REDACTED] Investments” for details.

CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. HU, the Company’ founder, executive Director, chairman of the Board, and chief executive officer, was directly interested in approximately 10.2% of the total issued share capital of our Company. In addition, Dr. HU serves as the general partner of each of the Employee Incentive Platforms and accordingly controls the voting rights of these entities. As of the Latest Practicable Date, Infrawaves Xiliu, Infrawaves Xize, and Infrawaves Xihai held approximately 9.5%, 8.2%, and 10.0% of the Shares, respectively. Accordingly, as of the Latest Practicable Date, Dr. HU was entitled to exercise or control the exercise of voting rights in respect of an aggregate of approximately 37.9% of the total issued Shares of our Company.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Dr. HU will be entitled to exercise or control the exercise of voting rights attached to approximately [REDACTED]% of the total issued Shares of our Company (including the Shares held by the Employee Incentive Platforms).

Therefore, Dr. HU, Infrawaves Xiliu, Infrawaves Xize, and Infrawaves Xihai will together constitute a group of Controlling Shareholders of our Company upon [REDACTED]. For further details about our Controlling Shareholders, see “Relationship with our Controlling Shareholders.”

SHARE SUBDIVISION

Pursuant to the Shareholders’ resolutions dated April 22, 2026, our Company resolved to conduct the Share Subdivision pursuant to which the Shares will be split on a one-for-twenty basis immediately prior to the [REDACTED], and the nominal value of the Shares will be changed from RMB1.00 each to RMB0.05 each.

EMPLOYEE INCENTIVE SCHEME

As of the Latest Practicable Date, we had one equity incentive scheme, namely the Employee Incentive Scheme, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve the grant of new options or awards or issuance of new Shares by our Company after the [REDACTED]. The Employee Incentive Scheme will not cause any dilution of the shareholding of our Shareholders after the [REDACTED] given all Shares under the Employee Incentive Scheme have been issued to the Employee Incentive Platforms. Immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the Employee Incentive Platforms will be interested in approximately [REDACTED]% of the total issued Shares of our Company. For further details of the Employee Incentive Scheme, please see “Statutory and General Information — Employee Incentive Scheme” in Appendix IV of this document.

QUALIFICATIONS FOR [REDACTED]

Pursuant to Rule 8.05 of the Listing Rules, we are required to satisfy one of the following three tests: (i) the profit test; (ii) the market capitalization, revenue and cash flow test; or (iii) the market capitalization and revenue test. As the Company was only established in February 2023, the financial year of 2023 cannot be counted towards satisfying the requirement for an adequate trading record under Rule 8.05 of the Listing Rules. Pursuant to Rule 8.05A of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 8.05(3) of the Listing Rules in respect of a shorter trading record period. For further details, please refer to the section headed “Waivers from Strict Compliance with the Listing Rules — Waiver in Relation to Shorter Trading Record Period” in this document. We are able to satisfy the market capitalization and revenue test under Rule 8.05(3) of the Listing Rules on the basis that: (i) our revenue for the year ended December 31, 2025 was RMB520.3 million, which exceeds the HK\$500 million threshold; and (ii) our expected market capitalization at the time of the [REDACTED], calculated based on the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the low end of the indicative [REDACTED] range), exceeds HK\$[REDACTED], thereby meeting the requirements of Rule 8.05(3) of the Listing Rules.

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SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants’ Report set out in Appendix I to this Document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this Document, including the related notes. Our consolidated financial information was prepared in accordance with IFRSs.

Selected Items from the Consolidated Statements of Profit or Loss

The following table sets forth our consolidated statements of profit or loss for the periods indicated:

	Period from February 20, 2023 to December 31, 2023		Year ended December 31,			
			2024		2025	
	RMB	%	RMB	%	RMB	%
<i>(RMB in thousands, except for percentages)</i>						
Revenue	31,802	100.0	324,672	100.0	520,261	100.0
Cost of sales	(29,393)	(92.4)	(259,275)	(79.9)	(407,022)	(78.2)
Gross profit	2,409	7.6	65,397	20.1	113,239	21.8
Other income and gains	465	1.5	1,393	0.4	2,214	0.4
Selling and distribution expenses	(113)	(0.4)	(1,548)	(0.5)	(4,331)	(0.8)
Administrative expenses	(925)	(2.9)	(10,213)	(3.1)	(26,835)	(5.2)
Research and development expenses	(2,949)	(9.3)	(28,360)	(8.7)	(37,276)	(7.2)
Impairment losses on financial and contract assets	(35)	(0.1)	(1,177)	(0.4)	(8,830)	(1.7)
Other expenses	—	—	(5)	0.0	(13)	0.0
Finance costs	(6)	0.0	(1,176)	(0.4)	(3,800)	(0.7)
Change in fair values of finance liabilities on shares with preferential rights	(1,040)	(3.3)	(8,808)	(2.7)	(376,633)	(72.4)
(Loss)/Profit before tax	(2,194)	(6.9)	15,503	4.8	(342,265)	(65.8)
Income tax expense	—	—	(4,039)	(1.2)	(13,290)	(2.6)
(Loss)/Profit for the period/year	(2,194)	(6.9)	11,464	3.5	(355,555)	(68.3)
Attributable to:						
Owners of the parent	(2,194)	(6.9)	11,464	3.5	(355,379)	(68.3)
Non-controlling interests	—	—	—	—	(176)	0.0

Non-IFRS Measure

To supplement our consolidated financial statements, we use adjusted net profit/(loss) (non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We define adjusted net profit/(loss) (non-IFRS measure) as profit/(loss) for the period/year adjusted by adding back changes in fair values of financial liabilities on shares with preferential rights, [REDACTED] expenses and share-based payment expenses. Changes in fair values of financial liabilities on shares with preferential rights reflect changes in our valuation and equity financing activities, which will be automatically converted into ordinary shares upon the [REDACTED] and the related financial instruments will be reclassified from financial liabilities to equity. [REDACTED] expenses are the expenses arising from activities in relation to the [REDACTED] and [REDACTED]. Share-based payment expenses are non-cash in nature and arise from granting economic rights in our share incentive platforms to senior management and employees. We believe this measure provides useful information to [REDACTED] and others in understanding and evaluating our consolidated results of

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operations in the same manner as they help our management. However, our presentation of adjusted net profit/(loss) (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure as an analytical tool has limitations, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table reconciles our adjusted net profit/(loss) (non-IFRS measure) for the periods presented in accordance with IFRS, which is profit/(loss) for the period/year:

	Period from February 20, 2023 to December 31, 2023		Year ended December 31,			
			2024		2025	
	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)						
Reconciliation of profit/(loss) for the year to adjusted net loss (non-IFRS measure)						
Profit/(Loss) for the period/year	(2,194)	(6.9)	11,464	3.5	(355,555)	(68.3)
Add:						
Change in fair values of financial liabilities on shares with preferential rights	1,040	3.3	8,808	2.7	376,633	72.4
[REDACTED]						
expenses	—	—	—	—	7,554	1.5
Shared-based payment expenses	—	—	22	0.0	2,491	0.5
Adjusted net profit/ (Loss) (non-IFRS measure)	<u>(1,154)</u>	<u>(3.6)</u>	<u>20,294</u>	<u>6.3</u>	<u>31,123</u>	<u>6.0</u>

Revenue

During the Track Record Period, we generated revenue from AI computing cluster products and AI computing cluster operation services. The following table sets forth a breakdown of our revenue by product and service type in absolute amount and as a percentage of our total revenue for the periods indicated:

	Period from February 20, 2023 to December 31, 2023		Year ended December 31,			
			2024		2025	
	RMB	%	RMB	%	RMB	%
(RMB in thousands, except for percentages)						
AI computing cluster products	31,802	100.0	307,717	94.8	436,624	83.9
AI computing cluster operation services	—	—	16,955	5.2	83,637	16.1
Total	<u>31,802</u>	<u>100.0</u>	<u>324,672</u>	<u>100.0</u>	<u>520,261</u>	<u>100.0</u>

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Cost of Sales

The following table sets forth a breakdown of our cost of sales in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Period from February 20, 2023 to December 31, 2023		Year ended December 31,			
			2024		2025	
	RMB	%	RMB	%	RMB	%
<i>(RMB in thousands, except for percentages)</i>						
Hardware procurement						
costs	28,608	97.3	240,944	92.9	350,628	86.1
Depreciation costs	—	—	2,064	0.8	35,704	8.8
Staff costs	177	0.6	3,976	1.5	8,181	2.0
Professional service						
fees	—	—	4,623	1.8	5,055	1.2
Others ⁽¹⁾	608	2.1	7,668	3.0	7,454	1.8
Total	29,393	100.0	259,275	100.0	407,022	100.0

Note:

(1) Primarily including warranty provision and impairment on inventory.

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025, our gross profit was RMB2.4 million, RMB65.4 million and RMB113.2 million, respectively, representing a gross profit margin of 7.6%, 20.1% and 21.8% in the same periods, respectively. The following table sets forth the breakdown of our gross profit and gross profit margin by product and service type for the periods indicated:

	Period from February 20, 2023 to December 31, 2023		Year ended December 31,			
			2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
<i>(RMB in thousands, except for percentages)</i>						
AI computing cluster						
products	2,409	7.6	55,879	18.2	73,380	16.8
AI computing cluster						
operation services	—	—	9,518	56.1	39,859	47.7
Total	2,409	7.6	65,397	20.1	113,239	21.8

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Selected Items from the Consolidated Statements of Financial Position

The following table sets forth selected items from our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Total non-current assets	407	66,364	196,537
Total current assets	30,398	205,098	739,145
Total current liabilities	32,457	254,374	1,188,411
Net current liabilities	(2,059)	(49,276)	(449,266)
Total assets less current liabilities	(1,652)	17,088	(252,729)
Total non-current liabilities	542	7,337	89,812
Net assets/(liabilities)	(2,194)	9,751	(342,541)

Our net current liabilities increased from RMB2.1 million as of December 31, 2023 to RMB49.3 million as of December 31, 2024, primarily due to an increase in financial liabilities on shares with preferential rights of RMB147.4 million and an increase in interest-bearing bank borrowings of RMB43.9 million; partially offset by an increase in cash and cash equivalents of RMB92.2 million and an increase in inventories of RMB42.9 million. Our net current liabilities increased from RMB49.3 million as of December 31, 2024 to RMB449.3 million as of December 31, 2025, primarily due to an increase in financial liabilities on shares with preferential rights of RMB553.0 million, an increase in interest-bearing bank borrowings of RMB149.4 million, and an increase in trade payables of RMB143.8 million; partially offset by an increase in inventories of RMB169.3 million and an increase in trade receivables of RMB141.3 million.

We recorded net liabilities of RMB2.2 million as of December 31, 2023 and net assets of RMB9.8 million as of December 31, 2024, primarily due to capital contribution from shareholders of RMB139.1 million and profit and total comprehensive income for the year of RMB11.5 million, offset by recognition of financial liabilities on shares with preferential rights of RMB138.6 million. Our net liabilities were RMB342.5 million as of December 31, 2025, as compared with net assets of RMB9.8 million as of December 31, 2024, primarily due to loss and total comprehensive loss for the year of RMB355.6 million, partially offset by issuance of new shares of RMB105.9 million.

Selected Items from the Consolidated Statements of Cash Flow

The following table sets forth the components of our consolidated cash flows statements for the period/years indicated:

	Period from February 20, 2023 to December 31, 2023	Year ended December 31,	
		2024	2025
	<i>(RMB in thousands)</i>		
Net cash flows used in operating activities	(9,410)	(21,164)	(1,111)
Net cash flows used in investing activities	(37)	(72,381)	(179,685)
Net cash flows from financing activities	13,482	185,704	382,548
Net increase in cash and cash equivalents	4,035	92,159	201,752
Cash and cash equivalents at beginning of year .	—	4,035	96,194
Cash and cash equivalents at end of the year . . .	4,035	96,194	297,946

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We recorded profit for the year of RMB11.5 million in 2024 compared to our loss for the period of RMB2.2 million in 2023, primarily due to an increase in revenue of RMB292.9 million, driven by the increasing demand for AI computing clusters and our enhanced product performance and technology capabilities, partially offset by (i) an increase in cost of sales of RMB229.9 million due to an increase in hardware procurement costs in line with our business growth and (ii) an increase in research and development expenses of RMB25.4 million to support our growing R&D activities.

We recorded loss for the year of RMB355.6 million in 2025 compared to the profit for the year of RMB11.5 million in 2024, primarily due to an increase in fair value loss of finance liabilities on shares with preferential rights of RMB367.8 million, partially offset by an increase in revenue of RMB195.6 million due to the increase in demand for AI computing clusters and computing resources and services as well as the improvement in our technological capabilities and product competitiveness.

Key Financial Ratios

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

	As of/Year ended December 31,		
	2023	2024	2025
Gross profit margin ⁽¹⁾	7.6%	20.1%	21.8%
Current ratio ⁽²⁾	1.7	2.2	1.6
Quick ratio ⁽³⁾	0.5	1.5	1.1

Notes:

- (1) Gross profit margin is calculated by dividing gross profit by our revenue for the period/year indicated.
- (2) Current ratio is calculated by dividing current assets by current liabilities (excluding financial liabilities on shares with preferential rights) as of the date indicated.
- (3) Quick ratio is calculated by dividing current assets less inventories by current liabilities (excluding financial liabilities on shares with preferential rights) as of the date indicated.

PATH TO PROFITABILITY

We achieved significant business growth during the Track Record Period, although we were loss-making in certain years. Our revenue increased from RMB31.8 million in 2023 to RMB324.7 million in 2024 and further to RMB520.3 million in 2025, representing a CAGR of 304.5%. We recorded a profit of RMB11.5 million in 2024, while we incurred losses of RMB2.2 million and RMB355.6 million in 2023 and 2025, respectively. Our net loss in 2023 and 2025 was primarily due to changes in the fair values of financial liabilities on shares with preferential rights. We turned from an adjusted net loss (non-IFRS measure) of RMB1.2 million in 2023 to adjusted net profit (non-IFRS measure) of RMB20.3 million in 2024 and RMB31.1 million in 2025.

Looking ahead, we intend to achieve and sustain profitability through several strategic initiatives. We will continue to refine our technological capabilities and we plan to pursue targeted vertical integration with a view to improving product delivery efficiency, reinforcing full-process quality control and supporting long-term cost optimization to maintain our market position and address evolving customer needs. We will also continue to execute our sales and marketing strategy, which focuses on serving benchmark customers while expanding our customer base through successful demonstrative deliveries that demonstrate our capabilities. In addition, we plan to further strengthen our supply chain position and improve our supply chain management, enabling us to maintain competitive cost structures. We also aim to enhance cost and operating efficiency through the adoption of digital systems, automation tools, and standardized processes across our operations.

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[REDACTED]

[REDACTED] EXPENSES

[REDACTED] expenses to be borne by us are estimated to be approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share), representing approximately [REDACTED]% of the estimate [REDACTED] from the [REDACTED] assuming no Shares are [REDACTED] pursuant to the [REDACTED]. The [REDACTED] expenses consist of (i) [REDACTED]-related expenses, including [REDACTED] commission, of approximately HK\$[REDACTED], and (ii) non-[REDACTED]-related expenses of approximately HK\$[REDACTED], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK\$[REDACTED], and (b) other fees and expenses of approximately HK\$[REDACTED]. Among the total [REDACTED] expenses, approximately RMB[REDACTED] will be directly attributable to the [REDACTED] of our Shares, which will be deducted from equity upon the completion of the [REDACTED], and RMB[REDACTED] has been expensed during the Track Record Period, and the remaining amount of approximately RMB[REDACTED] is expected to be expensed upon the [REDACTED]. We do not believe any of the above fees or expenses are material or are unusually high to us. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

FUTURE PLANS AND [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the stated range of the [REDACTED] of between HK\$[REDACTED] and HK\$[REDACTED] per [REDACTED] and the [REDACTED] is not exercised), we estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] commissions and other estimated expenses in connection with the [REDACTED]. We intend to use the [REDACTED] from the [REDACTED] for the following purposes and in the amounts set out below, subject to changes in light of our evolving business needs and changing market conditions:

- approximately [REDACTED]%, or HK\$[REDACTED], will be used for R&D and iteration of AI computing cluster, *Galaxy*;
- approximately [REDACTED]%, or HK\$[REDACTED], will be used to expand the scale of our computing cluster operation services;
- approximately [REDACTED]%, or HK\$[REDACTED], will be used for deployment and integration within key industry verticals, promoting the deep vertical integration across the AI computing cluster chain;

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- approximately [REDACTED]%, or HK\$[REDACTED], will be used for sales and marketing activities in domestic and overseas markets;
- approximately [REDACTED]%, or HK\$[REDACTED], will be used for working capital and general corporate purposes.

For details, see “Future Plans and [REDACTED].”

DIVIDENDS

We did not declare or pay dividends on our H Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Currently, we do not have a dividend policy or pre-determined dividend payout ratio in place. As confirmed by our PRC Legal Advisors, any future net profit that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our business has continued to grow after December 31, 2025. The revenue generated from our AI computing cluster products and services has shown further increase after the Track Record Period, primarily driven by the continued and accelerating development of the AI industry, as well as the competitive strengths of our full-stack products and services, which have enabled us to capture the growing market demand for scalable, reliable and high-performance AI infrastructure. Our Directors confirm that, as of the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, which is the end date of the periods reported, being the end date of the periods reported in Appendix I to this document; and except as set forth in Note 41 of the audited financial information in Appendix I to this document, there was no event since December 31, 2025 that would materially affect the information as set out in the Accountants’ Report included in Appendix I to this document.