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*The following discussion and our analysis should be read in conjunction with our historical financial information included in the Accountants’ Report in Appendix I, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with IFRS Accounting Standards.*

*The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this document, including but not limited to the sections headed “Risk Factors” and “Business.”*

*For the purposes of this section, unless the context otherwise requires, references to the years of 2023, 2024 and 2025 refer to the years ended December 31 of such years.*

*In addition, the following discussion and analysis contains certain amounts and percentage figures that have been subject to rounding adjustments, accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them, and all monetary amounts and percentages shown are approximate amounts only.*

### OVERVIEW

We are a leading global provider of optical connectivity products and solutions, dedicated to research and development, manufacturing and sales of fiber optic assemblies, micro-optical assemblies and fiber optic connectivity infrastructure products for AI data center applications. Our products and solutions are widely used by leading cloud service providers, global technology giants, and telecommunication operators. According to Frost & Sullivan, as of the Latest Practicable Date, we are among the few fiber optic assembly suppliers globally with capability to support optical connectivity needs of hyperscale AI data centers.

We focus on high-density optical connectivity deployments. With 18 years of industrial experience and proven capabilities in large-scale production and fulfilment across a broad product portfolio, we are well-positioned to capture market opportunities driven by the unprecedented growth of the AI industry.

According to Frost & Sullivan, we ranked first globally among optical connectivity product and solution providers in 2025, with a global market share of 9.7%, as measured by global fiber optic assemblies revenue. In high-density fiber optic assemblies industry, we ranked first globally by revenue, with a global market share of 12.6%.

### BASIS OF PREPARATION AND PRESENTATION

Our historical financial information has been prepared in accordance with all applicable IFRS Accounting Standards issued by the IASB. For the purpose of preparing and presenting the historical financial information for the Track Record Period, we have consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2025 throughout the Track Record Period. See Note 1 to the Accountants’ Report set out in Appendix I to this document.

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### MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations have been, and are expected to continue to be, materially affected by the following major factors:

#### *Market Demand for Our Products*

Our results of operations have been, and are expected to continue to be, affected by the market demand for our products. Such demand is driven by a variety of factors, including macroeconomic conditions, the development of the optical connectivity industry, technological advancements and their commercial applications, as well as changes in end-customer demand.

In recent years, the development of next-generation information technologies such as AI, cloud computing and big data has supported the construction of AI data centers and other new infrastructure, contributing to increasing demand for optical interconnection products as key components for high-speed data transmission. According to Frost & Sullivan, the global optical connectivity market size increased from RMB131.0 billion in 2021 to RMB205.3 billion in 2025, representing a compound annual growth rate of 11.9%, and is expected to further grow to RMB709.2 billion by 2030, representing a compound annual growth rate of 28.1% from 2025 to 2030.

We believe that, leveraging our technological capabilities and market position, we expect to continue participating in the development of the optical connectivity market, particularly in the AI data center sector, based on our technological capabilities and market presence.

#### *Our Ability to Continuously Upgrade and Expand our Product Offerings*

Our ability to continuously upgrade and expand our product and solution offerings is an important factor affecting our results of operations. The optical interconnection industry is characterized by rapid technological advancement and short product upgrade cycles. As such, we need to continuously advance our product upgrades and technological innovation.

We have continued to invest resources in our research and development activities to support product iteration and technological upgrades. In 2023, 2024 and 2025, our research and development expenses amounted to RMB13.5 million, RMB32.1 million and RMB52.0 million, respectively. Further to this, leveraging our accumulated expertise in optical connectivity, we have been able to enhance our product portfolio, which has continued to evolve toward higher density, miniaturization and enhanced performance.

We plan to continuously optimize our product portfolio, advance the development and application of next-generation optical connectivity products, and strengthen our forward-looking technology deployment, thereby enhancing our product competitiveness, which in turn supports our profitability. Meanwhile, we will continue to optimize our product mix and increase the proportion of high-density, customized and higher value-added products, thereby enhancing our profitability while expanding our revenue scale.

#### *Our Ability to Maintain Key Customers and Broaden Our Customer Base*

Our ability to maintain long-term relationships with our key customers while continuously broadening our customer base is an important factor affecting our results of operations. Our customers primarily include leading cloud service providers, global technology giants and telecommunication operators. Leveraging our stable product quality, reliable delivery capabilities and responsive services, we have established long-term relationships with a number of industry-leading customers and maintained stable cooperation with our key customers. Such long-term relationships enable us to secure continuous orders and provide a certain level of stability and visibility to our revenue.

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We work closely with our customers to continuously identify and address their evolving needs and provide them with technical support and product iteration. In addition, we expand the scope of our cooperation by broadening application scenarios and enriching our product portfolio, thereby enhancing customer stickiness and deepening our relationships. Meanwhile, we continue to expand our global customer base to capture growing market opportunities, which will materially affect our financial performance.

### *Supply Chain Management and Production Capacity Expansion*

Effective supply chain management and production capacity assurance are important factors affecting our results of operations. In 2023, 2024 and 2025, our cost of raw materials accounted for 71.7%, 69.9% and 71.1% of our total cost of sales, respectively.

We have continuously strengthened our supply chain management by maintaining long-term and stable relationships with our core raw material suppliers. We also continuously optimize our supplier structure to reduce reliance on any single supplier through diversified sourcing. At the same time, we enhance our bargaining power through large-scale procurement and closely monitor the supply and demand dynamics of key raw materials to optimize procurement timing, thereby improving supply chain stability and cost control.

We have established a global production network centered in China and Vietnam to serve our global customers. Our manufacturing footprint enables us to respond quickly to customer orders across different regions and ensure timely delivery of our products. To capture industry opportunities and support our business growth, we plan to continuously expand our production capacity and upgrade our production systems. Building on our existing production facilities, we intend to further refine our global capacity layout and continue improving our automation and intelligent manufacturing capabilities to support production efficiency and operational flexibility, while maintaining product quality consistency and stability.

### *Our Ability to Maintain and Improve Operating Efficiency*

Our ability to manage costs and improve operating efficiency will affect our results of operations. As our business continues to scale, we proactively manage our costs through a series of strategic initiatives. We maintain disciplined control over our operating expenses, which primarily consist of research and development expenses, selling and marketing expenses, and administrative expenses. During the Track Record Period, in 2023, 2024 and 2025, our research and development expenses amounted to RMB13.5 million, RMB32.1million and RMB52.0 million, accounting for 2.7%, 3.6% and 2.5% of our revenue, respectively. Our selling and marketing expenses amounted to RMB15.6 million, RMB19.5 million and RMB22.0 million, accounting for 3.1%, 2.2% and 1.0% of our revenue, respectively. Our administrative expenses amounted to RMB23.8 million, RMB38.0 million and RMB60.6 million, accounting for 4.8%, 4.3%, and 2.9% of our revenue, respectively. As our revenue continues to grow, we expect the absolute amount of such expenses to increase, but with the benefits of economies of scale and improved operating efficiency, we expect such expenses as a percentage of revenue to remain stable or gradually decrease over time, thereby supporting our overall profitability.

We have enhanced the construction and management of our sales team under our direct sales model, which helps streamline the sales process and improve marketing efficiency. On the other hand, leveraging our established supply chain management capabilities and scalable production capacity, we are able to achieve efficient production organization and delivery management.

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### MATERIAL ACCOUNTING POLICY INFORMATION

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continuously evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events which are deemed to be reasonable under the circumstances. There has not been any material deviation from our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes to these estimates and assumptions in the foreseeable future. For details of accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our historical financial information please refer to Note 2 to the Accountants’ Report included in Appendix I to this document.

### DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

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

	<b>For the Year Ended December 31</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
<b>Revenue</b>	<b>500,427</b>	<b>889,447</b>	<b>2,104,781</b>
Cost of sales	<u>(310,704)</u>	<u>(516,250)</u>	<u>(1,273,838)</u>
<b>Gross profit</b>	<b>189,723</b>	<b>373,197</b>	<b>830,943</b>
Other net income	2,656	18,279	13,655
Administrative expenses	(23,778)	(37,992)	(60,553)
Selling and marketing expenses	(15,578)	(19,491)	(21,984)
Research and development expenses	<u>(13,512)</u>	<u>(32,115)</u>	<u>(51,977)</u>
<b>Profit from operations</b>	<b>139,511</b>	<b>301,878</b>	<b>710,084</b>
Finance costs	<u>(1,606)</u>	<u>(2,106)</u>	<u>(5,110)</u>
<b>Profit before taxation</b>	<b>137,905</b>	<b>299,772</b>	<b>704,974</b>
Income tax	<u>(16,873)</u>	<u>(32,113)</u>	<u>(80,962)</u>
<b>Profit for the year</b>	<b><u>121,032</u></b>	<b><u>267,659</u></b>	<b><u>624,012</u></b>

#### Revenue

##### *Revenue by product*

During the Track Record Period, we generated revenue primarily from sales of products to customers including (i) fiber optic assemblies, (ii) fiber optic connectivity infrastructure products, and (iii) micro-optical assemblies.

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The following table sets forth a breakdown of our revenue by product in absolute amounts and as a percentage of our total revenue for the years indicated.

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
<b>Sales of products</b>						
Fiber optic assemblies	425,326	85.0	774,387	87.1	1,972,434	93.7
Fiber optic connectivity infrastructure products	74,652	14.9	113,351	12.7	128,914	6.1
Micro-optical assemblies	449	0.1	1,709	0.2	3,433	0.2
<b>Total</b>	<b><u>500,427</u></b>	<b><u>100.0</u></b>	<b><u>889,447</u></b>	<b><u>100.0</u></b>	<b><u>2,104,781</u></b>	<b><u>100.0</u></b>

Our revenue attributable to fiber optic assemblies in 2023, 2024 and 2025 amounted to RMB425.3 million, RMB774.4 million and RMB1,972.4 million, respectively, representing 85.0%, 87.1% and 93.7% of our total revenue, respectively. The increase in revenue from fiber optic assemblies was primarily driven by strong demand for high-density optical connectivity solutions, particularly in data center applications.

Our revenue attributable to fiber optic connectivity infrastructure products in 2023, 2024 and 2025 amounted to RMB74.7 million, RMB113.4 million and RMB128.9 million, respectively, representing 14.9%, 12.7% and 6.1% of our total revenue, respectively. The increase in revenue from sales of fiber optic connectivity infrastructure products was primarily driven by stable market demand for such products.

Our revenue attributable to micro-optical assemblies in 2023, 2024 and 2025 amounted to RMB0.4 million, RMB1.7 million and RMB3.4 million, respectively, accounting for an insignificant portion of our total revenue. Such increase was primarily due to our efforts to establish and develop micro-optical assemblies business since 2023.

### **Revenue by geographical region**

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
United States	413,595	82.7	757,556	85.2	1,814,900	86.2
Chinese Mainland	34,720	6.9	41,986	4.7	65,408	3.1
Other regions <sup>(1)</sup>	52,112	10.4	89,905	10.1	224,473	10.7
<b>Total</b>	<b><u>500,427</u></b>	<b><u>100.0</u></b>	<b><u>889,447</u></b>	<b><u>100.0</u></b>	<b><u>2,104,781</u></b>	<b><u>100.0</u></b>

*Note:*

(1) Other regions mainly included Australia, the Netherlands, France, and Hong Kong.

Our revenue attributable to customers located in the United States in 2023, 2024 and 2025 amounted to RMB413.6 million, RMB757.6 million and RMB1,814.9 million, respectively, representing 82.7%, 85.2% and 86.2% of our total revenue, respectively, reflecting our rapid business growth in the United States, where demand has been driven by the rapid development of AI data center infrastructure.

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Our revenue attributable to customers located in Chinese Mainland in 2023, 2024 and 2025 amounted to RMB34.7 million, RMB42.0 million and RMB65.4 million, respectively, representing 6.9%, 4.7% and 3.1% of our total revenue, respectively, reflecting the continued growth in domestic customer demand for our products and the gradual expansion of our customer base in the Chinese Mainland.

Our revenue attributable to customers located in other regions in 2023, 2024 and 2025 amounted to RMB52.1 million, RMB89.9 million and RMB224.5 million, respectively, representing 10.4%, 10.1% and 10.7% of our total revenue, respectively, reflecting the expansion of our customer base in diversified international markets and increasing demand for our products across different regions.

### Cost of Sales

Our cost of sales primarily consists of cost of raw materials and staff costs. Our cost of sales amounted to RMB310.7 million, RMB516.3 million and RMB1,273.8 million in 2023, 2024 and 2025, respectively, representing 62.1%, 58.0% and 60.5% of our total revenue for the same years, respectively.

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Raw materials	222,786	71.7	360,966	69.9	905,906	71.1
Staff costs	36,269	11.7	70,800	13.7	183,853	14.4
Others <sup>(1)</sup>	51,649	16.6	84,484	16.4	184,079	14.5
<b>Total</b>	<b><u>310,704</u></b>	<b><u>100.0</u></b>	<b><u>516,250</u></b>	<b><u>100.0</u></b>	<b><u>1,273,838</u></b>	<b><u>100.0</u></b>

*Note:*

(1) Others mainly include depreciation, amortization and overhead costs.

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
<b>Products</b>						
Cost of sales of fiber optic assemblies	258,742	83.3	438,274	84.9	1,180,913	92.7
Cost of sales of fiber optic connectivity infrastructure products	51,053	16.4	76,092	14.7	83,026	6.5
Cost of sales of micro-optical assemblies	909	0.3	1,884	0.4	9,899	0.8
<b>Total</b>	<b><u>310,704</u></b>	<b><u>100.0</u></b>	<b><u>516,250</u></b>	<b><u>100.0</u></b>	<b><u>1,273,838</u></b>	<b><u>100.0</u></b>

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### Gross Profit and Gross Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage.

Our gross profit increased significantly from RMB189.7 million in 2023 to RMB373.2 million in 2024, and further to RMB830.9 million in 2025, in line with the rapid growth of our revenue driven by strong market demand, particularly from the expansion of AI data center applications.

Our gross margin remained stable during the Track Record Period, recording 37.9%, 42.0%, and 39.5% in 2023, 2024, and 2025, respectively. Our gross margin recorded relatively high in 2024, primarily due to the higher contribution of high-margin products in response to the demand from certain customers.

We kicked off our micro-optical assemblies business in 2023, and established a production plant to produce micro-optical assemblies in late 2024. As we were ramping up our micro-optical assemblies business during the Track Record Period, we recorded negative gross margin.

The following table sets forth a breakdown of our gross profit by products, in absolute amounts and as percentages of revenue, or gross profit margins, for the years indicated.

	For the Year Ended December 31					
	2023		2024		2025	
	Gross Profit	Gross Margin %	Gross Profit	Gross Margin %	Gross Profit	Gross Margin %
	<i>(RMB in thousands, except for percentages)</i>					
<b>Products</b>						
Fiber optic assemblies	166,584	39.2	336,113	43.4	791,521	40.1
Fiber optic connectivity infrastructure products	23,599	31.6	37,259	32.9	45,888	35.6
Micro-optical assemblies	<u>(460)</u>	<u>(102.5)</u>	<u>(175)</u>	<u>(10.2)</u>	<u>(6,466)</u>	<u>(188.3)</u>
<b>Total</b>	<b><u>189,723</u></b>	<b><u>37.9</u></b>	<b><u>373,197</u></b>	<b><u>42.0</u></b>	<b><u>830,943</u></b>	<b><u>39.5</u></b>

### Other Net Income

Our other net income amounted to RMB2.7 million, RMB18.3 million and RMB13.7 million in 2023, 2024 and 2025, respectively. Our other net income primarily consisted of government grants, interest income from bank deposits, fair value changes on financial assets measured at fair value through profit and loss and net foreign exchange (loss)/gain. Government grants mainly represents special-purpose funds granted by government to support R&D.

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The following table sets forth a breakdown of our other net gain in absolute amount and as a percentage of our total other net income for the years indicated.

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Government grants	1,901	71.6	5,968	32.6	7,404	54.2
Interest income from bank deposits	239	9.0	1,375	7.5	3,202	23.4
Fair value changes on financial assets measured at fair value through profit or loss	486	18.3	855	4.7	2,013	14.7
Net foreign exchange (loss)/gain	(417)	(15.7)	10,877	59.5	1,263	9.2
Others	447	16.8	(796)	(4.4)	(227)	(1.7)
<b>Total</b>	<b><u>2,656</u></b>	<b><u>100.0</u></b>	<b><u>18,279</u></b>	<b><u>100.0</u></b>	<b><u>13,655</u></b>	<b><u>100.0</u></b>

### Administrative Expenses

Our administrative expenses amounted to RMB23.8 million, RMB38.0 million and RMB60.6 million in 2023, 2024 and 2025, respectively, representing 4.8%, 4.3% and 2.9% of our total revenue for the same periods. Our administrative expenses consist primarily of (i) staff costs, (ii) office, travelling and business reception expenses, (iii) depreciation and amortization, (iv) taxes and surcharges, (v) professional service fees, and (vi) others.

The increase in our administrative expenses during the Track Record Period was primarily attributable to the expansion of our business operations, which required strengthening our administrative functions and hiring additional management personnel, as well as an increase in professional service fees. The decrease in administrative expenses as a percentage of revenue was mainly because our revenue growth outpaced the increase in administrative expenses, reflecting our organic business growth and improved operating efficiency.

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Staff costs	15,051	63.3	21,895	57.6	32,870	54.3
Office, travelling and business reception expenses	2,621	11.0	5,301	14.0	7,804	12.9
Depreciation and amortization	1,664	7.0	3,052	8.0	6,567	10.8
Taxes and surcharges	2,321	9.8	2,568	6.8	6,307	10.4
Professional service expenses	1,267	5.3	4,186	11.0	4,532	7.5
Others <sup>(1)</sup>	854	3.6	990	2.6	2,473	4.1
<b>Total</b>	<b><u>23,778</u></b>	<b><u>100.0</u></b>	<b><u>37,992</u></b>	<b><u>100.0</u></b>	<b><u>60,553</u></b>	<b><u>100.0</u></b>

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*Note:*

(1) Others include [REDACTED] in relation to this [REDACTED].

### Selling and Marketing Expenses

Our selling and marketing expenses amounted to RMB15.6 million, RMB19.5 million and RMB22.0 million in 2023, 2024 and 2025, respectively, representing 3.1%, 2.2% and 1.0% of our total revenue for the same periods. Our selling expenses consist primarily of (i) staff costs, (ii) office expenses, (iii) advertising and promotion expenses, (iv) insurance premium, and (v) others.

The increase in our selling and marketing expenses during the Track Record Period was primarily attributable to the expansion of our sales team in line with our business growth.

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Staff costs	11,077	71.1	13,661	70.1	15,996	72.8
Office expenses	776	5.0	854	4.4	802	3.6
Advertising and promotion expenses	1,674	10.7	2,704	13.9	2,986	13.6
Insurance premium	703	4.5	1,237	6.3	1,423	6.5
Others	1,348	8.7	1,035	5.3	777	3.5
<b>Total</b>	<b><u>15,578</u></b>	<b><u>100.0</u></b>	<b><u>19,491</u></b>	<b><u>100.0</u></b>	<b><u>21,984</u></b>	<b><u>100.0</u></b>

### Research and Development Expenses

Our research and development expenses amounted to RMB13.5 million, RMB32.1 million and RMB52.0 million in 2023, 2024 and 2025, respectively, representing 2.7%, 3.6% and 2.5% of our total revenue for the same periods. Our research and development expenses consist primarily of (i) staff costs, (ii) product development costs, (iii) professional service expenses, and (iv) others.

The continuous increase in our research and development expenses over the Track Record Period reflects our sustained commitment to technological advancement and product innovation, which are fundamental to our long-term competitiveness. We continued to expand our research and development team and improve our technical capabilities, which, together with the overall increase in compensation levels, contributed to the growth in our research and development expenses.

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

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Staff costs	8,163	60.4	18,835	58.6	31,702	61.0
Product development costs	4,446	32.9	10,989	34.2	14,804	28.5
Professional service expenses	784	5.8	2,060	6.4	4,449	8.6
Others	119	0.9	231	0.8	1,022	1.9
<b>Total</b>	<b><u>13,512</u></b>	<b><u>100.0</u></b>	<b><u>32,115</u></b>	<b><u>100.0</u></b>	<b><u>51,977</u></b>	<b><u>100.0</u></b>

### Finance Costs

Our finance costs consist primarily of (i) interest on lease liabilities, and (ii) interest on interest-bearing borrowings. For more details, see “— Indebtedness.”

We recorded finance costs of RMB1.6 million, RMB2.1 million, and RMB5.1 million respectively in 2023, 2024 and 2025. The following table sets forth a breakdown of our finance costs in absolute amount and as a percentage of our total finance costs for the years indicated.

	For the Year Ended December 31					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Interest on lease liabilities	606	37.7	1,398	66.4	4,017	78.6
Interest on interest-bearing borrowings	1,000	62.3	708	33.6	1,093	21.4
<b>Total</b>	<b><u>1,606</u></b>	<b><u>100.0</u></b>	<b><u>2,106</u></b>	<b><u>100.0</u></b>	<b><u>5,110</u></b>	<b><u>100.0</u></b>

### Income Tax

We recorded income tax of RMB16.9 million in 2023, RMB32.1 million in 2024, and RMB81.0 million in 2025.

### Profit for the Year

In light of the above, our profit for the year amounted to RMB121.0 million, RMB267.7 million, and RMB624.0 million in 2023, 2024, and 2025, respectively.

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### TAXATION

#### PRC

We are subject to EIT Law of the PRC and our income tax expense is calculated based on the applicable tax rate of 25% on the assessable profits of the subsidiaries in accordance with PRC tax laws and regulations for the Track Record Period. Our Company was accredited as a high and new technology enterprise (“HNTE”) and was entitled to a preferential tax rate of 15% for the qualified period. The HNTE certificate needs to be renewed every three years to enjoy the preferential EIT rate. In addition, PRC companies engaging in research and development activities are entitled to claim 200% of their R&D expenses so incurred as tax deductible expenses when determining their assessable profits for the relevant year according to the applicable laws and regulations in the PRC.

#### Vietnam

Our subsidiaries in Vietnam are subject to a corporate income tax (“CIT”) rate of 20%. As enterprises in export processing zones (“EPE”), they are entitled to preferential CIT treatments, including a two-year exemption from CIT followed by a 50% reduction of the applicable CIT rate for the subsequent four years, commencing from the first year in which taxable profit is generated. In addition, our Vietnam subsidiaries, as EPE enterprises, are not subject to VAT.

#### Hong Kong

Our subsidiary in Hong Kong is subject to Hong Kong Profits Tax. Under the two-tiered profits tax regime, the first HK\$2.0 million of assessable profits is taxed at 8.25%, and the remaining assessable profits are taxed at 16.5%.

### PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

#### Year Ended December 31, 2024 Compared to Year Ended December 31, 2025

##### *Revenue*

Our revenue increased by 136.6% from RMB889.4 million in 2024 to RMB2,104.8 million in 2025, primarily attributable to an increase in our revenue generated from sales of fiber optic assemblies, fiber optic connectivity infrastructure products, and micro-optical assemblies.

##### *Sales of Products*

Our revenue generated from sales of products increased by 136.6% from RMB889.4 million in 2024 to RMB2,104.8 million in 2025.

- *Fiber optic assemblies*: our revenue generated from sales of fiber optic assemblies increased by 154.7% from RMB774.4 million in 2024 to RMB1,972.4 million in 2025, mainly reflecting the strong demand for our high-density fiber optic assemblies, particularly AI data center applications.
- *Fiber optic connectivity infrastructure products*: our revenue generated from fiber optic connectivity infrastructure products increased by 13.7% from RMB113.4 million in 2024 to RMB128.9 million in 2025, due to a favorable shift in product mix towards higher-priced products.
- *Micro-optical assemblies*: our revenue generated from micro-optical assemblies increased by 100.9% from RMB1.7 million in 2024 to RMB3.4 million in 2025, due to the introduction of our new products and our strengthened sales efforts.

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### *Cost of Sales*

Our cost of sales increased by 146.8% from RMB516.3 million in 2024 to RMB1,273.8 million in 2025. This substantial growth is primarily driven by our significant business expansion and the increase in revenue.

The following table sets forth a breakdown in the cost of sales by nature, expressed as an absolute amount and as a percentage of our total cost of sales, for the years indicated:

	<b>For the Year Ended December 31</b>			
	<b>2024</b>		<b>2025</b>	
<b>Product</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
	<i>(RMB in thousands, except for percentages)</i>			
Raw materials	360,966	69.9	905,906	71.1
Staff costs	70,800	13.7	183,853	14.4
Others	84,484	16.4	184,079	14.5
<b>Total</b>	<b>516,250</b>	<b>100.0</b>	<b>1,273,838</b>	<b>100.0</b>

Raw materials remained the largest component of our cost of sales, accounting for 69.9% and 71.1% of our total cost of sales for the years ended December 31, 2024 and 2025, respectively. Our raw material costs increased by 151.0% from RMB361.0 million in 2024 to RMB905.9 million in 2025. This upward trend was primarily in line with our significant revenue expansion.

Staff costs accounted for 13.7% and 14.4% of our total cost of sales in 2024 and 2025. Our staff costs increased by 159.7% from RMB70.8 million in 2024 to RMB183.9 million in 2025. This increase was mainly attributable to (i) the expansion of our production workforce to support our increased manufacturing activities and (ii) an increase in average compensation for our production personnel to meet intensified delivery schedules during the year.

### *Gross Profit and Gross Margin*

As a result of the foregoing, our gross profit increased from RMB373.2 million in 2024 to RMB830.9 million in 2025, the gross profit margin decreased from 42.0% in 2024 to 39.5% in 2025. Our gross margin remained stable during the Track Record Period. Our gross margin in 2024 was relatively higher, primarily due to the higher contribution of high-margin products in response to the demand from certain customers.

- *Fiber optic assemblies*: our gross profit generated from sales of fiber optic assemblies increased by 135.5% from RMB336.1 million in 2024 to RMB791.5 million in 2025, while its gross margin decreased slightly from 43.4% in 2024 to 40.1% in 2025.
- *Fiber optic connectivity infrastructure products*: our gross profit generated from sales of fiber optic connectivity infrastructure products increased by 23.2% from RMB37.3 million in 2024 to RMB45.9 million in 2025, and its gross margin increased from 32.9% in 2024 to 35.6% in 2025.
- *Micro-optical assemblies*: our sales of micro-optical assemblies recorded a gross loss of RMB0.2 million in 2024, which increased to RMB6.5 million in 2025, and its gross margin decreased from negative 10.2% in 2024 to negative 188.3% in 2025.

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## FINANCIAL INFORMATION

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### *Other Net Income*

Our other net income decreased by 25.3% from RMB18.3 million in 2024 to RMB13.7 million in 2025, primarily attributable to a significant decrease in net foreign exchange gains, which declined from RMB10.9 million in 2024 to RMB1.3 million in 2025 due to fluctuations in the USD exchange rate. Such decline was not fully offset by the increases in government grants, interest income from bank deposits and fair value changes on financial assets measured at fair value through profit and loss during the same period.

### *Administrative Expenses*

Our administrative expenses further increased by 59.5% from RMB38.0 million in 2024 to RMB60.6 million in 2025, primarily attributable to continued increases in staff costs and other administrative expenses to support our expanding operations.

### *Selling and Marketing Expenses*

Our selling and marketing expenses increased by 12.8% from RMB19.5 million in 2024 to RMB22.0 million in 2025, mainly driven by continued increases in staff costs and other selling-related expenses to support our growing business operations and broader customer coverage.

### *Research and Development Expenses*

Our research and development expenses increased by 62.0% from RMB32.1 million in 2024 to RMB52.0 million in 2025, mainly driven by our continued investment in research and development activities, higher staff costs resulting from the expansion of our research and development team, and the overall rise in compensation levels.

### *Finance Costs*

Our finance costs increased from RMB2.1 million in 2024 to RMB5.1 million in 2025, primarily due to a substantial increase in interest on lease liabilities as we expanded our leased production facilities to support business growth and capacity expansion.

### *Income Tax*

Our income tax increased from RMB32.1 million in 2024 to RMB81.0 million in 2025, primarily attributable to the increase in profit before tax led to a rise in taxes payable.

### *Profit for the Year*

As a result of the foregoing, our profit for the year increased by 133.1% from RMB267.7 million in 2024 to RMB624.0 million in 2025.

## **Year Ended December 31, 2023 Compared to Year Ended December 31, 2024**

### *Revenue*

Our revenue increased by 77.7% from RMB500.4 million in 2023 to RMB889.4 million in 2024, primarily attributable to an increase in our revenue generated from sales of fiber optic assemblies and fiber optic connectivity infrastructure products.

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### *Sales of Products*

Our revenue generated from sales of products increased by 77.7%, from RMB500.4 million in 2023 to RMB889.4 million in 2024.

- *Fiber optic assemblies*: our revenue generated from sales of fiber optic assemblies increased by 82.1% from RMB425.3 million in 2023 to RMB774.4 million in 2024, mainly resulting from the strong demand for our high-density fiber optic assemblies, particularly AI data center applications.
- *Fiber optic connectivity infrastructure products*: our revenue generated from fiber optic connectivity infrastructure products increased by 51.8% from RMB74.7 million in 2023 to RMB113.4 million in 2024, primarily reflecting the increasing market demand for our products.
- *Micro-optical assemblies*: our revenue generated from micro-optical assemblies increased by 280.6% from RMB0.4 million in 2023 to RMB1.7 million in 2024 due to the increasing market demand.

### *Cost of Sales*

Our cost of sales increased by 66.2% from RMB310.7 million in 2023 to RMB516.3 million in 2024. This increase was primarily driven by the expansion of our production scale.

The following table sets forth a breakdown of cost of sales by nature, expressed as an absolute amount and as a percentage of our total cost of sales, for the years indicated:

	<b>For the Year Ended December 31</b>			
	<b>2023</b>		<b>2024</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
	<i>(RMB in thousands, except for percentages)</i>			
Raw materials	222,786	71.7	360,966	69.9
Staff costs	36,269	11.7	70,800	13.7
Others <sup>(1)</sup>	51,649	16.6	84,484	16.4
<b>Total</b>	<b>310,704</b>	<b>100.0</b>	<b>516,250</b>	<b>100.0</b>

Raw materials remained the largest component of our cost of sales, accounting for 71.7% and 69.9% of our total cost of sales for the years ended December 31, 2023 and 2024, respectively. Our raw material costs increased from RMB222.8 million in 2023 to RMB361.0 million in 2024. This upward trend was primarily in line with our significant revenue expansion. Such growth was fundamentally underpinned by the intensified procurement of core components, to sustain the ramp-up in production for our fiber optic assemblies following a surge in customer demand.

Staff costs accounted for 11.7% and 13.7% of our total cost of sales in 2023 and 2024. Our staff costs from RMB36.3 million in 2023 to RMB70.8 million in 2024. This variance was primarily driven by our strategic efforts to augment production capacity, which entailed hiring additional skilled technicians to ensure the timely fulfillment of high-volume orders.

### *Gross Profit and Gross Margin*

As a result of the foregoing, our gross profit increased from RMB189.7 million in 2023 to RMB373.2 million in 2024, the gross profit margin increased from 37.9% in 2023 to 42.0% in 2024. The increase in gross profit margin was primarily attributable to the higher contribution of high-margin products in response to market demand from certain customers.

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- *Fiber optic assemblies*: our gross profit generated from sales of fiber optic assemblies increased by 101.8% from RMB166.6 million in 2023 to RMB336.1 million in 2024, and its gross margin increased from 39.2% in 2023 to 43.4% in 2024.
- *Fiber optic connectivity infrastructure products*: our gross profit generated from sales of fiber optic connectivity infrastructure products increased by 57.9% from RMB23.6 million in 2023 to RMB37.3 million in 2024, and its gross margin increased from 31.6% in 2023 to 32.9% in 2024.
- *Micro-optical assemblies*: our sales of micro-optical assemblies recorded a gross loss of RMB0.5 million in 2023, which narrowed to RMB0.2 million in 2024, and its gross margin improved from negative 102.5% in 2023 to negative 10.2% in 2024.

### ***Other Net Income***

Our other net income increased by 588.2% from RMB2.7 million in 2023 to RMB18.3 million in 2024, primarily attributable to a significant net foreign exchange gain arising from USD exchange rate fluctuations, together with increases in government grants, interest income from bank deposits and fair value changes on financial assets measured at fair value through profit and loss.

### ***Administrative Expenses***

Our administrative expenses increased by 59.7% from RMB23.8 million in 2023 to RMB38.0 million in 2024, primarily attributable to increased staff costs, and professional service fees in relation to recruiting services.

### ***Selling and Marketing Expenses***

Our selling and marketing expenses increased by 25.0% from RMB15.6 million in 2023 to RMB19.5 million in 2024, mainly due to higher staff costs, as we expanded our sales team in line with our business growth and continued to strengthen our customer development efforts.

### ***Research and Development Expenses***

Our research and development expenses increased by 137.8% from RMB13.5 million in 2023 to RMB32.1 million in 2024, mainly reflecting our increased commitment to research and development, the expansion of our research and development team, and higher employee compensation as we continued to strengthen our product development and technological capabilities.

### ***Finance Costs***

Our finance costs increased from RMB1.6 million in 2023 to RMB2.1 million in 2024, mainly due to the increase of interest on lease liabilities, in line with our expansion and business growth.

### ***Income Tax***

Our income tax increased from RMB16.9 million in 2023 to RMB32.1 million in 2024, primarily attributable to the increase in profit before tax led to a rise in taxes payable.

### ***Profit for the Year***

As a result of the foregoing, our profit for the year increased by 121.2% from RMB121.0 million in 2023 to RMB267.7 million in 2024.

## FINANCIAL INFORMATION

### DISCUSSION OF CERTAIN KEY ITEMS ON CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth our consolidated statements of financial position as of the dates indicated.

	As of December 31		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
<b>Non-current assets</b>			
Property, plant and equipment	40,841	86,598	184,109
Intangible assets	3,129	4,203	4,355
Time deposits	10,617	—	—
Prepayments	940	4,367	3,745
Deferred tax assets	489	965	4,204
	<u>56,016</u>	<u>96,133</u>	<u>196,413</u>
<b>Current assets</b>			
Inventories	36,961	163,175	566,042
Trade and other receivables	160,874	277,729	555,225
Prepayments	152	717	16,221
Financial assets measured at fair value through profit or loss (“FVPL”)	16,486	89,588	48,514
Time deposits	—	10,970	—
Restricted cash	—	—	420
Cash and cash equivalents	91,767	123,896	47,494
	<u>306,240</u>	<u>666,075</u>	<u>1,233,916</u>
<b>Current liabilities</b>			
Trade and other payables	107,348	194,778	463,867
Contract liabilities	548	879	1,692
Interest-bearing borrowings	17,273	20,030	25,000
Lease liabilities	5,062	10,705	16,948
Income tax payable	14,836	33,199	60,122
	<u>145,067</u>	<u>259,591</u>	<u>567,629</u>
<b>Net current assets</b>	<u>161,173</u>	<u>406,484</u>	<u>666,287</u>
<b>Total assets less current liabilities</b>	<b>217,189</b>	<b>502,617</b>	<b>862,700</b>
<b>Non-current liabilities</b>			
Lease liabilities	13,616	26,240	54,977
Deferred income	550	220	2,217
	<u>14,166</u>	<u>26,460</u>	<u>57,194</u>
<b>NET ASSETS</b>	<u>203,023</u>	<u>476,157</u>	<u>805,506</u>

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	As of December 31		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
<b>CAPITAL AND RESERVES</b>			
Paid-in capital/share capital	52,640	52,640	54,840
Reserves	150,383	423,517	750,666
<b>Total equity attributable to equity shareholders of the Company</b>	<b><u>203,023</u></b>	<b><u>476,157</u></b>	<b><u>805,506</u></b>
<b>Total equity</b>	<b><u>203,023</u></b>	<b><u>476,157</u></b>	<b><u>805,506</u></b>

### Assets

#### *Property, Plant, and Equipment*

Our property, plant, and equipment primarily consist of properties leased for own use, and machinery and equipment in connection with our production.

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Properties leased for own use	16,881	34,479	68,380
Machinery and equipment	20,006	44,491	103,009
Electronic equipment	1,575	3,562	7,888
Vehicles	525	1,399	2,048
Construction in progress	<u>1,854</u>	<u>2,667</u>	<u>2,784</u>
<b>Total</b>	<b><u>40,841</u></b>	<b><u>86,598</u></b>	<b><u>184,109</u></b>

Our property, plant and equipment increased from RMB40.8 million as of December 31, 2023 to RMB86.6 million as of December 31, 2024, and further increased to RMB184.1 million as of December 31, 2025, in line with our significant growth and expanded capacities during the Track Record Period.

#### *Inventories*

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

	As of December 31		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Raw materials <sup>(1)</sup>	29,531	136,146	535,592
Work in progress <sup>(2)</sup>	2,830	10,272	8,596
Finished goods <sup>(3)</sup>	4,492	16,475	18,684
Goods in transit <sup>(4)</sup>	<u>108</u>	<u>282</u>	<u>3,170</u>
<b>Total</b>	<b><u>36,961</u></b>	<b><u>163,175</u></b>	<b><u>566,042</u></b>

#### *Notes:*

- (1) Consists primarily of raw materials used in our production including optical fiber cables, ferrules and components.

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## FINANCIAL INFORMATION

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- (2) Consists primarily of inventories that are in the course of production, including products under assembly, processing, testing or packaging.
- (3) Consists primarily of our products that have been manufactured but not yet been sold to customers.
- (4) Consists primarily of our products that have been shipped but not yet received by our customers.

Our inventories increased significantly during the Track Record Period, from RMB37.0 million as of December 31, 2023 to RMB163.2 million as of December 31, 2024, and further to RMB566.0 million as of December 31, 2025. Such increase was primarily attributable to the rapid expansion of our business scale and production capacity in response to the strong market demand. In particular, we increased our procurement of raw materials and maintained higher inventory levels to support anticipated sales growth and ensure timely delivery to customers.

The following table sets forth our inventories turnover days for the periods indicated.

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
Inventories turnover days <sup>(1)</sup>	36	71	104

*Note:*

- (1) Average turnover days of inventories is equal to the average of the beginning and ending inventory balances of a period divided by cost of sales for that period and multiplied by 365 days for that period.

Our inventories turnover days increased from 36 days in 2023 to 71 days in 2024, and further increased to 104 days in 2025, mainly reflecting the significant increase in our inventory levels in preparation for growing customer demand, expansion of production capacity, and strategic stocking of raw materials to ensure timely delivery and supply chain stability.

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

	<b>As of December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
Within 1 year	34,284	160,307	553,164
1 to 2 years	<u>2,677</u>	<u>2,868</u>	<u>12,878</u>
<b>Total</b>	<b><u>36,961</u></b>	<b><u>163,175</u></b>	<b><u>566,042</u></b>

As of March 31, 2026, RMB265.2 million, or 46.9% of our inventories outstanding as of December 31, 2025, had been sold or utilized.

### *Trade and Other Receivables*

Our trade and other receivables primarily comprised (i) trade and bills receivables, (ii) deposits, (iii) VAT recoverable, and (iv) others.

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The following table sets forth our trade and other receivables as of the dates indicated.

	As at December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Trade and bills receivables	141,094	237,670	485,589
Deposits	4,206	5,560	39,966
VAT recoverable	14,651	30,982	26,120
Others	957	3,571	3,621
Less: Loss allowance	(34)	(54)	(71)
<b>Total</b>	<b><u>160,874</u></b>	<b><u>277,729</u></b>	<b><u>555,225</u></b>

Our trade and other receivables increased from RMB160.9 million as of December 31, 2023 to RMB277.7 million as of December 31, 2024, and further to RMB555.2 million as of December 31, 2025, primarily due to (i) an increase in trade and bills receivables from RMB141.1 million as of December 31, 2023 to RMB237.7 million as of December 31, 2024 and further to RMB485.6 million as of December 31, 2025, in line with our rapid revenue growth, particularly driven by the expansion of our overseas sales, and (ii) an increase in deposits in RMB4.2 million as of December 31, 2023 to RMB5.6 million as of December 31, 2024, and further to RMB40.0 million as of December 31, 2025, as we made a one-time nature deposits to relevant authorities in 2025 in relation to our export activities, (iii) an increase in VAT recoverable from RMB14.7 million as of December 31, 2023 to RMB31.0 million as of December 31, 2024, mainly attributable to higher export tax rebates in line with our increased export volume. Our VAT recoverable decreased to RMB26.1 million as of December 31, 2025, as our bonded business activities expanded in 2025, resulting in the decrease of input tax.

The following table sets forth our trade and bill receivables turnover days for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Trade and bill receivables turnover days <sup>(1)</sup>	67	78	63

*Note:*

- (1) Average turnover days of trade and bill receivables is equal to the average of the beginning and ending trade receivables and bill balances of a period divided by revenue for that period and multiplied by 365 days.

Our trade receivables turnover days increased from 67 days in 2023 to 78 days in 2024, as our business grew significantly in 2024. Our trade receivables turnover days then decreased to 63 days in 2025, primarily due to a higher proportion of revenue contributed by customers with shorter payment cycles.

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As of the end of the reporting periods, the ageing analysis of our trade and bills receivables, based on the invoice date, is as follows:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Within 1 year	140,795	237,491	485,424
Between 1 year and 2 years	215	98	100
Between 2 years and 3 years	59	42	43
Between 3 years and 4 years	1	22	2
Between 4 years and 5 years	24	—	20
More than 5 years	—	17	—
<b>Total</b>	<b><u>141,094</u></b>	<b><u>237,670</u></b>	<b><u>485,589</u></b>

As of March 31, 2026, RMB487.5 million, or 87.8% of our trade and other receivables outstanding as of December 31, 2025, had been subsequently settled.

### *Prepayments*

Our prepayments primarily consist of (i) prepayments for property, plant and equipment, (ii) prepayments for inventories, and (iii) prepayments for services. Our total prepayments amounted to RMB1.1million, RMB5.1 million and RMB20.0 million as of December 31, 2023, 2024 and 2025, respectively.

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

	As of December 31		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Prepayments for property, plant and equipment	940	4,367	3,745
Prepayments for inventories	152	495	15,914
Prepayments for services	—	222	307
<b>Total</b>	<b><u>1,092</u></b>	<b><u>5,084</u></b>	<b><u>19,966</u></b>

Our prepayments increased continuously during the Track Record Period, largely due to the increase in prepayments for inventories, which rose from RMB0.2 million as of December 31, 2023 and RMB0.5 million as of December 31, 2024 to RMB15.9 million as of December 31, 2025, reflecting higher business volume due to our significant growth. Prepayments for property, plant and equipment increased from RMB0.9 million as of December 31, 2023 to RMB4.4 million as of December 31, 2024 and further to RMB3.7 million as of December 31, 2025, as a result of expanded production capacities. Our prepayments for services increased from nil million as of December 31, 2023 to RMB0.2 million as of December 31, 2024 and further to RMB0.3 million as of December 31, 2025, in line with our business expansion.

### *Financial assets measured at fair value through profit or loss*

Our financial assets measured at fair value through profit or loss amounted to RMB16.5 million, RMB89.6 million and RMB48.5 million as of December 31, 2023, 2024 and 2025, respectively. Such financial assets primarily consisted of financial assets measured at fair value through profit and loss and fund products.

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The balance as of December 31, 2023 primarily represented fair value adjustments arising from financial assets measured at fair value through profit and loss. The increase in 2024 was mainly attributable to the Company’s deployment of fund products held in Hong Kong, resulting in a marked increase in the balance of financial assets measured at fair value through profit and loss. The decrease in 2025 was mainly resulting from the fact that the fair value adjustments of such financial products had largely been recognized in 2024, with only incremental adjustments recorded in 2025, leading to a lower year-end balance.

### *Cash and Cash Equivalents*

Our cash and cash equivalents were RMB91.8 million, RMB123.9 million and RMB47.5 million as of December 31, 2023, 2024 and 2025, respectively. Our cash and cash equivalents comprise cash at bank and on hand and deposits with banks with original maturities of three months or less. The increase from 2023 to 2024 was mainly attributable to revenue growth, together with our active collection strategy and gradual extension of payment terms with suppliers. The decrease in 2025 was primarily attributable to cash dividends declared and paid during the year. For details, see “— Liquidity and Capital Resources — Cash Flows.”

### *Time deposit*

Our time deposits comprised non-current time deposits of RMB10.6 million as of December 31, 2023 and current time deposits of RMB11.0 million as of December 31, 2024. The fluctuations were mainly due to changes in our cash management strategy, including reallocation between short-term and longer-term deposits and subsequent redemption to support operational needs.

### **Liabilities**

#### *Trade and Other Payables*

Our trade and other payables increased from RMB107.3 million as of December 31, 2023 to RMB194.8 million as of December 31, 2024 and further to RMB463.9 million as of December 31, 2025, primarily comprising trade payables, accrued payroll and other benefits, dividend payables and other payables and accruals.

The following table sets forth our trade and other payables as of the dates indicated.

	<b>As of December 31</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
Trade and bills payables	90,871	159,718	285,523
Accrued payroll and other benefits	13,676	28,567	40,100
Dividend payables	—	—	129,192
Other payables and accruals	<u>2,801</u>	<u>6,493</u>	<u>9,052</u>
<b>Total</b>	<b><u>107,348</u></b>	<b><u>194,778</u></b>	<b><u>463,867</u></b>

The increase was mainly driven by (i) an increase in trade and bills payables from RMB90.9 million to RMB159.7 million and further to RMB285.5 million, in line with our rapid business expansion and increased procurement for inventory build-up, (ii) an increase in accrued payroll and other benefits from RMB13.7 million to RMB28.6 million and further to RMB40.1 million, reflecting growth in headcount and salary adjustments, and (iii) the recognition of dividend payables of RMB129.2 million as of December 31, 2025 as a result of dividend declaration. In addition, other payables and accruals increased from RMB2.8 million as of December 31, 2023 to RMB6.5 million as of December 31, 2024 and RMB9.1 million as of December 31, 2025, primarily due to higher accrued third-party service fees, including research collaboration expenses and export credit insurance expenses.

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

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
Trade payables turnover days <sup>(1)</sup>	65	89	64

*Note:*

- (1) Average turnover days of trade payables is equal to the average of the beginning and ending trade payable balances of a period divided by cost of sales for that period and multiplied by 365 days for that period.

Our trade payables turnover days increased from 65 days in 2023 to 89 days in 2024, and then decreased to 64 days in 2025, in line with credit period granted to us during the Track Record Period.

The following table sets forth an ageing analysis of our trade and other payables based on the invoice date as of the date indicated.

	<b>As of December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
Within 1 year	90,626	159,209	285,080
Between 1 year and 2 years	141	388	354
Between 2 years and 3 years	56	72	19
Over 3 years	48	49	70
<b>Total</b>	<b>90,871</b>	<b>159,718</b>	<b>285,523</b>

As of March 31, 2026, RMB253.7 million, or 86.1% of our trade and other payables outstanding as of December 31, 2025, had been subsequently settled.

### ***Contract Liabilities***

Our contract liabilities primarily represent advance payments received from customers for the sale of goods, for which revenue has not yet been recognized. Our contract liabilities increased from RMB0.5 million as of December 31, 2023 to RMB0.9 million as of December 31, 2024 and further to RMB1.7 million as of December 31, 2025, primarily reflecting the growth of our business and the corresponding increase in advance payments from customers.

### **LIQUIDITY AND CAPITAL RESOURCES**

During the Track Record Period and up to the Latest Practicable Date, we have historically funded our cash requirements principally from cash generated from our business operations, in particular customer receipts, and borrowings. Our operating cash inflows were primarily driven by revenue growth and effective collection of trade receivables. We expect to continue to fund our future capital requirements through a combination of cash generated from our business operations and external financing, including borrowings.

## FINANCIAL INFORMATION

### Current Assets and Current Liabilities

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

	<b>As of December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
<b>Current assets</b>			
Inventories	36,961	163,175	566,042
Trade and other receivables	160,874	277,729	555,225
Prepayments	152	717	16,221
Financial assets measured at fair value through profit or loss (“FVPL”)	16,486	89,588	48,514
Time deposits	—	10,970	—
Restricted cash	—	—	420
Cash and cash equivalents	91,767	123,896	47,494
<b>Total current assets</b>	<b><u>306,240</u></b>	<b><u>666,075</u></b>	<b><u>1,233,916</u></b>
<b>Current liabilities</b>			
Interest-bearing borrowings	17,273	20,030	25,000
Trade and other payables	107,348	194,778	463,867
Income tax payable	14,836	33,199	60,122
Contract liabilities	548	879	1,692
Lease liabilities	5,062	10,705	16,948
<b>Total current liabilities</b>	<b><u>145,067</u></b>	<b><u>259,591</u></b>	<b><u>567,629</u></b>
<b>Net current assets</b>	<b><u><u>161,173</u></u></b>	<b><u><u>406,484</u></u></b>	<b><u><u>666,287</u></u></b>

Our net current assets increased from RMB406.5 million as of December 31, 2024 to RMB666.3 million as of December 31, 2025, primarily due to an increase in our current assets, which was partially offset by an increase in our current liabilities. Our current liabilities increased from RMB259.6 million as of December 31, 2024 to RMB567.6 million as of December 31, 2025, primarily attributable to increases in trade and other payables and income tax payables, in line with our increased procurement activities and higher taxable profits. Our current assets increased from RMB666.1 million as of December 31, 2024 to RMB1,233.9 million as of December 31, 2025, mainly attributable to increases in inventories, trade and other receivables and prepayments, in line with our business expansion.

Our net current assets increased from RMB161.2 million as of December 31, 2023 to RMB406.5 million as of December 31, 2024, largely driven by an increase in our current assets, which was partially offset by an increase in our current liabilities. Our current liabilities increased from RMB145.1 million as of December 31, 2023 to RMB259.6 million as of December 31, 2024, primarily due to increases in trade and other payables and lease liabilities. Our current assets increased from RMB306.2 million as of December 31, 2023 to RMB666.1 million as of December 31, 2024, primarily attributable to increases in inventories, trade and other receivables and cash and cash equivalents, in line with our revenue growth.

For a more comprehensive discussion of the factors affecting the above-mentioned key items on our consolidated statements of financial position during the Track Record Period, see “— Discussion of Certain Key Items on Consolidated Statements of Financial Position.”

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## FINANCIAL INFORMATION

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### Cash Flows

The following table sets forth our selected cash flow data for the periods indicated.

	<b>For the Year Ended December 31,</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(RMB in thousands)</i>		
Net cash generated from operating activities	105,652	157,849	141,562
Net cash used in investing activities	(21,208)	(120,011)	(40,307)
Net cash used in financing activities	(38,401)	(7,193)	(175,619)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b><u>46,043</u></b>	<b><u>30,645</u></b>	<b><u>(74,364)</u></b>
Cash and cash equivalents at the beginning of the year	44,739	91,767	123,896
Effect of foreign exchange rate changes	<u>985</u>	<u>1,484</u>	<u>(2,038)</u>
<b>Cash and cash equivalents at the end of year</b>	<b><u>91,767</u></b>	<b><u>123,896</u></b>	<b><u>47,494</u></b>

### *Net Cash Generated from Operating Activities*

Our cash flows generated from operating activities reflect our profit before taxation adjusted for: (i) non-cash and non-operating items, such as depreciation of property, plant and equipment, amortization of intangible assets, write-down of inventories, impairment loss on trade receivables, finance costs, interest income, equity-settled share-based payments and fair value changes on financial assets; and (ii) the effects of movements in working capital, such as inventories, trade and other receivables, prepayments, trade and other payables, contract liabilities and deferred income.

In 2025, we had net cash generated from operating activities of RMB141.6 million, which primarily represented our profit before taxation of RMB705.0 million, as adjusted for (i) non-cash and non-operating items, which primarily consisted of depreciation of property, plant and equipment of RMB48.2 million, amortization of intangible assets of RMB2.4 million, write-down of inventories of RMB4.1 million, finance costs of RMB5.1 million and equity-settled share-based payments of RMB9.2 million, partially offset by interest income of RMB3.2 million and fair value changes on financial assets measured at fair value through profit or loss of RMB2.0 million; and (ii) movements in working capital, mainly consisting of an increase in inventories of RMB406.9 million, an increase in trade and other receivables of RMB276.0 million and an increase in prepayments of RMB15.5 million, partially offset by an increase in trade and other payables of RMB129.1 million.

In 2024, we had net cash generated from operating activities of RMB157.8 million, which primarily represented our profit before taxation of RMB299.8 million, as adjusted for (i) non-cash and non-operating items, which primarily consisted of depreciation of property, plant and equipment of RMB22.0 million, amortization of intangible assets of RMB2.3 million, write-down of inventories of RMB1.6 million, finance costs of RMB2.1 million and equity-settled share-based payments of RMB4.1 million, partially offset by interest income of RMB1.4 million and fair value changes on financial assets measured at fair value through profit or loss of RMB0.9 million; and (ii) movements in working capital, mainly consisting of an increase in inventories of RMB127.8 million, an increase in trade and other receivables of RMB116.4 million and an increase in prepayments of RMB0.6 million, partially offset by an increase in trade and other payables of RMB90.6 million.

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In 2023, we had net cash generated from operating activities of RMB105.7 million, which primarily represented our profit before taxation of RMB137.9 million, as adjusted for (i) non-cash and non-operating items, which primarily consisted of depreciation of property, plant and equipment of RMB15.8 million, amortization of intangible assets of RMB0.6 million, write-down of inventories of RMB1.3 million, finance costs of RMB1.6 million and equity-settled share-based payments of RMB4.1 million, partially offset by interest income of RMB0.2 million and fair value changes on financial assets measured at amortized cost and at fair value through profit or loss of RMB0.5 million; and (ii) movements in working capital, mainly consisting of an increase in trade and other receivables of RMB113.8 million and an increase in inventories and other contract costs of RMB13.1 million, partially offset by an increase in trade and other payables of RMB77.7 million.

### *Net Cash Used in Investing Activities*

During the Track Record Period, our cash used in investing activities primarily related to (i) payments for purchase of property, plant and equipment and intangible assets, (ii) payments for purchase of time deposits and financial assets measured at fair value through profit and loss, and (iii) proceeds from disposal of such assets and products, as well as interest received.

In 2025, we had net cash used in investing activities of RMB40.3 million, which was primarily attributable to (i) payments for purchase of property, plant and equipment and intangible assets of RMB96.0 million and (ii) payments for purchase of time deposits and financial assets measured at fair value through profit and loss of RMB77.0 million, partially offset by (i) proceeds from disposal of time deposits and financial assets measured at fair value through profit and loss of RMB131.1 million, and (ii) interest received of RMB1.6 million.

In 2024, we had net cash used in investing activities of RMB120.0 million, which was primarily attributable to (i) payments for purchase of property, plant and equipment and intangible assets of RMB48.6 million and (ii) payments for purchase of time deposits and financial assets measured at fair value through profit and loss of RMB229.3 million, partially offset by (i) proceeds from disposal of time deposits and financial assets measured at fair value through profit and loss of RMB157.1 million, and (ii) interest received of RMB0.9 million.

In 2023, we had net cash used in investing activities of RMB21.2 million, which was primarily attributable to (i) payments for purchase of property, plant and equipment and intangible assets of RMB15.3 million and (ii) payments for purchase of time deposits and financial assets measured at fair value through profit and loss of RMB79.6 million, partially offset by proceeds from disposal of time deposits and financial assets measured at fair value through profit and loss of RMB73.7 million.

### *Net Cash Used in Financing Activities*

During the Track Record Period, our cash inflows from financing activities primarily comprise proceeds from interest-bearing borrowings and proceeds from issuance of shares, while our cash outflows from financing activities mainly comprised repayment of interest-bearing borrowings, payments for lease liabilities and dividends paid to equity shareholders of the company.

In 2025, we had net cash used in financing activities of RMB175.6 million, which was primarily attributable to (i) dividends paid to equity shareholders of the company of RMB170.8 million, (ii) repayment of interest-bearing borrowings of RMB20.0 million, (iii) payments for the capital element of lease liabilities of RMB16.9 million and (iv) payments for the interest element of lease liabilities of RMB4.0 million, partially offset by (i) proceeds from interest-bearing borrowings of RMB25.0 million and (ii) proceeds from shares issued of RMB33.2 million.

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In 2024, we had net cash used in financing activities of RMB7.2 million, which was primarily attributable to (i) repayment of interest-bearing borrowings of RMB17.3 million, (ii) payments for the capital element of lease liabilities of RMB7.8 million and (iii) payments for the interest element of lease liabilities of RMB1.4 million, partially offset by proceeds from interest-bearing borrowings of RMB20.0 million.

In 2023, we had net cash used in financing activities of RMB38.4 million, which was primarily attributable to (i) dividends paid to equity shareholders of the company of RMB38.0 million, (ii) payments for the capital element of lease liabilities of RMB6.1 million, (iii) repayment of interest-bearing borrowings of RMB30.4 million and (iv) payments for the interest element of lease liabilities of RMB0.6 million, partially offset by proceeds from interest-bearing borrowings of RMB37.2 million.

### Working Capital Sufficiency

Taking into account the financial resources available to us, including the expected cash generated from operating activities, existing cash and cash equivalents, available bank facilities and the estimated [REDACTED] from the [REDACTED], our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this document.

### INDEBTEDNESS

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

	As of December 31,			As of
	2023	2024	2025	March 31,
	<i>(RMB in thousands)</i>			2026
	(Unaudited)			
<b>Current</b>				
Interest-bearing borrowings	17,273	20,030	25,000	25,000
Lease liabilities	<u>5,062</u>	<u>10,705</u>	<u>16,948</u>	<u>15,428</u>
<b>Subtotal</b>	<b><u>22,335</u></b>	<b><u>30,735</u></b>	<b><u>41,948</u></b>	<b><u>40,428</u></b>
<b>Non-current</b>				
Lease liabilities	<u>13,616</u>	<u>26,240</u>	<u>54,977</u>	<u>43,020</u>
<b>Subtotal</b>	<b><u>13,616</u></b>	<b><u>26,240</u></b>	<b><u>54,977</u></b>	<b><u>43,020</u></b>
<b>Total</b>	<b><u>35,951</u></b>	<b><u>56,975</u></b>	<b><u>96,925</u></b>	<b><u>83,448</u></b>

### Interest-bearing Borrowings

Our borrowings consist primarily of (i) bank loans, and (ii) other secured and guaranteed loans. As of December 31, 2023, 2024 and 2025, our total interest-bearing borrowings amounted to RMB17.3 million, RMB20.0 million and RMB25.0 million, respectively. Our borrowings increased during the Track Record Period, primarily attributable to our increasing capital needs to support business expansion and working capital requirements. For further details of our interest-bearing borrowings, see Note 20 to the Accountants’ Report in Appendix I to this document.

As of March 31, 2026, we had outstanding borrowings of RMB25.0 million.

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### Lease Liabilities

Our lease liabilities represent our obligation to make lease payments arising from our leases of manufacturing bases. As of December 31, 2023, 2024 and 2025, our lease liabilities, including current and non-current portion, amounted to RMB18.7 million, RMB36.9 million and RMB71.9 million, respectively. Our lease liabilities increased continuously during the Track Record Period. Such increase was primarily attributable to our rapid business growth and the corresponding expansion of our production capacity, which led to additional leased factory space and other leased premises. Our lease liabilities decreased from RMB71.9 million as of December 31, 2025 to RMB58.4 million as of March 31, 2026, as the Company made lease payment as scheduled.

For further details of our lease liabilities, see Note 21 to the Accountants’ Report in Appendix I to this document.

### Indebtedness Statement

Except as discussed above, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of March 31, 2026, being the indebtedness statement date.

Our Directors confirm that there has not been any material adverse change in our indebtedness since March 31, 2026 and up to the date of this document. As of the Latest Practicable Date, there was no material restrictive covenant in our indebtedness which could significantly limit our ability to obtain future financing, nor was there any material default on our indebtedness or breach of covenant during the Track Record Period and up to the date of this document. As of the Latest Practicable Date, we did not have plans for other material external debt financing.

### CAPITAL EXPENDITURE

Our capital expenditures during the Track Record Period were primarily related to purchase of property, plant, equipment and intangible assets. We have funded, and expect to continue to fund, our capital expenditures mainly from cash from operations and from financing activities. Our capital expenditures payment for purchase of property, plant and equipment and intangible assets, were RMB15.3 million, RMB48.6 million and RMB96.0 million, respectively, in 2023, 2024 and 2025.

### CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025, we did not have any material contingent liabilities.

### CAPITAL COMMITMENT

Our capital commitments are mainly related to purchase of property, plant and equipment and intangible assets. As of December 31, 2023, 2024, and 2025, we did not have significant capital expenditure contracted for but not recognized as liabilities.

### OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

During the Track Record Period and up to the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

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## FINANCIAL INFORMATION

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### KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios for the periods indicated.

	For the Year Ended/As of December 31,		
	2023	2024	2025
Revenue growth	N/A	77.7%	136.6%
Gross profit margin <sup>(1)</sup>	37.9%	42.0%	39.5%
Net profit margin <sup>(2)</sup>	24.2%	30.1%	29.6%
Return on equity <sup>(3)</sup>	76.4%	78.8%	97.4%
Gearing ratio <sup>(4)</sup>	17.7%	12.0%	12.0%
Current ratio <sup>(5)</sup>	211.1%	256.6%	217.4%

*Notes:*

- (1) Gross profit margin equals to gross profit divided by revenue for the year.
- (2) Net profit margin equals net profit for the year divided by revenue for the year.
- (3) Return on equity is calculated based on the profit for the year attributable to owners of our Company divided by the arithmetic mean of the opening and closing balances of the total equity.
- (4) Gearing ratio is calculated based on total indebtedness (including interest-bearing borrowings and lease liabilities) divided by total equity.
- (5) Current ratio is calculated using total current assets divided by total current liabilities.

For a more comprehensive discussion of the factors affecting our key financial ratios during the Track Record Period, see “— Period to Period Comparison of Results of Operations” and “— Discussion of Certain Key Items on Consolidated Statements of Financial Position.”

### MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details about our material related party transactions, see Note 29 to the Accountants’ Report included in Appendix I to this document.

Our Directors are of the view that each of the material related party transactions set out in Note 29 to the Accountants’ Report included in Appendix I to this document was conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our material related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

### FINANCIAL RISKS

Our activities expose us to a variety of financial risks, including credit risk, liquidity risk, interest rate risk, and currency risk. Our overall risk management procedures focus on the unpredictability of financial markets and seek to minimize potential adverse effects on our financial performance. For a detailed discussion of our Group’s financial risk, see note 27 to the Accountants’ Report of Appendix I to this document.

### DIVIDENDS

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. Our Shareholders in a general meeting may approve any declaration of dividends recommended by our Board.

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## FINANCIAL INFORMATION

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During the Track Record Period, we declared dividends of RMB38.0 million, nil and RMB300.0 million in 2023, 2024 and 2025, respectively, to our Shareholders. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

### DISTRIBUTABLE RESERVES

As of December 31, 2025, we had retained profits of RMB612.1 million, which were available for distribution to our Shareholders.

[REDACTED]

[REDACTED]

The total [REDACTED] borne or to be borne by us are estimated to be approximately RMB[REDACTED] million (equivalent to approximately HK\$[REDACTED] million) (comprising (i) [REDACTED] of approximately RMB[REDACTED] million, and (ii) non-[REDACTED] related expenses of approximately RMB[38.5] million, which consist of fees and expenses of legal advisors and reporting accountants of approximately RMB[REDACTED] million and other fees and expenses of approximately RMB[REDACTED] million), accounting for approximately [REDACTED] of the gross [REDACTED] of the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], which is the mid-point of the indicative [REDACTED] range stated in this document and assuming that the [REDACTED] is not exercised. We expect that approximately RMB[REDACTED] million (equivalent to approximately HK\$[REDACTED] million) will be charged to our statements of profit or loss and other comprehensive income as [REDACTED], and approximately RMB[REDACTED] million (equivalent to approximately HK\$[REDACTED] million) will be accounted for as a deduction from equity upon the [REDACTED]. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate. Our Directors do not expect such [REDACTED] to have a material adverse impact on our results of operation for the year ending December 31, 2026.

### NO MATERIAL ADVERSE CHANGE

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

### DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this document, as of the Latest Practicable Date, there are no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.