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. Moreover, there are risks associated with any [REDACTED]. Some of the particular risks of [REDACTED] in the [REDACTED] are set out in the section headed "Risk Factors." You should read the entire document carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

Aspiring to become a renowned leading outdoor brand globally, we are committed to providing high-performance outdoor garments and equipment, enabling everyone to fully enjoy the beauty of nature. Established in 2012, our core brand, *Pelliot*, embodies a spirit of adventure and a dedication to pushing the boundaries of outdoor garments. Through this brand, we offer a wide range of products, encompassing apparel, footwear, as well as equipment and accessories, for various outdoor activities, sports and fitness, as well as urban commuting. It demonstrated strong growth compared to top players in the performance outdoor garment industry[1] in Chinese mainland in 2024. Specifically, having grown our net sales by 99.2% from RMB870.2 million in 2023 to RMB1,733.1 million in 2024, our *Pelliot* brand was among the top three domestic performance outdoor garment[1] brands in Chinese mainland in terms of retail sales in 2024, accounting for 5.2% market share in the same year, according to Frost & Sullivan. According to the same source, the brand accounted for a 1.7% market share in Chinese mainland in 2024, encompassing both domestic and international brands, in terms of retail sales.

We sell our products primarily through a direct-to-consumer ("**DTC**") multi-channel model complemented by sales to e-commerce platforms and a distribution network. In addition, we are dedicated to advancing our outdoor products and delivering high-performance outdoor garments and equipment that exceed consumer expectations with premium quality at accessible prices. Our "Welcome to Nature" campaign, combined with a high performance brand presence and several blockbuster outdoor apparel products, has built a loyal consumer base among both professional athletes and outdoor enthusiasts.

As a result of our expansion efforts, both our revenue and net profit experienced a significant rise during the Track Record Period. Our revenue increased substantially from RMB908.1 million in 2023 to RMB1,766.1 million in 2024, and further increased to RMB2,793.0 million in 2025, with a gross profit margin of 58.2%, 59.6% and 63.7% in 2023, 2024 and 2025, respectively. Benefiting from the continued enhancement of our brand awareness and improvement of operational efficiency, our net profit increased from RMB151.9 million in 2023 to RMB283.1 million in 2024 , and further increased to RMB355.7 million in 2025. In 2023, 2024 and 2025, our adjusted net profit (non-HKFRS measure) amounted to RMB156.0 million, RMB304.3 million and RMB409.1 million with an adjusted net profit margin (non-HKFRS measure) of 17.2%, 17.2% and 14.6%, respectively. See "Financial Information — Non-HKFRS Measure."

Our Brands and Products

Our diverse product portfolio caters to a broad consumer base, encompassing males and females, as well as adults and children, suitable for various seasons and occasions. Apparel and footwear represented our principal product categories during the Track Record Period, accounting for the majority of total sales. As of December 31, 2025, our apparel and footwear products under the *Pelliot* brand consisted of 608 standard product units ("**SPUs**").

As of the Latest Practicable Date, we had established four product series under the *Pelliot* brand, namely the Limit, Performance, Mountain, and Classic series. Our Limit series, which was launched in 2025, and Performance series cater to professional mountaineers, outdoor adventurers, and outdoor scientific researchers, while our Mountain and Classic series are designed for outdoor

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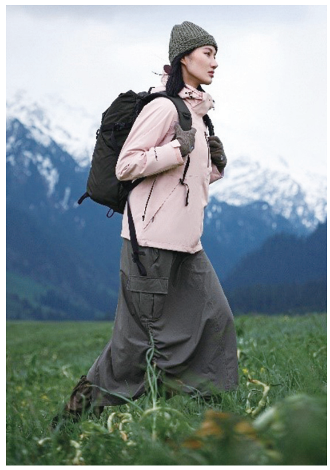
1 Performance outdoor garments are tailored to fulfil high performance demands during dynamic engagements with natural terrains, including but not limited to mountain climbing, hiking and cross-country running. For details, please see "Industry Overview."

sports enthusiasts, travelers, and urban users. Each series also offers a range of complementary outdoor equipment and accessories, such as hiking poles and tents, to meet diverse user needs. During the Track Record Period, we generated a majority of our revenue from sales of products under the Classic series.

Elite Performance for Professional Adventurers — Limit Series

Advanced Protection for Professional Outdoor Enthusiasts — Performance Series

Stylish and Refined Outdoor Apparel for Outdoor Enthusiasts — Mountain Series



Protection and Comfort Blend with Modern Style — Classic Series

- *Limit series.* Launched in January 2025, this series is specifically designed to meet the elite performance demands in extreme environments, making it ideal for professional mountaineers, extreme explorers, and those engaged in outdoor activities under harsh weather conditions. Incorporating technologies such as Pertex fabrics, PrimaLoft insulation, eVent fabrics, 1000 loft water-repellent goose down, Vibram outsoles and Dyneema fiber[2], this series features a lightweight design, high durability, and superior protection. It enables explorers to achieve excellent performance in the face of extreme cold while climbing mountain peaks.

- *Performance series.* Designed to tackle unpredictable outdoor conditions, the Performance series is enhanced by leading global outdoor technologies, precision-engineered fabrics, and meticulous craftsmanship. It offers protection to provide professional outdoor enthusiasts with suitable gear. Featuring waterproofing, breathability, wind resistance, and insulation, the performance series meets the demands of high-altitude climbing, skiing, and hiking, as well as other professional outdoor activities, embodying the essence of our brand.

[2] The named fabric and protection technologies incorporated in our Limit series are procured from our suppliers.

- *Mountain series.* This series harmoniously merges product design with the aesthetics of nature, drawing inspiration from the sense of biodiversity to create a range of product designs. The durable earth-tone palette, paired with high-visibility accents and three-dimensional tailoring, ensures optimal comfort and flexibility. The Mountain series offers stylish and refined outdoor apparel that transitions between city and wilderness.
- *Classic series.* This series incorporates proprietary technologies within our technology platform — PT-China Platform, blending protection with comfort in a modern style. By integrating product designs, vibrant colors, and ergonomic craft, it enhances both comfort and mobility. While meeting the functional needs of outdoor enthusiasts, our Classic series also brings outdoor apparel from the city streets to diverse natural environments. Additionally, this series includes dedicated product lines tailored to meet the specific training needs of various sports specialties.

In addition to our flagship brand, *Pelliot*, we acquired the *Excelsior* brand in Chinese mainland in 2019, which we believe represents a significant catalyst for our continued development in outdoor footwear. For details, please see "Business — Intellectual Properties — The *Excelsior* Brand." We believe that operational insights and market knowledge gained through *Excelsior* will cross-pollinate and enhance our footwear development, creating a synergistic effect that strengthens our overall footwear strategy.

The following table sets forth the breakdown of our revenue by brand and product series, both in absolute amounts and as percentages of total revenue for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Pelliot						
Limit series	—	—	—	—	333	0.0
Performance series	23,090	2.5	99,313	5.6	213,991	7.7
Mountain series	55,016	6.1	173,258	9.8	226,203	8.1
Classic series	792,127	87.2	1,460,501	82.7	2,337,221	83.7
Excelsior	37,835	4.2	33,030	1.9	15,240	0.5
Total	**908,068**	**100.0**	**1,766,102**	**100.0**	**2,792,988**	**100.0**

Market Opportunities

We primarily operate within the performance outdoor garment industry, which represents a subset of the functional garment industry encompassing apparel, footwear, and accessories with specialized technologies to enhance performance and protection during daily outdoor activities. The growing popularity of healthy and active lifestyles, as well as a trend toward casualization of performance outdoor garments in Chinese mainland are driving increased demand for premium quality products at accessible prices, creating a significant market opportunity along with the rapid growth of the performance outdoor garment industry. Notably, the retail sales of the performance outdoor garment industry in Chinese mainland grew at a CAGR of 13.8% from RMB53.9 billion in 2019 to RMB102.7 billion in 2024, and it is expected to reach RMB215.8 billion in 2029 at a CAGR of 15.5% from 2025 to 2029, making it one of the fastest-growing segments in the functional garment market, according to Frost & Sullivan. We expect significant growth in demand for our outdoor garments and equipment.

OUR BUSINESS MODEL

Our goal is to develop high-quality outdoor garments and equipment, and we integrate this commitment into every aspect of our business model through product development and technology advancements, supply chain management, and integrated sales model. This enables us to attract new and repeat consumers, boost product sales, increase market share, and enhance our overall operational efficiency.

Product Development and Technology Advancement

We are committed to developing industry-leading materials, outdoor garments and equipment that consistently meet consumer demands. By integrating product planning, product design, and supply chain teams, we are able to iterate and advance outdoor garments and equipment effectively and efficiently. Exemplifying our product development capabilities, we are recognized as the "inventor of the one-piece hardshell down coat in China" (中國單體羽絨衝鋒衣首創者), according to Frost & Sullivan. The hardshell down coat represents a revolutionary addition to our product line that embodies our commitment to advancement, which is designed to address the growing demand for versatile and functional outerwear. By incorporating the same advanced fabrics found in our performance-oriented hardshell jackets, we elevate this coat's windproof and waterproof capabilities.

Leveraging our insight in hardshell jackets, we had three long-lasting SPUs of hardshell jackets, which consistently ranked among our annual top 10 best-selling products in terms of sales revenue in each year during the Track Record Period. These top-10 selling products contributed 46.6%, 43.0% and 37.4% of our total revenue in 2023, 2024 and 2025, respectively, underscoring our capability to launch popular products. While our long-lasting hardshell jackets maintain a strong sales trajectory, our newly introduced products gained market traction. During the Track Record Period, several of our SPUs introduced in the respective year were ranked our annual top 10 best-selling products. Our proprietary technology platform, PT-China Platform, serves as a fundamental pillar of our product development process, enabling us to elevate the quality of our performance outdoor garments.

Stable Supply Chain Management

We maintain long-term cooperative relationships with various reputable international companies to ensure a reliable and consistent supply of high-quality materials, enable continuous advancement in our product offerings and meet the evolving demands of our consumers. We prioritize maintaining mutually beneficial relationships with these partners, which safeguard the stability of the supply of materials. In addition, we collaborate with qualified manufacturing suppliers to produce our products. This, in turn, allows us to efficiently allocate resources and adjust orders based on market demand forecasts and sales data feedback.

Multi-channel Sales and Distribution Network

We primarily focus on the DTC sales model to reach consumers. Through this model, we can engage directly with consumers and obtain preferences and feedback across different consumer groups.

Our sales network comprises an expanding online presence, including Tmall, Douyin and JD.com and a growing network of offline retail stores. This multi-channel approach maximizes market reach and strengthens consumer engagement. We engage new consumers through a variety of online marketing activities, including tailored advertisements on major social media platforms, collaborations and product placements with TV shows and films, and participation in various marketing initiatives launched by prominent e-commerce platforms. In 2025, the number of new consumers who had never shopped with us before on Tmall, our primary online retail platform, was 1.5 times that of 2023. Further, the wide range of products we offer also lead to repeat purchases from consumers across different product categories and foster word-of-mouth recommendations. As a result, our sales through our flagship stores increased from RMB573.8 million in 2023 to RMB1,029.1 million in 2024, and further increased to RMB1,472.2 million in 2025. In addition to enhancing our digital presence, we are expanding our offline retail footprint to provide in-store shopping experiences and strengthen our interactions with consumers. As of December 31, 2025, we had 230 offline retail stores, largely located in first- and second-tier cities in Chinese mainland. The integration of online and offline sales channels enhances our market reach and establishes a solid foundation for future expansion.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and set us apart from our competitors: (i) the fastest-growing brand in performance outdoor garment market capturing substantial growth potential; (ii) effective product development system with proven category expansion capabilities; (iii) supply chain balancing quality and cost-effectiveness; (iv) DTC go-to-market strategy to enhance brand influence and sales channel penetration; and (v) experienced and focused management team driving sustainable development. For details, please see "Business — Our Competitive Strengths."

OUR GROWTH STRATEGIES

We aim to further grow our business by pursuing the following strategies: (i) driving growth through increased design and R&D investment, multi-category expansion, and diversified product portfolios; (ii) strengthening brand awareness and value through outdoor community engagement; (iii) expanding online sales channels, offline store networks, and international markets; (iv) enhancing operational efficiency through digital transformation and membership system; and (v) conducting strategic brand incubation and investments to consolidate our market position. For details, please see "Business — Our Growth Strategies."

OUR TECHNOLOGY AND PRODUCT DESIGN

Established in 2013, PT-China Platform represents our commitment to technological advancement in outdoor garments. Over the past decade, this platform has incubated our proprietary technologies, functioning as our primary engine for R&D initiatives. Through systematic advancement and continuous development, the PT-China platform has established itself as our core technological infrastructure, enabling advancement in material science, functional design, and performance solutions. Our proprietary technologies enhance key performance attributes — protection, warmth, and comfort — reflecting our everlasting commitment to advancement and product excellence. We also prioritize safety and sustainability by using only fabrics and dyes that are free from harmful substances and carcinogens. This commitment ensures reliable product performance without compromising safety or environmental responsibility. For additional information about our proprietary technologies, see "Business — Our Technology."

Alongside our proprietary technologies, we have access to fabrics and technologies developed by reputable outdoor material suppliers and functional technology companies. During the Track Record Period, we had procured and incorporated multiple fabrics and technologies into our product offerings, including Toray, Polartec, eVent, Pertex, Cordura, PrimaLoft, Polygiene, Vibram, and Recco.

Our product design and development philosophy is guided by a harmonious fusion of nature-inspired aesthetics and functional advancement. Drawing inspiration from the natural world, we create performance outdoor garments that balance visual appeal with performance excellence. Our approach is deeply rooted in comprehensive market research and consumer insights, enabling us to anticipate and respond to evolving market trends and consumer preferences. Leveraging our extensive experience in the Chinese market, we continuously refine our product offerings through analysis of successful products and consumer feedback, ensuring each new generation of products better serves our consumers' evolving needs while maintaining our commitment to both style and functionality. For additional information about the process of our product design, see "Business — Product Planning, Design and Development."

Our design and R&D department consisted of 50 professionals as of December 31, 2025. These professionals have extensive experience in textile engineering, material science, and outdoor apparel design. They bring us diverse expertise from leading sportswear and outdoor brands. We also foster active engagements with reputable research institutions to continuously validate and enhance our product advancements. Our commitment to advancement is reflected in our increasing R&D expenses, which amounted to RMB19.8 million, RMB31.5 million and RMB74.0 million in 2023, 2024 and 2025, respectively.

RAW MATERIALS AND CONTRACTUAL MANUFACTURING

Our business operations combine strategic raw material sourcing with contractual manufacturing partnerships. During the Track Record Period, we operated an asset-light business model without owning production facilities, instead partnering with selected original equipment manufacturers ("**OEMs**"), or contractual manufacturers, which produce our designed products according to our specifications and quality standards.

Our raw material procurement decisions are driven by seasonal product plans, historical sales data and market forecasts. We typically place orders with suppliers several months ahead of production to secure optimal pricing and ensure timely delivery, while maintaining flexibility to adjust orders based on market conditions and sales performance. We also employ a range of measures to keep our inventory level of raw materials adequate and reasonable. During the Track Record Period and as of the Latest Practicable Date, we had not encountered any disruption of business as a result of a shortage of raw materials or any delay in the procurement of raw materials.

In 2023, 2024 and 2025, we collaborated with 129, 171 and 155 contractual manufacturers, respectively, consistent with our manufacturing needs and demonstrating the breadth of our manufacturing partner network. These manufacturers are primarily located in Eastern and Southern China, with specialized facilities handling different product categories. During the Track Record Period and as of the Latest Practicable Date, we had not encountered any disruption of business as a result of a shortage of capacity dedicated to us by our contractual manufacturers.

MARKETING AND BRANDING

We engage in comprehensive marketing and consumer outreach initiatives. Utilizing a comprehensive mix of online and offline advertising strategies, we promote our product offerings and ensure broad market reach and brand visibility.

In our online marketing initiatives, we actively leverage social media platforms as a core component of our marketing and branding strategy to engage with our audience, build brand awareness, and drive consumer loyalty. We prioritize utilizing well-known digital platforms like WeChat, Weibo, Douyin, and RedNote to develop engaging content that highlights our product range, reflects our brand values, and builds personal connections with consumers. Meanwhile, we also collaborate with selected key opinion leaders ("**KOLs**") to leverage their influence and reach a broader consumer base.

We actively supplement our digital marketing efforts with advertisements in strategically selected high-traffic locations, including shopping malls, urban transit systems, and outdoor adventure hubs. By utilizing billboards, posters, and branded displays, we capture attention and drive engagement of prospective consumers. The combination of online and offline marketing enables us not only to enhance our brand visibility but also to build meaningful relationships with our consumers across multiple channels, fostering continuous interaction and loyalty.

In addition, we actively sponsor outdoor events as part of our commitment to promoting an active lifestyle and showcasing the performance and reliability of our outdoor products. By partnering with high-profile events such as marathons, climbing expeditions, and other outdoor activities, we engage directly with our target consumers and reinforce our brand's connection to adventure and exploration. We also foster strategic partnerships with outdoor communities and collaborations with professional athletes. As of the Latest Practicable Date, we had partnered with over 30 outdoor activity groups and sponsored over 100 teams for the "7+2" initiatives to conquer the seven highest mountain peaks along with Antarctica and the North Pole.

As of December 31, 2025, our sales and marketing team had 570 employees. Our platform-specific marketing teams carefully curate content for their respective platforms, developing the overall brand identity, narratives, elements and culture centered around each platform's target consumers. In 2023, 2024 and 2025, our selling and distribution expenses amounted to RMB277.2 million, RMB586.5 million and RMB1,058.7 million, respectively, representing 30.5%, 33.2%, and 37.9% in terms of our total revenue, respectively.

OUR MULTI-CHANNEL SALES AND DISTRIBUTION NETWORK

We have established a multi-channel sales and distribution network with a primary focus on the DTC-centric model, integrating online and offline channels, distributorship, and other channels to provide streamlined and convenient purchase experiences for consumers. Our sales channels primarily include a widespread presence on major third-party e-commerce and content platforms and an expanding offline retail network in Chinese mainland. Our partnerships with major e-commerce and content platforms have significantly increased our brand visibility in the online space. Complementing our digital presence, we continue to expand our offline retail footprint through self-operated stores and carefully selected retail partners, creating immersive brand experiences that showcase our outdoor expertise.

The table below sets forth a breakdown of our revenue by sales channel for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Online Sales Channels						
Online DTC	573,777	63.2	1,029,125	58.2	1,472,217	52.7
Sales to e-commerce platforms	178,311	19.6	322,135	18.2	472,691	16.9
Offline Sales Channel						
Offline DTC	47,334	5.2	169,011	9.6	506,360	18.1
Distributorship	100,523	11.1	220,131	12.5	263,435	9.4
Others (e.g., wholesale group purchasing)	8,123	0.9	25,700	1.5	78,285	2.9
Total	**908,068**	**100.0**	**1,766,102**	**100.0**	**2,792,988**	**100.0**

During the Track Record Period, our revenue generated from online DTC achieved significant growth, primarily driven by (i) the increasingly diversified product offerings in tandem with elevated average selling price and sales volumes, (ii) improved brand awareness and influence as a result of continued sales and marketing initiatives, and (iii) the increase in the number of online flagship stores from 47 as of December 31, 2023 to 58 as of December 31, 2024 with continued growth reaching 77 as of December 31, 2025.

During the Track Record Period, our revenue generated from sales to e-commerce platforms achieved significant growth, primarily driven by (i) the increasingly diversified product offerings in tandem with elevated average selling price and sales volumes, and (ii) improved brand awareness and influence as a result of continued sales and marketing initiatives.

During the Track Record Period, our revenue generated from offline DTC sales channels achieved significant growth, primarily driven by (i) a broader and more refined product portfolio, along with growth in average selling price and sales volume, (ii) enhanced brand awareness and consumer recognition attributable to our ongoing sales and marketing efforts, and (iii) the expansion of our offline retail network, with the number of offline retail stores increasing from 77 as of December 31, 2023 to 146 as of December 31, 2024 with continued growth reaching 230 as of December 31, 2025.

For more details on the growth of our revenue generated from both online and offline DTC sales channels during the Track Record Period, see "Financial Information — Year-to-Year Comparison of Results of Operations — Year Ended December 31, 2025 Compared to Year Ended December 31, 2024 — Revenue" and "— Year Ended December 31, 2024 Compared to Year Ended December 31, 2023 — Revenue."

Online Sales Channels

Online DTC

Our online sales channels are primarily anchored by our presence across China's leading e-commerce platforms as well as content platforms. We operate online flagship stores on these major e-commerce platforms, including Tmall and Douyin, where we directly manage product offerings, brand presentation, and consumer service.

To improve our online operational efficiency, we structure our online operation team into dedicated departments for specific e-commerce platforms, including Tmall, JD.com and Douyin. As of December 31, 2025, our online operation team comprised 312 members. Their primary responsibilities include managing online store operations, coordinating with e-commerce platform partners, conducting in-house livestreaming sales, and optimizing traffic acquisition strategies. We allocate operational personnel based on the sales volume of each e-commerce platform, ensuring effective management of our online business operations.

Sales to E-commerce Platforms

In addition to our online flagship stores, we also sell our products to selected e-commerce platforms. Under this collaboration model, consumers directly place orders for our products through the online stores on these e-commerce platforms. In support of their operations, we supply these platforms with our products as needed. We maintain a collaborative and tightly-knit relationship with these e-commerce platforms to offer products directly to consumers through collective online efforts. We are also responsible for operating these online stores, including updating our product layouts and conducting marketing efforts. Other aspects of operations are managed by the e-commerce platforms. This channel enables us to optimize our online sales ecosystem, strengthen customer engagement, and drive sustainable growth in the digital marketplace.

Offline DTC Sales Channels

Our offline sales channels consist of self-operated retail stores and partnership retail stores. Our self-operated retail stores, strategically located in prime commercial areas and popular shopping malls, serve as key brand touchpoints where we maintain direct control over store operations and consumer experience. Our partnership retail stores are operated by carefully selected retail partners who share our commitment to brand values and service standards. This combination of self-operated and partnership retails stores enables us to maintain brand consistency while maximizing market penetration across different geographical regions and retail formats. As of December 31, 2025, we had 230 offline retail stores in Chinese mainland, including 21 self-operated retail stores and 209 partnership stores. We plan to steadily expand our network of offline retail stores across Chinese mainland, focusing on cities with strong economies and high outdoor consumption potential. For additional information, see "Business — Our Multi-channel Sales and Distribution Network — Offline DTC Sales Channels."

Distributorship

We collaborate with both online and offline distributors to help us penetrate the market. We maintain strict distributor selection criteria focusing on their financial strength, market reputation, retail experience, and alignment with our brand values. Our distributors operate under standardized guidelines to ensure consistent brand presentation and service quality, while we provide them with comprehensive product training, marketing support, and operational guidance. This distributorship model enables us to efficiently expand our market coverage while maintaining brand standards and consumer experience across different geographical regions.

Our distributors are our customers, and we maintain a buyer/seller relationship with them. In 2023, 2024 and 2025, the revenue from sales to our distributors amounted to RMB100.5 million, RMB220.1 million and RMB263.4 million, respectively, representing 11.1%, 12.5% and 9.4% of our total revenue for the corresponding year. For additional information about our distributorship, see "Business — Our Multi-channel Sales and Distribution Network — Distributorship."

Pricing Policy

Our product pricing strategy is determined by a variety of factors, including brand positioning, long-term goals, market positioning, industry price range, production and operational costs, and our overall target profit margin. When setting prices, we also take into consideration market sales trends, the product's lifecycle, and seasonal factors. We maintain a consistent pricing strategy across all our sales channels, including online platforms, self-operated retail stores, partnership retail stores, and distributors, to ensure pricing uniformity and brand positioning. This unified pricing policy helps prevent channel conflict, protects our brand value, and maintains healthy channel relationships. All retail partners and distributors are required to strictly adhere to our suggested retail prices, with any promotional activities or discounts typically requiring our prior approval. We regularly monitor the market pricing of our products and conduct periodic reviews to ensure compliance with our pricing policies across all channels. For additional information on the pricing of our signature products, see "Business — Our Brands and Products — Our Signature Products."

COMPETITIVE LANDSCAPE

We primarily operate within the performance outdoor garment industry, which represents a subset of the functional garment industry encompassing products specifically designed and engineered for high-intensity outdoor activities undertaken in demanding environments.

According to Frost & Sullivan, the performance outdoor garment market in Chinese mainland is relatively fragmented. In terms of retail sales in 2024, the top 10 brands in the performance outdoor garment market in Chinese mainland collectively claimed a total market share of 27.3%, without any player holding a dominant position in the market. According to Frost & Sullivan, our *Pelliot* brand was the fastest-growing performance outdoor garment brand in Chinese mainland among the top players in terms of retail sales in 2024, with a sustained growth of 107.5% from 2023 to 2024. Furthermore, the portion of performance outdoor garment market in Chinese mainland occupied by domestic brands exhibits a less fragmented structure than the entire performance outdoor garment market in Chinese mainland. Consumers are increasingly prioritizing functionality and seeking high-performance outdoor apparels with high quality products at accessible prices, leading to a gradual shift toward domestic performance brands. Our *Pelliot* brand was among the top three domestic performance outdoor garment brands in Chinese mainland in terms of retail sales in 2024. For additional information about the market in which we operate and the competitive landscape, see "Industry Overview."

OUR SUPPLIERS

Our major suppliers include contractual manufacturers, raw material providers, logistics service providers, e-commerce platforms, marketing service providers, and property lessors. We usually enter into agreements with our suppliers on an annual basis, subject to our standard terms and conditions. We generally settle the payment by bank transfers.

In 2023, 2024 and 2025, purchases from our five largest suppliers in the respective year amounted to RMB192.7 million, RMB485.9 million and RMB518.3 million, which accounted for approximately 29.4%, 37.4% and 24.9% of our total purchases in the corresponding year. In addition, in 2023, 2024 and 2025, purchases from the largest supplier in the respective year amounted to RMB56.7 million, RMB164.3 million and RMB176.3 million, which accounted for approximately 8.7%, 12.6% and 8.5% of our total purchases in the corresponding year.

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owns more than 5% of our share capital had any interest in any of our five largest suppliers in each year during the Track Record Period.

OUR CUSTOMERS

In 2023, 2024 and 2025, the aggregate revenue generated from our top five customers in the respective year amounted to RMB212.1 million, RMB402.4 million and RMB588.7 million, respectively, representing 23.4%, 22.8% and 21.1% of our total revenue in the corresponding year.

In addition, in 2023, 2024 and 2025, the revenue generated from our largest customer in the respective year amounted to RMB96.8 million, RMB190.2 million and RMB325.6 million, respectively, representing 10.7%, 10.8% and 11.7% of our total revenue in the corresponding year.

As of the Latest Practicable Date, none of our Directors, their associates or any other Shareholder which, to the knowledge of our Directors, owns more than 5% of our share capital had any interest in any of our top five customers in each year during the Track Record Period.

RISK FACTORS

Our operations and the **[REDACTED]** involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to **[REDACTED]** in us and/or the value of your **[REDACTED]**. See "Risk Factors" for details of our risk factors. Some of the major risks we face include: (i) we may not be able to effectively manage our growth and execute our business strategies, which could adversely affect our business, financial condition, and results of operations; (ii) we operate in a highly competitive industry and the size and resources of some of our competitors may allow them to compete more effectively than we can, resulting in a loss of our market share and a decrease in our sales and profitability; (iii) our business depends on consumer preferences and market trends, and any failure to anticipate or respond to changes could materially and adversely affect our sales and financial performance; (iv) we rely on technical advancements, fashionable designs and high-quality products to compete in the market for our products. We may fail to continue to advance and provide consumers with design features that meet their expectations; (v) our success depends on our ability to maintain and enhance our brands; (vi) we rely on third-party contractual manufacturers and suppliers, and any disruption to our relationship with them or to their operations could materially and adversely affect our business, financial condition, and results of operations; (vii) supply shortages and interruptions, and price fluctuations for raw materials could disrupt our supply chain and have a material adverse impact on our business; (viii) disputes regarding trademarks or other intellectual properties may be expensive to defend and may disrupt our business operations; and (ix) ongoing geopolitical tensions may materially and adversely affect our business, financial condition and results of operations.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth a summary of our consolidated financial information for the Track Record Period, extracted from the Accountant's Report set out in Appendix I. The summary of consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this document, including the related notes. Our consolidated financial information has been prepared in accordance with HKFRS.

Summary Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss with line items, both in absolute amounts and as percentages of our revenue, for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Revenue	**908,068**	**100.0**	**1,766,102**	**100.0**	**2,792,988**	**100.0**
Cost of sales	(379,184)	(41.8)	(713,055)	(40.4)	(1,014,618)	(36.3)
Gross profit	**528,884**	**58.2**	**1,053,047**	**59.6**	**1,778,370**	**63.7**
Other income and gains, net	21,926	2.4	55,801	3.2	40,996	1.5
Selling and distribution expenses	(277,175)	(30.5)	(586,500)	(33.2)	(1,058,666)	(37.9)
Administrative expenses	(64,943)	(7.2)	(132,578)	(7.5)	(255,428)	(9.1)
Impairment losses on financial assets, net	(429)	(0.0)	7	0.0	(305)	(0.0)
Other expenses	(18,810)	(2.1)	(37,815)	(2.1)	(67,768)	(2.4)
Finance costs	(1,748)	(0.2)	(1,849)	(0.1)	(1,452)	(0.1)
Profit before tax	**187,705**	**20.7**	**350,113**	**19.8**	**435,747**	**15.6**
Income tax expense	(35,760)	(3.9)	(67,033)	(3.8)	(80,073)	(2.9)
Profit for the year	**151,945**	**16.7**	**283,080**	**16.0**	**355,674**	**12.7**
Attributable to:						
Owners of the parent	151,945	16.7	283,080	16.0	355,674	12.7

For details on the accounting treatment of special rights of Pre-**[REDACTED]** Investments, see "— Pre-**[REDACTED]** Investors" below and Note 25 to the Accountants' Report set out in Appendix I to this document.

Non-HKFRS Measure

To supplement our consolidated financial statements that are presented in accordance with HKFRS, we also use adjusted net profit (non-HKFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, HKFRS. However, our presentation of adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. We define adjusted net profit (non-HKFRS measure) as profit for the year adjusted by adding back (i) equity-settled share award expenses and (ii) **[REDACTED]**. Equity-settled share award expenses arise from granting share-based payment to selected employees, the amount of which is non-cash in nature. **[REDACTED]** primarily consist of professional fees associated with the **[REDACTED]** and the **[REDACTED]**.

The following table reconciles our adjusted net profit (non-HKFRS measure) for the years presented in accordance with HKFRS.

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit for the year	151,945	283,080	355,674
Add:			
Equity-settled share award expenses	4,078	12,568	41,505
[REDACTED]	—	8,649	11,932
Adjusted net profit (non-HKFRS measure) for the year	**156,023**	**304,297**	**409,111**

In 2023, 2024 and 2025, our adjusted net profit (non-HKFRS measure) amounted to RMB156.0 million, RMB304.3 million and RMB409.1 million, respectively. Our adjusted net profit margin (non-HKFRS measure) remained stable in 2023 and 2024 at 17.2%. Our adjusted net profit margin (non-HKFRS measure) decreased from 17.2% in 2024 to 14.6% in 2025, mainly because we opened more offline retail stores which typically have higher store operation expenses. For details on the year-to-year comparison of our revenue, cost of sales, and expenses during the Track Record Period, see "Financial Information — Year to Year Comparison of Results of Operations."

Revenue

We derive revenue from sales of our products, consisting primarily of apparel, footwear, as well as equipment and accessories, substantially all within Chinese mainland as of the Latest Practicable Date. During the Track Record Period, our revenue experienced significant growth. The following table sets forth a breakdown of our revenue by product category, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Apparel	797,076	87.8	1,608,082	91.0	2,545,703	91.2
Hardshell jackets and pants	480,755	52.9	1,001,935	56.7	1,453,511	52.0
Down coats and pants	81,337	9.0	162,187	9.2	292,290	10.5
Softshell jackets and pants	50,560	5.6	119,120	6.7	241,633	8.7
Sun-proof clothing	77,923	8.6	104,756	5.9	150,035	5.4
Fleece coats and pants	39,679	4.4	74,216	4.2	102,627	3.7
Others(1)	66,822	7.3	145,868	8.3	305,607	10.9
Footwear	49,956	5.5	61,042	3.5	115,512	4.1
Equipment and accessories	61,036	6.7	96,978	5.5	131,773	4.7
Total	**908,068**	**100.0**	**1,766,102**	**100.0**	**2,792,988**	**100.0**

Note:

(1) Others encompassed a range of apparel types, mainly including quick-dry apparels. No single apparel category within others contributed in excess of 5% of our total revenue in each year during the Track Record Period.

The following table sets forth a breakdown of our revenue by geographical location, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Chinese mainland	896,064	98.7	1,757,569	99.5	2,784,956	99.7
North America	2,404	0.3	1,264	0.1	2,209	0.1
Europe	392	0.0	476	0.0	490	0.0
Other countries/ regions(1)	9,208	1.0	6,793	0.4	5,333	0.2
Total	**908,068**	**100.0**	**1,766,102**	**100.0**	**2,792,988**	**100.0**

Note:

(1) Other countries/regions primarily include Oceania.

We achieved strong revenue growth during the Track Record Period through strategic business initiatives. Our product portfolio expansion successfully captured market demand, with increasingly diversified offerings resonating well with Chinese consumers. Our marketing campaigns also enhanced brand visibility and customer engagement nationwide. In addition, our distribution capabilities were strengthened through an expanded online presence on major domestic platforms and selective additions to our offline retail network across key Chinese cities. These coordinated efforts across product development, brand positioning, and sales channels drove sustainable revenue growth throughout the period. For more details, see "Financial Information — Year to Year Comparison of Results of Operations."

Cost of Sales

The following table sets forth a breakdown of our cost of sales by product category, both in absolute amounts and as percentages of total cost of sales, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Procurement costs	361,070	95.2	680,935	95.5	966,375	95.2
Costs of finished goods	46,640	12.3	246,717	34.6	423,656	41.7
Contractual manufacturing costs	152,811	40.3	246,717	34.6	298,684	29.4
Raw material costs	161,619	42.6	187,501	26.3	244,035	24.1
Logistics costs	18,081	4.8	32,104	4.5	48,228	4.8
Others	33	0.0	16	0.0	15	0.0
Total	**379,184**	**100.0**	**713,055**	**100.0**	**1,014,618**	**100.0**

Gross Profit and Gross Profit Margin

The following table sets forth our gross profit and gross profit margin by product category 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'000	%	RMB'000	%	RMB'000	%
Apparel	466,637	58.5	962,111	59.8	1,637,179	64.3
Hardshell jackets and pants	278,169	57.9	580,925	58.0	897,123	61.7
Down coats and pants	50,199	61.7	98,374	60.7	188,909	64.6
Softshell jackets and pants	30,550	60.4	76,757	64.4	170,925	70.7
Sun-proof clothing	44,491	57.1	65,000	62.0	93,486	62.3
Fleece coats and pants	25,025	63.1	49,603	66.8	72,484	70.6
Others	38,203	57.2	91,452	62.7	214,252	70.1
Footwear	32,316	64.7	41,044	67.2	69,039	59.8
Equipment and accessories	29,931	49.0	49,892	51.4	72,152	54.8
Total	**528,884**	**58.2**	**1,053,047**	**59.6**	**1,778,370**	**63.7**

Profit for the Year

We recorded a net profit of RMB151.9 million, RMB283.1 million and RMB355.7 million in 2023, 2024 and 2025, respectively. During the Track Record Period, our profit growth was primarily driven by a significant increase in revenue, alongside enhanced supply chain capabilities, improved operational efficiency, and the benefits of economies of scale. Therefore, our net profit achieved significant growth during the Track Record Period.

Summary Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Total non-current assets	59,440	140,176	260,896
Total current assets	576,213	1,295,621	2,229,296
Total assets	**635,653**	**1,435,797**	**2,490,192**
Total current liabilities	287,445	497,980	872,365
Total non-current liabilities	2,975	19,363	30,265
Total liabilities	**290,420**	**517,343**	**902,630**
Net assets	**345,233**	**918,454**	**1,587,562**
Net current assets	**288,768**	**797,641**	**1,356,931**
Share capital	53,091	60,011	67,322
Reserves	292,142	858,443	1,520,240
Total equity	**345,233**	**918,454**	**1,587,562**

Our net assets increased from RMB345.2 million as of December 31, 2023 to RMB918.5 million as of December 31, 2024, primarily attributable to (i) issue of new shares of RMB288.3 million, and (ii) profit for the year of RMB283.1 million, partially offset by dividends declared of RMB10.6 million. Our net assets further increased from RMB918.5 million as of December 31, 2024 to RMB1,587.6 million as of December 31, 2025, primarily due to (i) profit for the year of RMB355.7 million, and (ii) issue of new shares of RMB291.3 million, partially offset by dividends declared of RMB42.0 million.

Our net current assets increased from RMB288.8 million as of December 31, 2023 to RMB797.6 million as of December 31, 2024, reflecting an increase in our current assets, primarily including (i) an increase in inventories from RMB238.2 million to RMB595.1 million, which was in line with our continued business growth, (ii) an increase in cash and cash equivalents from RMB51.1 million to RMB354.2 million, primarily due to the redemption of wealth management products, the recovery of bank notice deposits, and the proceeds from equity financing in August 2024, and (iii) an increase in trade receivables from RMB103.6 million to RMB232.3 million, mainly due to the increased products sales driven by business expansion, including the fast growth of our sales to e-commerce platforms, and the increased product sales through offline stores with the revenue recognized at a later stage due to settlement delays with shopping malls. These increases were partially offset by an increase in our current liabilities, including an increase in trade and bills payables from RMB160.5 million to RMB274.9 million, primarily driven by an increase in payables to contractual manufacturers and raw material suppliers, driven by business growth.

Our net current assets increased from RMB797.6 million as of December 31, 2024 to RMB1,356.9 million as of December 31, 2025, reflecting an increase in our current assets, primarily including (i) an increase in cash and cash equivalents from RMB354.2 million to RMB713.2 million, mainly attributable to the proceeds from issue of new shares and net cash flows generated from our daily operations, (ii) an increase in inventories from RMB595.1 million to

RMB870.0 million, mainly driven by anticipated sales growth and the expansion of offline stores, and (iii) an increase in trade receivables from RMB232.3 million to RMB458.8 million, mainly driven by our increased product sales.

Our net current assets increased from RMB1,356.9 million as of December 31, 2025 to RMB1,388.7 million as of March 31, 2026, reflecting a slight decrease in our current assets, primarily including a decrease in cash and cash equivalents from RMB713.2 million to RMB392.8 million, primarily driven by proactive inventory build-up in preparation for the upcoming sales season and the partial payment of dividends to our then shareholders in accordance with the resolution approved at the shareholders' meeting held in February 2026, partially offset by an increase in inventories from RMB870.0 million to RMB1,216.7 million, mainly attributable to inventory build-up to support our business expansion and sales activities. This was further adjusted by a decrease in our current liabilities at a faster pace, including a decrease of trade and bills payables from RMB472.7 million to RMB404.3 million as we settled with our suppliers.

For details, please see "Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position."

Summary Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated statements of cash flow for the years indicated.

	For the year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Net cash generated from/(used in) operating activities	131,054	(30,517)	244,999
Net cash (used in)/generated from investing activities	(135,335)	78,827	(121,354)
Net cash generated from financing activities	42,477	254,727	235,488
Net increase in cash and cash equivalents	38,196	303,037	359,133
Cash and cash equivalents at beginning of the year	12,863	51,060	354,167
Effect of foreign exchange differences, net	1	70	(56)
Cash and cash equivalents at end of the year	51,060	354,167	713,244

In 2023 and 2025, we had net cash generated from operating activities of RMB131.1 million and RMB245.0 million, respectively. In 2024, we had net cash used in operating activities of RMB30.5 million, which was primarily attributable to the changes in working capital, particularly an increase in inventories of RMB391.2 million, an increase in trade receivables of RMB128.7 million, and an increase in prepayments, other receivables and other assets of RMB60.0 million. In light of the net operating cash outflow recorded in 2024, we plan to implement a range of measures aimed at enhancing operational efficiency and improving cash flow performance, including but not limited to the following:

- *Strengthening inventory and supply chain management.* We plan to further enhance coordination across our supply chain, improve demand forecasting, and optimize procurement planning to increase inventory turnover and reduce excess stock levels, thereby alleviating pressure on working capital.

- *Optimizing credit and collection policies.* We will further enhance customer credit management, refine payment terms, improve collection efficiency, and strengthen internal processes to accelerate the recovery of trade receivables and improve cash utilization.

- *Improving operational process efficiency.* We intend to streamline operational workflows and upgrade information systems to improve efficiency from order placement to delivery, reduce turnaround time, and facilitate faster cash conversion.

- *Enhancing supplier collaboration mechanism.* We will continue to strengthen our relationships with key suppliers and negotiate more flexible payment arrangements to better manage cash outflows.

- *Strengthening budget control and cost management.* We plan to improve our budget discipline and cost control framework, allocate operational expenses more prudently, and regularly assess the cost-effectiveness of spending to avoid unnecessary or premature expenditures.

For details, see "Financial Information — Liquidity and Capital Resources — Summary of Consolidated Statements of Cash Flow."

Key Financial Ratios

The following table sets forth our key financial ratios as of the dates or for the years indicated.

	As of/For the year ended December 31,		
	2023	2024	2025
Profitability ratios			
Net profit margin(1)	16.7%	16.0%	12.7%
Adjusted net profit margin (non-HKFRS measure)(2)	17.2%	17.2%	14.6%
Gross profit margin(3)	58.2%	59.6%	63.7%
Return on assets(4)	32.1%	27.3%	18.1%
Return on equity(5)	65.3%	44.8%	28.4%
Liquidity ratio			
Current ratio(6)	2.0	2.6	2.6

Notes:

(1) Net profit margin represents profit for the year divided by revenue and multiplied by 100%.

(2) Adjusted net profit margin (non-HKFRS measure) represents the adjusted net profit (non-HKFRS measure) for the year divided by our total revenue for the same year. For details of adjusted net profit (non-HKFRS measure), see "Financial Information — Description of Major Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income — Non-HKFRS Measure."

(3) Gross profit margin represents gross profit for the year divided by revenue for the year and multiplied by 100%.

(4) Return on assets represents profit for the year divided by the average of the beginning and ending total assets for that year and multiplied by 100%.

(5) Return on equity represents profit for the year divided by the average of the beginning and ending balance of total equity for that year, then multiplied by 100%.

(6) Current ratio represents total current assets divided by total current liabilities as of the end of the year.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Liu and Ms. Hua directly held approximately 35.10% and 28.08% of our total issued share capital, respectively.

Since the establishment of our Company, Ms. Hua has been acting in concert with Mr. Liu in respect of the management and operation of our Group. On July 1, 2024, Mr. Liu and Ms. Hua entered into an acting in concert agreement, to formally record the previous acting-in-concert arrangements and confirm that Ms. Hua will act in concert at the general meetings of our Company with Mr. Liu. In the event that Ms. Hua fails to reach a consensus with Mr. Liu, the voting rights under the acting-in-concert arrangements shall be exercised in accordance with the discretion of Mr. Liu. It is further agreed that such acting-in-concert arrangements will continue following the **[REDACTED]**.

Therefore, as of the Latest Practicable Date, Mr. Liu and Ms. Hua collectively controlled approximately 63.17% of the voting rights in our Company. Immediately upon the completion of the **[REDACTED]** (assuming that the **[REDACTED]** and the **[REDACTED]** are not exercised), Mr. Liu and Ms. Hua will control approximately **[REDACTED]**% of the voting rights in our Company and will continue to be a group of Controlling Shareholders of our Company.

PRE-[REDACTED] INVESTORS

From 2023 to 2025, we conducted two rounds of Pre-**[REDACTED]** Investments. Our diverse base of Pre-**[REDACTED]** Investors consists of institutional funds such as Tencent Investment and Qiming Venture, which held approximately 10.70% and 5.35% of the total issued Shares of our Company as of the Latest Practicable Date, respectively. Pursuant to applicable PRC laws, the Pre-**[REDACTED]** Investors shall not dispose of any of the Shares held by them within 12 months following the **[REDACTED]**. For details of our Pre-**[REDACTED]** Investments, see "History and Corporate Structure — Pre-**[REDACTED]** Investments" in this document.

On March 20, 2025, our Company and the Pre-**[REDACTED]** Investors subsequently entered into supplemental agreements, agreeing that the special rights granted by us to the Pre-**[REDACTED]** investors, including redemption rights, have been irrecoverably terminated and shall be *void ab initio*. Taking into account the legal and regulatory framework of our jurisdiction and the governing law of the supplemental agreements, our Directors considered that it is appropriate to present the Pre-**[REDACTED]** Investments as equity during the Track Record Period.

Had the special rights granted by our Company to the Pre-**[REDACTED]** Investors been accounted for as financial liabilities measured at fair value prior to entering into the supplemental agreements, (i) the fair value through profit and loss financial liabilities, total current liabilities and net assets would have been:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Fair value through profit and loss financial liabilities	72,655	367,194	—
Total current liabilities	360,100	865,174	872,365
Net assets	273,126	553,417	1,590,555

and (ii) the fair value changes and transaction costs, net profit for the year, basic and dilutive earning per share would have been:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Fair value changes and transaction costs	(3,655)	(14,379)	(19,955)
Total net profit	148,838	271,568	339,986
Basic earnings per share	2.92	4.95	5.19
Dilutive earnings per share	2.89	4.55	5.19

For details, see Note 25 to the Accountants' Report set out in Appendix I to this document.

DIVIDENDS

We did not declare dividends in 2023. On June 30, 2024, we declared dividends of RMB10.6 million to our Shareholders, which were fully paid in August 2024. We also declared a dividend to our Shareholders of approximately RMB42.0 million in March 2025, which was fully paid in August 2025.

As of the Latest Practicable Date, we did not have any fixed dividend policy nor pre-determined dividend payout ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

[REDACTED]

FUTURE PLANS AND [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting **[REDACTED]**, fees and estimated expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the indicative **[REDACTED]** range stated in this document and that the **[REDACTED]** and the **[REDACTED]** are not exercised. We intend to use our **[REDACTED]** from the **[REDACTED]** for the following purposes: (i) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, is expected to be used to strengthen our R&D capabilities and refine our product design and innovation processes; (ii) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, is expected to be used to strengthen our brand positioning and enhance brand awareness; (iii) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, is expected to be used to strengthen our multi-channel sales network; (iv) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, is expected to be used in strategic brand incubation and investments; (v) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, is expected to be used to enhance our digital capabilities, primarily for the digitalization of our operating system and information infrastructure; and (vi) approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]** million, is expected to be used for working capital and other general corporate purposes.

See the section headed "Future Plans and **[REDACTED]**" in this document for further information relating to our future plans and **[REDACTED]** from the **[REDACTED]**.

[REDACTED]

[REDACTED] 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 estimated **[REDACTED]** from the **[REDACTED]** assuming no Shares are **[REDACTED]** pursuant to the **[REDACTED]** and/or the **[REDACTED]**. The **[REDACTED]** consist of (i) **[REDACTED]**-related expenses, including **[REDACTED]**, 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]**. During the Track Record Period, the **[REDACTED]** charged to our consolidated statements of profit or loss were RMB**[REDACTED]** (HK$**[REDACTED]**) and the issue costs, which were recognized as prepayments and are expected to be deducted from equity upon the **[REDACTED]**, were RMB**[REDACTED]** (HK$**[REDACTED]**). After the Track Record Period, approximately HK$**[REDACTED]** is expected to be charged to our consolidated statements of profit or loss, and approximately HK$**[REDACTED]** is expected to be accounted for as a deduction from equity upon the **[REDACTED]**. We do not believe any of the above fees or expenses are material or are unusually high for us. The **[REDACTED]** above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS

Our business operations continued to expand subsequent to the Track Record Period. Our total sales volume increased from 1,882.7 thousand units for three months ended March 31, 2025 to 2,841.0 thousand units for the three months ended March 31, 2026. In addition, we continue to expand our product offerings tailored to a wide range of scenarios and activities. We launched an urban business-style apparel series, featuring products such as hardshell jackets, softshell jackets, business shirts, and multi-functional business-casual items to meet consumers' needs across various scenarios.

We declared a dividend to our then shareholders of approximately RMB101.0 million in February 2026. As of the Latest Practicable Date, the aforementioned dividend had not been fully settled.

In March 2026, we announced Zhao Lusi (趙露思), a beloved young Chinese actress known for her natural acting style and approachable charm, as our additional brand ambassador. She personifies our brand's adventurous essence, seamlessly bridging the pulse of urban vitality with nature's boundless embrace.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the Latest Practicable Date, there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, which is the end date of the years reported on in the Accountants' Report in Appendix I to this document, and there is no event since December 31, 2025 which would materially affect the information as set out in the Accountants' Report in Appendix I to this document.