This summary aims to give you an overview of the information contained in this document. Since it is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to invest in the **[REDACTED]**.

There are risks associated with any investment. Some of the particular risks in investing in the **[REDACTED]** *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to invest in the* **[REDACTED]**.

OVERVIEW

We are one of the leading market players in the global mid-stage lithium-ion battery intelligent equipment industry specialising in R&D and manufacture of stacking technology and equipment for the new energy battery industry, particularly serving lithium-ion battery producers in the PRC and overseas countries. We are renowned for our high-speed stacking technology, continuously achieving industry breakthroughs in stacking speed, for instance, we had improved our overall stacking efficiency from 0.6 second per piece in 2016 to 0.1 second per piece as at the Latest Practicable Date. Our stacking machines employ various proprietary stacking technologies tailored for prismatic and pouch battery production, ensuring minimal cell variation, high consistency, and efficient automated manufacturing. According to the F&S Report, we are ranked (i) second amongst the global lithium-ion battery notching and stacking machine providers in terms of revenue in FY2025, representing a market share of approximately 9.8% of the total revenue globally; and (ii) fourth amongst the global mid-stage lithium-ion battery intelligent equipment providers in terms of revenue from FY2025, representing a market share of approximately 5.7% of the total revenue globally.

During the Track Record Period, our customers included nine out of the global top 10 lithium-ion battery manufacturers in 2025 (ranked by shipment volume), with whom we have long-term partnerships. These relationships are built on high entry barriers, rigorous and lengthy qualification processes, and strict requirements for product safety and reliability. We operate five strategically located manufacturing facilities in Shenzhen and Jiangmen of Guangdong Province, Huangshan of Anhui Province and Xiaogan of Hubei Province, with an aggregate gross floor area exceeding 60,000 square metres.

Despite a temporary slowdown in the lithium-ion battery intelligent equipment industry in China and globally in FY2024 due to a cyclical inventory destocking across the battery industry and a slowdown in capacity expansion investments during that year, we had maintained solid sales performance during the Track Record Period, with annual revenue of approximately RMB1.2 billion for each of FY2023, FY2024 and FY2025, reflecting our capability and reliability as a crucial industry player.

DESCRIPTION OF OUR PRODUCT AND BUSINESS MODEL

Our product and service offerings

We provide fully automated equipment solutions for core mid-stage manufacturing processes focusing primarily on lithium-ion battery manufacturing and assembly equipment involving:

- **the notching stage**, including the R&D and manufacturing of laser and notching machines;
- **the stacking stage**, including the R&D and manufacturing of various models of stacking machines encompassing single station to multi-stations stacking machines; we also engage in the R&D and manufacturing of notching and stacking integrated machines;
- **the winding stage**, including the R&D and manufacturing of winding machines for prismatic cells and cylindrical cells;
- **the filling stage**, including the R&D and manufacturing of various models of filling machines for prismatic, cylindrical and pouch cells; and
- the production of **automated conveyor lines** and other equipment procured by our customers.

In addition, during the Track Record Period, we also offered ancillary services to our main products stated above. These include, among other things, after-sales services and provision of our supporting software systems.

We specialise in made-to-order products tailored to diverse customer needs, where production is aligned precisely with individual order specifications. Our production process involves contract negotiation and project initiation, formulation of overall project plan, R&D process, procurement and quality control, assembly and commissioning, factory acceptance test (FAT), installation and site acceptance test (SAT), and after-sales services and warranty period, with the overall production cycle for each project typically ranging from three to six months. During the Track Record Period, over 90% of orders involved made-to-order production, reflecting our industry-leading technological R&D and non-standard customisation capabilities. We maintain long-term partnerships with key supply chain partners, supported by rolling monthly procurement forecasts, reserved supplier capacity, managed inventory of common materials and standard components, and expedited mechanisms for urgent materials to ensure reliable, on-time delivery without compromising product quality.

COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors: (i) we are one of the leading market players in the global mid-stage lithium-ion battery intelligent equipment industry and are well-positioned to capture growth opportunities in new energy battery industry; (ii) our robust R&D capabilities and experienced technical team, combined with our scalable and resilient production capacity, position us well to capture growth opportunities in both the PRC and overseas markets; (iii) we pride ourselves on our non-standard customisation and production capabilities which have forged strong and long-term partnerships with leading lithium-ion battery manufacturers; and (iv) we are distinguished by an experienced management team and a sustainable talent incentive system.

BUSINESS STRATEGIES

We intend to pursue the following business strategies to capitalise on our technological leadership and market position in the lithium-ion battery intelligent equipment industry: (i) expanding production and operational capacity and advance digital transformation to enhance operational efficiency, cost control and support customer's intelligent manufacturing; (ii) strengthening R&D capabilities and enhancing technological innovation to seize market opportunities in the new energy intelligent equipment sector; (iii) pursuing strategic investments and collaborations to strengthen our industry position and overall competitiveness; and (iv) expanding our market presence and deepen customer relationships to drive overseas market expansion.

OUR CUSTOMERS AND SUPPLIERS

Our customers are mainly lithium-ion battery manufacturers in the PRC and overseas countries. Our five largest customers for each year during the Track Record Period accounted for approximately 57.3%, 53.8% and 72.2%, respectively, of our total revenue for the respective year. Sales to our largest customer for each year during the Track Record Period accounted for approximately 25.8%, 20.1% and 35.3% of our total revenue for the respective year.

Our suppliers mainly provide us with (i) standard parts such as programmable logic controllers (PLCs), servo motors, industrial cameras and pneumatic components that have uniform specifications and performance and can be purchased in bulk; and (ii) non-standard parts such as metal structural parts and special mechanical components customised according to our R&D design scheme, as well as auxiliary materials such as wires and cables and packaging materials. Our five largest suppliers for each year during the Track Record Period accounted for approximately 14.7%, 13.2% and 13.2%, respectively, of our total purchases for the respective year. Our largest supplier for each year during the Track Record Period accounted for approximately 5.7%, 3.8% and 4.7% of our total purchases for the respective year.

SUMMARY OF KEY OPERATIONAL AND FINANCIAL INFORMATION

Summary of consolidated statements of profit or loss and other comprehensive income

Selected items of our consolidated statements of profit or loss and other comprehensive income for the years indicated are set out below which are extracted from the Accountants' Report set out in Appendix I to this document:

	For the year ended 31 December		
	2023	**2024**	**2025**
	Amount	*Amount*	*Amount*
		(RMB'000)	
Revenue	1,165,204	1,154,661	1,221,058
Cost of sales	(989,229)	(950,881)	(1,012,633)
Gross profit	**175,975**	**203,780**	**208,425**
Other income, gains and losses, net	(9,677)	(13,118)	(4,865)
Selling and distribution expenses	(9,589)	(10,767)	(9,416)
Administration expenses	(45,510)	(40,019)	(45,426)
R&D expenses	(98,500)	(99,455)	(86,806)
Finance costs	(9,493)	(11,692)	(12,083)
Profit before tax	**3,206**	**28,729**	**49,829**
Income tax expense	(20,050)	(11,157)	(1,594)
(Loss) profit for the year	**(16,844)**	**17,572**	**48,235**

The following table below sets out a breakdown of revenue by our product categories for the years indicated:

	For the year ended 31 December					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB'000, except for percentages)					
Notching and stacking machines *(Note 1)*	684,621	58.8	448,052	38.8	716,534	58.7
Filling machines	326,211	28.0	408,338	35.4	194,086	15.9
Winding machines	67,038	5.8	217,249	18.8	237,321	19.4
Other products *(Note 2)*	85,431	7.3	78,753	6.8	71,305	5.8
Other income *(Note 3)*	1,903	0.1	2,269	0.2	1,812	0.2
Total revenue	**1,165,204**	**100.0**	**1,154,661**	**100.0**	**1,221,058**	**100.0**

Notes:

1. Including notching machines, stacking machines, notching and stacking integrated machines and pouched stacking machines.

2. Including machines and equipment manufactured for our customers from time to time, which include automated conveyor lines, power modules and product accessories.

3. Including installation and commissioning fees, fees for our after-sales services and service fees for the provision of our supporting software systems, as well as other rental income generated from the lease of our equipment.

Selected items from our consolidated statements of financial position

The table below sets out the selected information from our consolidated statements of financial position as at the dates indicated:

	As at 31 December		
	2023	2024	2025
	(RMB'000)		
Total non-current assets	309,015	158,137	280,542
Total current assets	2,703,482	2,300,445	1,954,417
Total current liabilities	(2,503,795)	(1,785,111)	(1,530,626)
Net current assets	**199,687**	**515,334**	**423,791**
Total non-current liabilities	(41,601)	(103,041)	(82,668)
Net assets	**467,101**	**570,430**	**621,665**

Our net current assets increased from approximately RMB199.7 million as at 31 December 2023 to RMB515.3 million as at 31 December 2024, mainly attributable to (i) the decrease in trade, bills and other payables of approximately RMB500.0 million as a result of decrease in raw material procurement, and (ii) decrease in contract liabilities of approximately RMB327.3 million given the progress of equipment acceptance procedures; and was partially offset by the decrease in inventories of approximately RMB501.4 million because of (a) the decrease in raw materials and consumables as well as work in progress as a result of reduced sales orders amid dampened market environment in FY2024; and (b) the decrease in goods-in-transit given the progress of equipment acceptance procedures with our customers.

Our net current assets decreased to approximately RMB423.8 million as at 31 December 2025, mainly attributable to the decrease in inventories of approximately RMB238.2 million due to the decrease in goods-in-transit as our customers resumed completion and equipment acceptance amid the revival of the lithium-ion battery intelligent equipment industry. At the same time, the contract liabilities decreased by approximately RMB176.0 million for the same reason, which partially offset the effect of the decrease in inventories.

Net Assets

Our net assets increased from approximately RMB467.1 million as at 31 December 2023 to RMB570.4 million as at 31 December 2024, primarily due to (i) total comprehensive income for FY2024 of RMB17.6 million; and (ii) increase in share capital and share premium in the total amount of RMB81.3 million. Our net assets further increased to approximately RMB621.7 million as at 31 December 2025, primarily due to total comprehensive income for FY2025 of RMB48.2 million.

For details of our financial position, please see the section headed “Financial Information – Description of Key Components of Our Consolidated Statements of Financial Position” in this document. In addition, please see the Accountants’ Report in Appendix I to this document for details of our consolidated statements of changes in equity.

Summary of consolidated statements of cash flows

The table below sets out selected items of our key consolidated cash flows for the years indicated:

	For the year ended 31 December		
	2023	**2024**	**2025**
		(RMB'000)	
Net cash from (used in) operating activities	26,364	(517,718)	322,183
Net cash (used in) from investment activities	(178,281)	252,725	(109,834)
Net cash from (used in) financing activities	101,181	243,096	(187,427)
Net (decrease) increase in cash and cash equivalents	(50,736)	(21,897)	24,922
Cash and cash equivalents at the end of the year	67,731	45,834	70,756

For further details regarding our cash flows, please see the section headed "Financial Information – Liquidity and Capital Resources" in this document.

KEY FINANCIAL RATIOS

	As at/Year ended 31 December		
	2023	**2024**	**2025**
Gross profit margin	15.1%	17.6%	17.1%
Net profit margin	N/A	1.5%	4.0%
Debt-to-assets ratio *(times)*	0.8	0.8	0.7
Current ratio *(times)*	1.1	1.3	1.3
Quick ratio *(times)*	0.4	0.6	0.7

For calculation and analysis of our key financial ratios, please see the section headed "Financial Information– Key Financial Ratios" in this document.

[REDACTED] STATISTICS

We have prepared the following **[REDACTED]** statistics on the basis of hypothetical **[REDACTED]** without taking into account the 1.0% brokerage fee, 0.0027% SFC transaction levy, 0.00565% Stock Exchange trading fee and 0.00015% AFRC transaction levy. We have also assumed no exercise of the **[REDACTED]**.

	Based on [REDACTED] per Share of HK$[REDACTED]	**Based on [REDACTED] per Share of HK$[REDACTED]**
[REDACTED] of our H Shares	**[REDACTED]**	**[REDACTED]**
[REDACTED] of our Shares	**[REDACTED]**	**[REDACTED]**
[REDACTED] adjusted consolidated net tangible asset value per Share	**[REDACTED]**	**[REDACTED]**

Notes:

(1) All statistics in this table are based on the assumption that (i) the **[REDACTED]** is not exercised; and (ii) **[REDACTED]** Shares (including **[REDACTED]** H Shares) are expected to be in issue immediately following completion of the **[REDACTED]**.

(2) The **[REDACTED]** adjusted consolidated net tangible asset value per Share is arrived at after the adjustments referred to in Appendix II to this document and on the basis that **[REDACTED]** Shares (including **[REDACTED]** H Shares) were in issue assuming that the **[REDACTED]** have been completed on **[REDACTED]**, but takes no account of any Shares which may be allotted and issued upon the exercise of the **[REDACTED]**.

(3) No adjustment has been made to the **[REDACTED]** adjusted consolidated net tangible assets of our Group attributable to the equity holders of our Company as at 31 December 2025 to reflect any trading results or other transactions of our Group entered into subsequent to 31 December 2025.

DIVIDENDS

Save and except that our Company declared a dividend of RMB10.0 million in FY2023, our Company had not paid or declared any dividends during the Track Record Period. As at the Latest Practicable Date, we had not adopted any formal dividend policy nor had we set any dividend payout ratio after the **[REDACTED]**. After the **[REDACTED]**, the determination of whether to pay a dividend and in which amount is based on our results of operations, cash flow, financial condition, capital requirements and other factors the Board may deem relevant. Any dividend distribution will also be subject to the approval of the Shareholders at the Shareholders' meeting and the compliance with our Articles of Association and relevant regulatory requirements.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** of approximately HK$**[REDACTED]** million from the **[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the indicative **[REDACTED]** range), after deducting the **[REDACTED]** fees, **[REDACTED]** and other estimated expenses in connection with the **[REDACTED]** and assuming the **[REDACTED]** is not exercised. In line with our strategies, we intend to use our **[REDACTED]** from the **[REDACTED]** for the following purposes:

- approximately **[REDACTED]**% of the net **[REDACTED]**, or approximately HK$**[REDACTED]** million, will be used to expand our production and operation bases and accelerate corporate digital transformation, including the construction and upgrading of operation bases to enhance production capacity and advance our digitalisation process;

- approximately **[REDACTED]**% of the net **[REDACTED]** or approximately HK$**[REDACTED]** million, will be applied for product research and development to strengthen our R&D capabilities, enhance our product design and technology innovation, and expand our product portfolio in the new energy intelligent equipment sector;

- approximately **[REDACTED]**% of the net **[REDACTED]**, or approximately HK$**[REDACTED]** million, will be used to selectively pursue strategic initiatives in Chinese Mainland, including mergers and acquisitions, joint technology development, joint ventures, minority investments, and other strategic collaborations with domestic partners possessing complementary technologies, local service capabilities, or market access in the new energy and intelligent equipment sectors; and

- approximately **[REDACTED]**% of the net **[REDACTED]** or approximately HK$**[REDACTED]** million, will be applied for working capital and general corporate purposes.

For details of our future plans and use of **[REDACTED]**, please see the section headed "Future Plans and Use of **[REDACTED]**" in this document.

RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors" in this document. As different **[REDACTED]** may have different interpretations and criteria when determining the significant of a risk, you should read the section headed "Risk Factors" in this document in its entirety before you decide to invest in the **[REDACTED]**.

A summary of certain of these risk factors is set out below: (i) our business, financial condition and results of operations may be materially and adversely affected by the cyclical nature of the lithium-ion battery intelligent equipment industry and the new energy battery industry; (ii) our business, financial conditions, results of operations and prospects may be materially and adversely affected if we fail to maintain the competitiveness of our R&D and product development capabilities; (iii) we are exposed to cash flow and working capital risks arising from phased payment arrangements, as well as the potential for prolonged acceptance periods and delayed or defaulted payments by customers; (iv) we have a high customer concentration, and the business performance and investment cycles of our major customers as well as their selection of suppliers may materially affect our business; and (v) supply chain fluctuations or cost changes may materially and adversely affect our business, financial condition and results of operations.

COMPETITIVE LANDSCAPE

We operate in a highly technologically concentrated lithium-ion battery intelligent equipment industry globally with increasing demand, particularly for stacking technologies, which is primarily driven by localisation initiatives as well as growing opportunities for lithium-ion battery intelligent equipment manufacturers to support domestic and overseas production lines and project implementations. Our competition primarily revolves around technological capabilities, accumulated manufacturing expertise and stringent customer validation requirements. According to F&S Report, we were ranked (i) second amongst the global lithium-ion battery notching and stacking machine providers in terms of revenue in FY2025, representing a market share of approximately 9.8% of the total revenue globally; and (ii) fourth amongst the global mid-stage lithium-ion battery intelligent equipment providers in terms of revenue from FY2025, representing a market share of approximately 5.7% of the total revenue globally. This demonstrates our strong industry competitiveness and market leadership in the mid-stage lithium-ion battery intelligent equipment industry.

PRE-[REDACTED] INVESTMENTS

Since the establishment of our Group, we have engaged certain Pre-**[REDACTED]** Investors to successfully raise funds for the development of our business. For background of our Pre-**[REDACTED]** Investors and the principal terms of the Pre-**[REDACTED]** Investments, please see the section headed "History, Development and Corporate Structure – Pre-**[REDACTED]** Investments" in this document.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]**, and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** expenses will be approximately HK$**[REDACTED]** million (assuming the **[REDACTED]** is not exercised and based on the maximum **[REDACTED]** of HK$**[REDACTED]**), which accounts for approximately **[REDACTED]**% of the gross **[REDACTED]** from the **[REDACTED]**. Among the total **[REDACTED]** expenses, approximately HK$**[REDACTED]** million will be directly attributable to the **[REDACTED]** of our H Shares, which will be deducted from equity upon the completion of the **[REDACTED]**, and approximately HK$**[REDACTED]** million will be expensed in our consolidated statements of profit or loss. During the Track Record Period, we had not incurred any **[REDACTED]** expense.

SHAREHOLDER INFORMATION

Controlling Shareholders

As at the Latest Practicable Date, Mr. Lu, our Chairman, executive Director and general manager, was entitled to directly exercise approximately 46.47% of the voting rights in our Company through: (i) approximately 41.17% directly held by him; (ii) approximately 4.73% of the voting rights in our Company directly held by SGI LLP to which Mr. Lu was its sole general partner; and (iii) approximately 0.57% of the voting rights in our Company directly held by SKCM LLP to which Mr. Lu was its sole general partner. Under the SFO, Mr. Lu is deemed to be interested in all the Shares held by SGI LLP and SKCM LLP.

Immediately following completion of the **[REDACTED]** and the completion of the Conversion of Unlisted Shares (without taking into account any H Shares which may be allotted and issued pursuant to the exercise of the **[REDACTED]**), Mr. Lu, SGI LLP and SKCM LLP will together own **[REDACTED]** of the issued Shares in our Company and hence will be our Controlling Shareholders after **[REDACTED]**. For details, please see the section headed "Relationship with our Controlling Shareholders" in this document.

NO MATERIAL ADVERSE CHANGE

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