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OVERVIEW

We are a national high-tech enterprise and were designated as a Key ‘Little Giant’ Enterprise in 2024 by the Ministry of Industry and Information Technology (工業和信息化部), operating within the variable frequency motor manufacturing industry and our Shares are quoted on the NEEQ in September 2022 (stock code: 873936). We are principally engaged in the design, development, manufacture and sale of small and medium-sized high-efficiency industrial motors and related control systems in the PRC. We have nearly 40 years of experience in motor manufacturing, tracing back to our predecessor, Huangyan City Motor Factory* (黃岩市電機廠) that commenced business since the 1980’s. Driven by tightening energy-efficiency requirements and increasing adoption of Industry 4.0 and intelligent manufacturing, we focus on high-efficiency, variable-frequency and precision-performance industrial motors, principally permanent magnet synchronous motors (PMSM) and three-phase asynchronous motors (3-PH IM). Our products are used in a wide range of applications, including pumps, ventilation systems, compressors, HVAC systems and machine tools, and are key components in industrial and manufacturing operations. Our PMSM products were recognised by the Ministry of Industry and Information Technology as “Energy Star” (能效之星) for their energy efficiency in November 2017 and are designed for use in variable-speed drive systems to enhance operating efficiency and maintain stable performance in intelligent and robotic manufacturing applications.

We are positioned to benefit from major megatrends, including electrification, more stringent energy-efficiency requirements and the decarbonisation of heavy industry. According to the CIC Report, global electricity demand is projected to be more than double by 2050, with electrification playing a key role in cutting emissions, especially in the industrial sector, which contribute around 25% of global greenhouse gases. China’s dual-carbon goals have prompted stricter energy-efficiency policies and industrial upgrades, resulting in higher-efficiency motors replacing older models. It is also estimated that global industrial robot installations reached approximately 550,000 units in 2025, with China contributing over half. Because each robot uses multiple precision motors, rising deployments will multiply demand for high performance motor solutions. We strive to help customers achieve operational and sustainability goals with high-efficiency motors, drives and related solutions.

We primarily sell our products to rotating equipment manufacturers in the PRC. In May 2026, we also commenced business development efforts in the robotic machinery sector by entering into two strategic cooperation agreements with a pump manufacturer in Zhejiang Province, China and an electric vehicle manufacturer in Anhui Province, China for the supply of industrial dual-arm robots and joint modules for the period from August 2026 to July 2028. We also export products on an OEM basis to overseas motor component vendors in over 30 overseas countries and regions, primarily in European countries such as Germany, Italy and Turkey, as well as in Africa.

Our flagship motor brand, “JinLong”, was recognised as the “China Top Brand Product” (中國名牌產品) by the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China (國家質量監督檢驗檢疫總局), and as the “Zhejiang Export Premium Brand” (浙江出口名牌) by the Department of Commerce of Zhejiang Province in September 2006 and January 2024, respectively. During the period from 2022 to 2026, we were designated as a “High-Tech Enterprise” (高新技術企業), a “Key ‘Little Giant’ Enterprise” (重點小巨人) and one of the “2022 Top 100 Fastest Growing Enterprises in Zhejiang Province” (浙江省成長性最快百強企業). We also serve as the Vice Chairman unit of the Small and Medium-Sized Motor Branch of the China Electrical Equipment Industry Association and as a member unit of the National Rotating Motor Standardisation Technical Committee.

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OUR BUSINESS MODEL

Motors convert electrical energy into mechanical motion and are widely used in industrial applications, where motor-driven systems account for a significant share of electricity consumption. In China, demand has grown with industrial upgrading, intelligent manufacturing and energy-efficiency initiatives. According to the CIC Report, China’s industrial AC motor market is expected to increase from approximately RMB258.2 billion in 2025 to approximately RMB457.3 billion in 2030 at a CAGR of approximately 12.1% during the period. 3-PH IM remains the prevailing technology for general industrial use due to its mature technology, cost efficiency and compatibility with installed equipment, and is expected to remain dominant due to switching and operational constraints. PMSM products are projected to outpace the China’s industrial AC motor market, and increase from approximately RMB71.1 billion in 2025 to approximately RMB147.0 billion in 2030, growing at a CAGR of approximately 15.6% over the same period, driven by demand for higher efficiency and torque-density as intelligent manufacturing and robot adoption rises. China is also the world’s largest exporter of motors, with the export value of industrial AC motors having increased from approximately RMB56.1 billion in 2025 to approximately RMB86.4 billion by 2030 at a CAGR of approximately 9.0%, according to the CIC Report.

Our Directors believe that we differentiate ourselves from our peers through our manufacturing capabilities, engineering expertise and technical know-how in high-efficiency industrial motors and control systems, together with our established customer relationships, which position us to capture growth opportunities. We typically collaborate closely with customers throughout their product development cycles to achieve design alignment and production according to customised specifications, and to develop new products and optimise existing offerings.

To meet customers’ customisation needs, we primarily adopt a “Make-to-Order” (MTO) model, under which we manufacture products based on confirmed purchase orders and agreed specifications. Our Directors consider this model enables us to deliver tailored solutions, enhances customer stickiness and maintains disciplined inventory and capacity management. For our major PRC customers, we generally enter into sales framework agreements setting out key commercial terms, complemented by purchase orders specifying price, quantity and delivery schedules, with indicative forecasts subject to periodic adjustments. For overseas customers, we typically enter into order-based sales contracts.

We generally set pricing on a cost-plus basis after considering various factors, among other things, production costs, technology specifications, customer demand, order volume, supply chain considerations, prevailing market conditions and target margins. Given the significant proportion of raw materials in our cost of sales, our pricing is subject to fluctuations. To mitigate such exposure, we may incorporate price adjustment mechanisms in our sales arrangements to reflect changes in raw material costs such as copper, aluminium, silicon steel and other metals.

OUR COMPETITIVE STRENGTHS

Our Directors believe that the following competitive strengths have contributed to our success, differentiated us from our competitors, and will continue to be the key drivers of our growth.

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Established market position in high-efficiency industrial motor solutions in China

We are an established producer of small- and medium-sized high-efficiency industrial motors in the PRC, with an established operating track record of over 35 years. In particular, we have built substantial process experience in high-efficiency motor manufacturing, enabling us to deliver products with consistent quality, stable performance and reliable delivery. Our industry standing is further underpinned by recognised technical capability and active participation in industry standard-setting. We are a member of China’s domestic working group for IEC 60034–30, as approved by the National Standardisation Administration, and participate in the formulation of national motor energy efficiency standards. In addition, our Chairman participates as a Chinese expert in IEC/TC2 working groups contributing to the development of IEC motor energy efficiency standards, reflecting our longstanding technical credibility within the industry.

Building on this foundation and our track record of serving as a development partner to customers, we have progressively expanded our product portfolio into higher-growth application segments, including PMSM motors and servo drives, which are increasingly applied in robotics and intelligent manufacturing scenarios, such as industrial dual-arm robot joint modules, and automated production equipment. These developments position us to capture opportunities arising from the continued upgrading of industrial efficiency requirements and automation-driven demand for advanced electric drive solutions.

Advanced manufacturing facilities with scalable, flexible and quality-driven capabilities

We operate advanced manufacturing facilities underpinned by automated and precision-driven process technologies that enable us to develop and manufacture high-efficiency industrial motors in accordance with customers’ specifications. Our “Make-To-Order” (MTO) production model, supported by automation, allows for efficient handling of customised requirements, rapid prototyping and flexible adjustment of production volumes to meet customer demand. We have made sustained investments in advanced equipment from established machinery suppliers, enabling a high level of equipment sophistication across key production processes. Our manufacturing facilities deploy automated intelligent equipment, including CNC lathes, automatic CNC machining centres and CNC presses, to enhance machining precision, production efficiency and process consistency. Our manufacturing operations are further enhanced by digital manufacturing systems that provide real-time production visibility, traceability and process control.

We maintain precision motor manufacturing capabilities supported by comprehensive testing, inspection, and cleanroom facilities that support multi-dimensional product verification and consistent compliance with stringent customer and international standards. Our management systems are reinforced by recognised certifications, including ISO 9001. Our principal manufacturing facilities are located in Taizhou, Zhejiang Province, a well-established industrial cluster for motors and related supply chains, which supports efficient procurement, responsive order fulfilment and export logistics. Our operations are supported by a dedicated and experienced workforce comprising production, sales and marketing personnel, complemented by regular training programmes aimed at enhancing managerial and technical capabilities, thereby supporting the stable and scalable operation of our manufacturing facilities.

Our technologically advanced and highly automated production facilities in Taizhou, Zhejiang Province, occupy a total site area of 150,000 sqm, and is recognised as a key hub for motor and supporting industries in eastern China. As of 31 December 2025, we operated production lines with a total annual designed capacity of approximately 6,200,000 kW, which includes 3-PH IM production lines with an annual designed capacity of approximately 3,400,000 kW and PMSM production lines with an annual designed capacity of approximately 2,800,000 kW. Average utilisation rates of our 3-PH IM

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production lines were approximately 88.8%, 98.7% and 87.7% for the Track Record Period, respectively, while utilisation rates of our PMSM production lines reached approximately 76.4%, 86.3% and 96.0% over the same periods.

Comprehensive product offering anchored by robust R&D capabilities

We offer a comprehensive portfolio of high-efficiency industrial motors and application solutions, with broad configuration ranges in power, speed, voltage, frequency and torque, enabling us to address diversified application requirements across a wide spectrum of rotating equipment and industrial uses. Our products are manufactured in accordance with internationally recognised high-efficiency standards, including IE3 to IE5, NEMA and CSA, and have demonstrated consistent quality and reliability, which support long product life cycles and stable recurring demand once customers’ development, verification and commercial application processes are completed. Our product quality has been recognised through multiple awards, including the “Energy Star” (能效之星) by the Ministry of Industry and Information Technology (工業和信息化部) in November 2017, the “China Top Brand Product” (中國名牌產品) by the General Administration of Quality Supervision, Inspection and Quarantine of the People’s Republic of China (國家質量監督檢驗檢疫總局) in September 2006 and the “Zhejiang Export Premium Brand” (浙江出口名牌) by the Department of Commerce of Zhejiang Province in January 2024.

Our product offering is underpinned by a structured, end-to-end R&D framework covering technology research, product development, testing and commercialisation, supported by a provincial-level enterprise research institute and a high-tech research and development centre. As at 31 December 2025, we had approximately 200 personnel handling R&D duties, with expertise spanning electrical and electromagnetic theory, mechanical design, materials science, power electronics, and drive control. We held a portfolio of intellectual properties comprising 66 registered patents (including 15 inventions) and 15 software copyrights in China as at the Latest Practicable Date. We have continued to invest in R&D during the Track Record Period. Our R&D expenses were approximately RMB28.5 million, RMB29.4 million and RMB30.0 million for the Track Record Period, respectively, representing approximately 4.2%, 4.1% and 4.1% of our revenue for the respective years. Leveraging these R&D capabilities and our close co-development relationships with customers, we are able to continuously extend product applications, shorten development cycles and enhance product-market alignment, reinforcing our position as a long-term development partner and supporting our Group’s sustained growth.

Diversified and quality customer base with long-term collaborative relationships

We have established a diversified customer base across China and overseas markets, including European countries such as Germany, Italy and Turkey, as well as Africa and other regions, supported by our ability to provide reliable product performance, consistent quality standards and a comprehensive range of customised industrial motor solutions. Our customers typically apply stringent supplier qualification and certification procedures, which create effective barriers to entry and reinforce the stability of our customer relationships. In China, our customer base includes leading enterprises across a broad spectrum of downstream industries, including pumps, ventilation systems, compressors, HVAC systems and machine tools, while in overseas markets our products have been adopted by established motor brand supply chains. During the Track Record Period, one of our five largest customers was a global supplier of high-precision motion control systems serving the semiconductor and laser processing sectors, and we have also obtained approved supplier qualifications from China’s largest oil and gas producer in specialised applications.

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Our broad customer coverage supports demand across multiple product lines and application scenarios, facilitating cross-selling as customers are free to choose between 3-PH IM products and PMSM solutions. In addition, our customer relationships are characterised by longevity and collaboration, with our top five customers having, on average, maintained business relationships with us for approximately 8 to 24 years. Through close engagement with customers in product design and application development, we are able to translate customer requirements into tailored solutions with efficient time-to-market, enhancing customer stickiness, mitigating exposure to sector-specific fluctuations and driving our sustainable growth.

Experienced and execution-driven management with deep industry expertise

We are led by a seasoned and stable management team with extensive experience in industrial motor design, development and manufacturing and the machining industry, which has been instrumental to our Group’s sustained growth and effective execution of our business strategy. Our management team is led by Mr. Ye Jinwu (葉錦武), our founder and Chairman, who has over 50 years of experience in the industrial motor industry and has played a central role in shaping our long-term strategy, technological roadmap and industry engagement. Chairman Ye co-leads our Group and contributes significant operational and managerial expertise, working closely with our senior management team to oversee day-to-day execution. Members of our senior management team, on average, possess close to 24 years of experience in manufacturing-related industries with relevant operational and management backgrounds. Under the leadership of Chairman Ye and our senior management team, we have successfully implemented our development strategy, expanded our business footprint from China to over 30 jurisdictions worldwide, including European countries, Africa and other overseas markets, and evolved from a local PRC industrial motor plant into a company with sizeable operations offering a comprehensive range of recognised high-efficiency and variable frequency industrial motors designed for uses in industry, agriculture, manufacturing, energy and chemicals, construction and mining, automation, robotics, new energy, construction machinery, transport and environmental protection. Leveraging the depth of experience, execution discipline and industry insight of our management team, we are well placed to further strengthen our operational capabilities, deepen our market presence and support the next phase of our sustainable growth.

OUR BUSINESS STRATEGIES

Our mission is to become a leading PRC-based provider of intelligent industrial motor solutions, advancing intelligent manufacturing and industrial robotic applications globally. To achieve this, we plan to pursue the following strategies:

Reinforce the strength and scale of our PMSM production

We plan to expand our research, development and manufacturing capabilities for PMSM and drive control systems in order to broaden our product portfolio and scale up production and sales to address structurally growing end-markets in European countries and China. PMSM and drive systems are core motion-control components for precision automation applications due to their high torque density, fast dynamic response and high control accuracy.

In response to continued demand for precision motion-control components in automation applications, we are pursuing an integrated development approach that combines PMSM with matched drive hardware and control systems to provide application-oriented motion solutions rather than standalone components. Our development focus includes extending the range of PMSM and drive platforms, where requirements for high-precision position control, multi-axis coordination, compact design and energy efficiency are increasing. At the same time, we plan to expand manufacturing

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capacity and upgrade production technology for servo motors and drive control systems to support higher output volumes, improved consistency and scalability, in line with the broader industry shift towards integrated motor-drive architectures and digitally networked automation systems.

To keep up with the market trend and demand, our production facilities are one of the crucial factors in determining our manufacturing capabilities. Our Directors believe that expanding production capacity and upgrading manufacturing facilities will, among others, help to attract and successfully undertake purchase orders of larger sizes or multiple purchase orders at the same time from existing and/or new customers. Our existing PMSM production facilities were increasingly utilised throughout the Track Record Period and reached approximately 96.0% for FY2025. In view of almost full utilisation of our existing PMSM production facilities, and taking into account the positive market outlook of PMSM markets as well as indicative orders solicited from existing and potential customers, we plan to construct a 8,000 sq.m. production facility which will house two new PMSM production lines with a total designed annual production capacity of 2,000,000 kW, among which (i) one for large frame PMSM products with be approximately 1,600,000 kW and (ii) another one for small frame PMSM products will be approximately 400,000 kW. For further details of the total designed annual production capacity of the new PMSM production lines, please refer to the section headed “Business — Our Production — Production Capacity and Utilisation” in this document.

Based on the best estimation of our Directors in light of the current market conditions, the estimated initial costs for setting up PMSM new production lines would be approximately HK\$57.0 million (equivalent to approximately RMB52.0 million) of which approximately HK\$47.9 million (equivalent to approximately RMB43.3 million), representing approximately 45.0% of the [REDACTED] from the [REDACTED], for setting up two new PMSM production lines, among which (i) approximately HK\$25.6 million is expected to be used for purchasing facilities and equipment such as CNC machine tools, CNC vertical machining centres, CNC automatic coil winding equipment, as well as ancillary equipment such as an intelligent coating lines and intelligent forklifts, based on quotations obtained by us and the historical costs for purchasing such items; and (ii) approximately HK\$22.3 million is expected to be used for the construction of a new 8,000 sq.m. production facility. We expect to apply approximately HK\$36.9 million in FY2027 and approximately HK\$11.0 million in FY2028 and/or thereafter. The remaining portion of the funding required to implement the project is expected to be satisfied from our internal resources.

Based on our Directors’ knowledge and experience, the payback period is expected to be no more than approximately four years. We will also closely monitor our cash flows to ensure we have sufficient working capital to establish our new PMSM production lines.

Expanding PMSM application coverage in high-growth industrial robotic and intelligent manufacturing applications

The PMSM market is experiencing structural growth, driven by accelerating investment in intelligent manufacturing and industrial robotics-related applications. In China, the overall industrial AC motor market was valued at approximately RMB258.2 million in 2025 and is expected to expand at a CAGR of approximately 12.1% to approximately RMB457.3 million by 2030. Owing to their high efficiency, stable torque output and low noise characteristics, PMSM solutions have become widely adopted in industrial robotic applications. According to the CIC Report, global industrial robot installations reached approximately 550,000 units in 2025, with China accounting for more than half of total installations. As each industrial robot typically incorporates multiple precision motors depending on

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axis configuration, growth in robot deployments has a multiplier effect on demand for high-performance motor solutions. In addition, expanding applications in autonomous mobile robotic equipment, sortation systems and palletising equipment in warehouses are driving further demand for PMSM products.

Against this backdrop, we are pursuing greater PMSM end-market diversification by expanding our application coverage in intelligent manufacturing and industrial robotic-related applications, including emerging industrial robotic systems, where requirements for compact form factors, high torque density and precise motion control are increasing. Through continued development of modular PMSM products and application-specific solutions, we aim to strengthen our participation across a broader range of high-growth automation scenarios and enhance the long-term scalability of our industrial motor business. In May 2026, we also commenced business development efforts in the robotic machinery sector by entering into two strategic cooperation agreements with a pump manufacturer in Zhejiang Province, China and an electric vehicle manufacturer in Anhui Province, China for the supply of industrial dual-arm robots and joint modules for the period from August 2026 to July 2028. In particular, our development efforts are intended to cover:

- (i) *Research and development of industrial robot joint motor platforms and integrated modules* — We are advancing the development of core joint motor technologies for industrial robots, focusing on key articulated components such as dual-arms and joint modules. Our R&D efforts are directed towards the design and development of frameless torque motors and axial-flux motors tailored for industrial robot joint applications, as well as the integration of such motors into modular joint assemblies. These joint modules, including drives and encoders, precision reducers and roller screws, to enable compact, high-torque and highly integrated actuation solutions for intelligent manufacturing. For more details of our R&D collaborations in the field of industrial robotics applications, please refer to the section headed “Business — Research and Development” in this document;
- (ii) *Drive hardware and control algorithm development for industrial dual-arm robots* — We are also developing dedicated drive hardware and advanced control system for industrial robot joint motors, covering articulated joints such as dual-arms. The focus of this work is to enhance motion control accuracy, operational stability and torque smoothness through high-precision closed-loop control, while enabling coordinated control across multiple joints;
- (iii) *Establishment of a research, development and manufacturing centre for industrial dual-arm robots and joint modules* — To support the above development initiatives, we plan to establish a dedicated research, development and manufacturing centre for industrial dual-arm robots and joint modules. The centre is intended to support validation and integration testing of industrial dual-arm robots and joint modules. The centre’s facilities will be designed to enable systematic testing of performance, reliability and consistency prior to downstream customer integration; and
- (iv) *Establishment of production lines* — We intend to establish two production lines comprising (i) a production line for robotic joint modules with an annual designed production capacity of 100,000 sets, and (ii) a production line for the assembly of industrial dual-arm robots, with an annual designed production capacity of approximately 3,000 units, subject to finalisation of production arrangements and actual operating conditions. For further details of the total designed annual production capacity of the two new production lines, please refer to the section headed “Business — Our Production — Production Capacity and Utilisation” in this document.

We expect to apply approximately HK\$37.3 million (equivalent to approximately RMB33.7 million), representing approximately 35.0% of the [REDACTED] from the [REDACTED], for expanding our product application into intelligent and robotic manufacturing applications, among which (i) approximately HK\$14.1 million is expected to be used for researching and developing industrial dual-arm robot and joint module series products, including establishing R&D teams, engaging in collaborations with research activities and purchasing R&D platforms and equipment; and (ii)

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approximately HK\$23.2 million is expected to be used for purchasing and installing manufacturing equipment and facilities of industrial dual-arm robots and joint modules, including assembly and testing platforms, joint module assembly lines, as well as production and testing equipment for wire moulding and embedding, die-casting, welding and precision machining. We expect to apply approximately HK\$35.2 million in FY2027 and approximately HK\$2.1 million in FY2028 and/or thereafter.

Based on our Directors’ knowledge and experience, the payback period is expected to be no more than approximately four years. We will also closely monitor our cash flows to ensure we have sufficient working capital to expand our products for robotic equipment applications.

Digitalisation and intelligent manufacturing upgrade

We are committed to advancing the digitalisation and intelligent upgrading of our manufacturing facilities to enhance operational efficiency, flexibility and quality control in support of our Group’s long-term development. We continue to promote the construction of intelligent factories by deepening the integration of automation, digital systems and intelligent equipment across production processes, including upgrades to ERP systems, the establishment of a unified business intelligence data platform and the application of AI-enabled modules to support data-driven operational decision-making. Through the optimisation of production layouts and the adoption of advanced manufacturing technologies such as industrial internet connectivity and digital process management, we aim to improve production efficiency, strengthen cost control and enhance traceability across the production-to-testing lifecycle. These initiatives are complemented by ongoing enhancements in lean production management, the phased integration of automated equipment into additional production lines and regular training programmes to strengthen employees’ technical and operational capabilities. In parallel, we continue to refine process design, inspection procedures and quality management systems, including the use of automated inspection tools, to ensure consistent product quality and support the scalable and disciplined operation of our manufacturing facilities.

Our estimated costs for the digitalisation and upgrading of our manufacturing operations are approximately HK\$14.0 million (equivalent to approximately RMB12.7 million), based on quotations obtained by us and the historical costs for purchasing such items.

We expect to apply approximately HK\$10.7 million (equivalent to approximately RMB9.6 million), representing approximately 10.0% of the [REDACTED] from the [REDACTED], for the digitalisation and upgrading of our manufacturing operations, namely the procurement and integration of digital intelligence application software, including modules for digital intelligence quality inspection, parameter optimisation, predictive equipment maintenance and activation, as well as Business Intelligence (BI) data foundation and intelligent Bill of Materials (BOM) design assistance system. We expect to apply approximately HK\$5.6 million in FY2027, and approximately HK\$5.1 million in FY2028 and/or thereafter. The remaining portion of the funding required is expected to be satisfied from our internal resources.

Sustained investment in technology and innovation

We have established broad technological capabilities across our industrial motor solutions portfolio and intend to continue investing in research and development to enhance product competitiveness and application coverage. Our R&D priorities will focus on further advancing PMSM and high-efficiency industrial motor products, including:

- (i) *Efficiency performance*, focusing on high-efficiency industrial motor products and solutions across multiple motor platforms and converters, including asynchronous and permanent magnet solutions, with continued expansion of R&D in IE4 and IE5 premium and ultra-high-efficiency motor technologies;

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- (ii) *Intelligent features and system-level capabilities*, including mechatronic integration, predictive maintenance and advanced control algorithms;
- (iii) *Innovation in materials and structural design*, including improvements in magnetic materials, winding technologies and thermal management, as well as the application of advanced power devices where appropriate; and
- (iv) *Digital engineering capabilities*, including computer-aided design, multi-physics simulation, bench validation and the adoption of digital tools to enhance development efficiency and precision.

To complement in-house development, we intend to collaborate with leading universities in Shenyang, Zhejiang and Beijing, research institutions and selected technology partners to strengthen common technology platforms and facilitate application across multiple product lines.

OUR PRODUCTS

We offer a comprehensive portfolio of high-efficiency industrial motors and control systems, comprising approximately 3,000 models across various voltages, speed control options, efficiency ratings and other specifications. Our motors cover a power range from 0.12 kW to 1400 kW and our variable frequency drives range from 0.1 kW to 3600kW, serving a wide range of industrial applications. We principally offer two main product lines, namely PMSM and 3-PH IM, as set out below.

(A) Permanent magnet synchronous motors (PMSM)

This product line comprises direct-drive and high-speed configurations, together with servo drives and encoders, forming integrated motor-drive systems for intelligent manufacturing and motor control. These products are designed to deliver high power density, wide speed-regulation range and inverter-based control, enabling precise and stable control of speed and torque. Our drive products support multiple control modes, including closed-loop servo control, vector control and V/F control, to facilitate high-precision motion control and stable operation. Compared with conventional 3-PM 1M and standalone drive configurations, our integrated solutions generally offer higher energy efficiency, enhanced torque density over a wide speed range and improved system reliability, which may reduce energy consumption and support more compact system designs. Such products are primarily used in rotating equipment, such as pumps, HVAC systems, compressors, machine tools and forklifts, and may, depending on customer requirements, be adaptable to certain robotic and intelligent manufacturing scenarios.

Product Series	Primary Function	Key Functional Characteristics
1. PMSMs	- Convert electrical energy (AC) into mechanical power with synchronous, no-slip rotation - Provide precise speed and torque control due to synchronisation with the stator magnetic field - Deliver high energy efficiency by eliminating rotor current losses	- High efficiency (often >90%) and reduced energy losses - High torque density and compact size - Fast dynamic response and stable operation - Low thermal losses and reduced maintenance requirements



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	Product Series	Primary Function	Key Functional Characteristics
2.	Servo motors 	● Provide high-precision control of position, speed and torque within a closed-loop control system ● Execute commanded motion profiles accurately using real-time feedback (e.g. encoder signals)	● Closed-loop control with continuous feedback correction ● High positioning accuracy and repeatability ● Fast acceleration/deceleration and dynamic response ● Ability to maintain torque at low or zero speed
3.	Servo drives 	● Act as the control unit for servo motors, regulating position, speed and torque in real time ● Convert electrical power into controlled signals based on feedback to achieve precise motion	● Closed-loop control with encoder/ resolver feedback ● Real-time adjustment of current, voltage and torque ● High precision, responsiveness and stability ● Enables coordinated multi-axis motion control
4.	Encoders 	● Regulate motor speed by adjusting input voltage and frequency supplied to AC motors ● Enable energy-efficient motor operation under variable load conditions	● Smooth speed control for induction motors ● Energy savings by matching motor speed to load demand ● Soft start/stop to reduce mechanical stress ● Typically open-loop (lower precision than servo systems)

(B) Three-phase asynchronous motors (3-PH IM)

This product line comprises standard and customised industrial motors across multiple energy efficiency classes, including IE5, IE4 and IE3 motors, as well as intermittent duty motors and VFD motors, designed to address varying operating requirements in intelligent manufacturing. Our high-efficiency motors are engineered to optimise energy performance and reduce power consumption, with IE5 and IE4 motors meeting stringent energy-saving standards, while VFD motors enable wide speed regulation and enhanced control efficiency under variable load conditions, and intermittent duty motors are designed for cyclical operations requiring high torque and durability. These products are primarily applied in rotating equipment and industrial systems, including compressors, pumps, fans and other electromechanical equipment. In addition, we offer specialised motor products, including explosion-proof motors for use in hazardous environments, and have obtained approved supplier certification from a major PRC oil and gas producer in respect of such products, enabling us to participate in its procurement framework.

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Product Series	Primary Function	Key Functional Characteristics	Strategic Role in Product Portfolio
1. Ultra Premium Efficiency Motor (IE5) 	Conversion of electrical energy into mechanical output with ultra-low energy loss	- Advanced electromagnetic design to minimise copper, iron and mechanical losses - High efficiency under continuous and variable load conditions - Optimised thermal management and power density	Represents next-generation efficiency offering, targeting high energy-intensity applications with stringent efficiency requirements
2. Super Premium Efficiency Motor (IE4) 	High-efficiency power conversion for continuous industrial operation	- Reduced electrical and magnetic losses through improved materials and design - Stable performance across varying load profiles - Compatibility with variable-speed drive systems	Enhances energy performance of standard operations and supports transition to higher efficiency systems
3. Premium Efficiency Motor (IE3) 	General-purpose motor for industrial power transmission	- Optimised windings and core materials for improved efficiency - Reliable continuous duty performance - Standardised configuration across industrial applications	Forms the core mass-market product segment, providing stable base-level efficiency and reliability
4. Intermittent Duty Motor 	Operation under non-continuous duty cycles with frequent start-stop conditions	- Designed to withstand thermal cycling and transient loads - Enhanced durability under fluctuating operating profiles - Adaptability to variable duty ratings	Addresses niche applications requiring flexible operation and load variability
5. VFD three-phase asynchronous motor 	Regulation of motor speed and torque through adjustment of voltage and frequency input	- Dynamic speed control and torque regulation - Energy optimisation by matching motor output to load demand - Integrated motor protection and soft-start capability	Provides flexible and adaptive solutions for variable-load industrial processes
6. Explosion-proof motor 	Safe operation in hazardous environments by preventing ignition risks	- Sealed enclosure and spark containment design - Temperature control to prevent overheating - Compliance with hazardous area standards (e.g. ATEX/IECEx)	Ensures compliance with safety requirements and expands application into regulated industries
7. Marine Motor 	Operation of motor-driven equipment under marine environmental conditions	- Corrosion-resistant construction - Moisture-proof and vibration-resistant design - Compliance with marine certification standards	Enables participation in specialised marine and offshore markets
8. Aluminium-frame Motor 	Provision of lightweight motor operation with enhanced heat dissipation	- Lightweight structure reducing installation load - Improved thermal performance through aluminium housing - Corrosion-resistant characteristics	Supports applications requiring compact design and cost-effective installation

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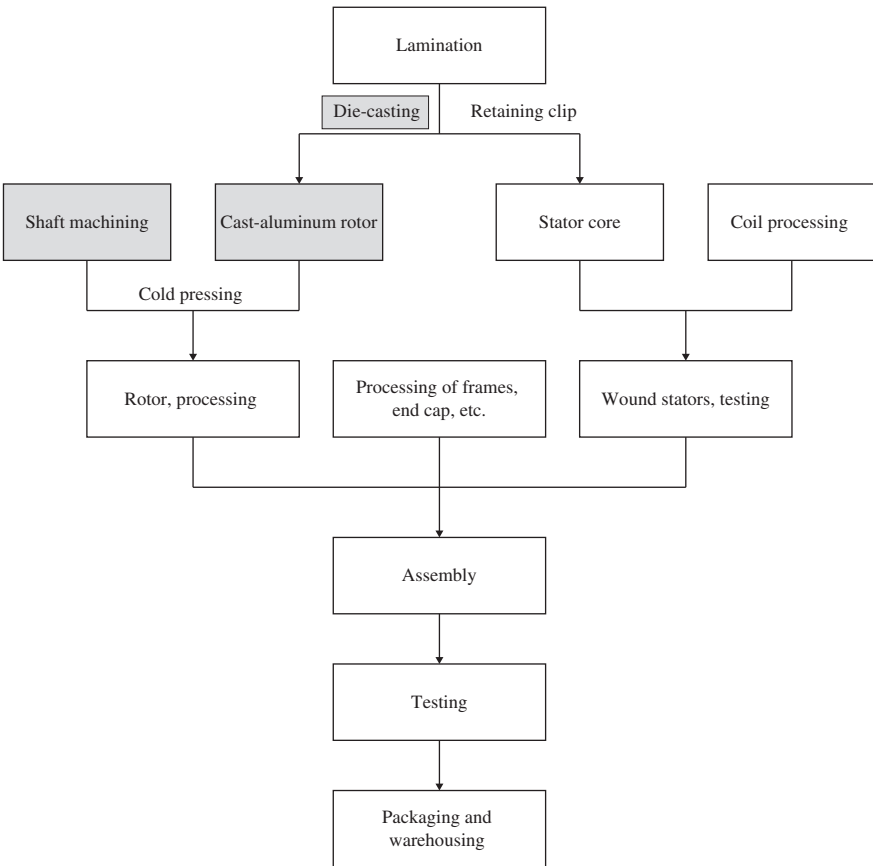
OUR PRODUCTION

We primarily adopt a production model combining “Make-to-Order” (MTO) and “safety stock preparation”. On the one hand, “Make-to-Order” (MTO) involves arranging for appropriate machinery, equipment and personnel to organise production according to the quantity and specific requirements of customer orders. On the other hand, based on customer and market demand, “safety stock preparation” involves regularly forecasting future product sales based on market predictions, and arranging for appropriate machinery, equipment and personnel for production and stock preparation.

Production Process

Our product manufacturing process involves multiple stages, including stamping, die-casting, machining, electrical discharge machining and assembly. To standardise production process management and ensure product quality, we have established process instructions and process discipline standards for each stage. Our quality control department is responsible for formulating quality standards and inspection specifications (including inspection procedures, inspection standards, work instructions and various record forms) and supervises communications and implementation throughout the manufacturing process, ensuring standardised operations across the entire production process and compliance with product quality requirements. The specific process flow of our Company’s products is as follows:

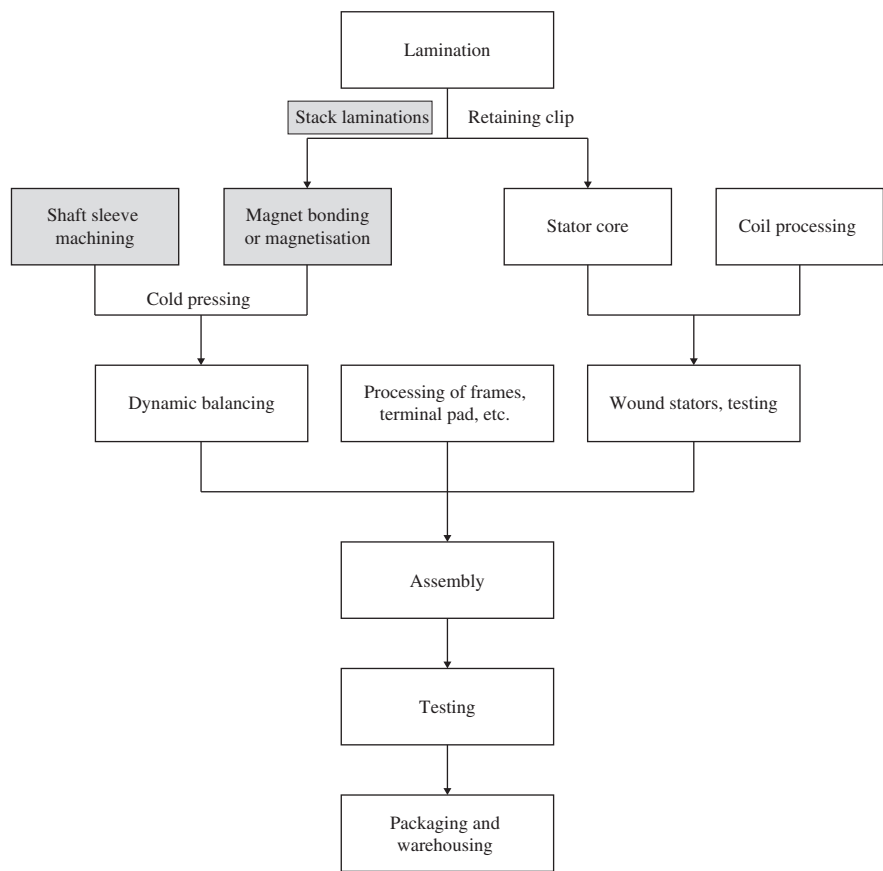
(1) High-efficiency asynchronous motors



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(2) Permanent magnet synchronous motors

Production process flow of permanent magnet synchronous motor



Production facilities

Our technologically advanced and highly automated production facilities in Taizhou, Zhejiang Province, occupy a total site area of 150,000 sqm, recognised as a key hub for motor and supporting industries in eastern China. To enhance production efficiency and precision, we deploy CNC lathes, automatic CNC machining centres, and presses, and have established laboratories with industry-leading motor performance testing and quality inspection capabilities. Our production processes are certified under ISO 9001, ISO 14001 and GB/T45001, ensuring compliance in quality, environmental, and occupational health and safety management.

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Our production capacity is principally determined by the throughput of rotor production, stator production and final motor assembly and testing. Our production lines generally comprise integrated equipment, including lamination press lines, stator winding and insertion machines, rotor die-casting equipment, automated assembly lines and testing stations. Among these stages, stator winding and insertion generally constitute the principal bottleneck due to their relatively higher processing time and technical complexity, whereas rotor production and assembly are generally more scalable through additional equipment or automation. The table below sets out the major machinery we had as at the Latest Practicable Date:

Production Process	Key Machines	Key Function	No. of Units as at the Latest Practicable Date (more than approximately)
Lamination	Lamination press lines (core stamping)	Stamp and assemble laminated steel sheets to form stator or rotor cores for the magnetic circuit	10
Die-casing	Aluminium die-casting machines	Form rotor conductive components by injecting molten aluminium to enable current flow and torque generation	6
Shaft machining/shaft sleeve machining	Shaft assembly/fitting machines	Install and align motor shafts to ensure proper rotation, balance and transmission of mechanical output	6
Stator core	Slot insulation insertion machine	Insert insulation materials into stator slots to prevent electrical short circuits and ensure safe motor operation	22
Stator core	Automatic stator winding machine	Wind and insert conductive coils into stator cores with precision to form the motor’s electromagnetic field	22
Coil processing	Coil forming/lacing machines	Shape and secure windings to maintain structural stability and withstand operational stresses	20
Assembly	Motor Assembly Lines	Integrate stator, rotor, housing and components	12
Testing	Testing & Quality Assurance Equipment	Ensure compliance with safety and performance standards	12
Packaging and warehousing	Automation & Transfer Systems	Improve cycle times, reduce labour dependency	6

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Our Directors confirm we own all of our production machinery and equipment. The estimated average remaining useful lives of our production machines and equipment ranged from approximately 5 to 12 years as at 31 December 2025.

We conduct regular maintenance and upkeep on all production equipment and production lines. We have formulated in-house maintenance and repair schedules, under which responsible personnel periodically run diagnostics, and undergo calibration procedures for the maintenance of key machinery. During the Track Record Period and up to the Latest Practicable Date, there had been no prolonged suspensions of production processes or significant disruptions to our operations caused by equipment failure or malfunction.

We have built a warehouse with a digitally controlled management system and a GFA of approximately 20,000 sqm and storage for about 120 racks. It features automated material handling, warehouse execution systems, and inventory identification for autonomous picking, moving and packing.

Production Capacity and Utilisation

The following table sets forth the details of our production base and its designed production capacity, actual production volume and utilisation rates during the Track Record Period:

Products	FY2023			FY2024			FY2025		
	Designed production capacity (kW) ⁽¹⁾	Annual production volume (kW) ⁽²⁾	Utilisation rate ⁽³⁾	Designed production capacity (kW) ⁽¹⁾	Annual production volume (kW) ⁽²⁾	Utilisation rate ⁽³⁾	Designed production capacity (kW) ⁽¹⁾	Annual production volume (kW) ⁽²⁾	Utilisation rate ⁽³⁾
	(approximately)	(approximately)	(approximately)	(approximately)	(approximately)	(approximately)	(approximately)	(approximately)	(approximately)
(I) Existing production facilities consisting of:							6,200,000	5,650,000	
(a) 3-PH IM	3,000,000	2,700,000	88.8%	3,100,000	3,050,000	98.7%	3,400,000	2,950,000	87.7%
(b) PMSM	2,600,000	2,000,000	76.4%	2,800,000	2,400,000	86.3%	2,800,000	2,700,000	96.0%
(II) New production lines pursuant to planned capital expenditure in FY2027 and onwards									
(c) PMSM									
large-frame							1,600,000		
small-frame							400,000		
							<u>2,000,000</u>		
PMSM sub-total					(b)+(c)		<u>4,800,000</u>		
Overall Total					(a)+(b)+(c)		<u>8,200,000</u>		
(III) Industrial robotic-related application									
(i) Joint modules (sets)							<u>100,000</u>		
(ii) Industrial dual-arm robot assembly line (units)							<u>3,000</u>		

Notes:

- (1) Designed production capacity is calculated based on the daily production rate of our production facilities operating for 280 working days a year for the Track Record Period (with slight adjustments made to account for public holidays).
- (2) Actual production volume refers to actual output for the relevant year.
- (3) The utilisation rate is calculated by dividing actual production volume by the designed production capacity in the same year.

Regarding the new production is based on our planned capital expenditure in FY2027 and onwards, as further detailed in the “Future Plans and [REDACTED]” section of this document. For more details of our planned expansion of our PMSM production line, please refer to the section headed “Business — Our Business Strategies” in this document.

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RESEARCH AND DEVELOPMENT

We regard technological innovation and R&D as fundamental to our long-term development. Built on our in-house R&D capabilities and customer-oriented product development framework, we have established end-to-end development capabilities covering core motor technologies, drive control and related system-level applications. We believe this approach enables us to enhance product performance, improve energy efficiency and expand application coverage, including intelligent manufacturing and industrial robotics-related use cases, in a manner consistent with disclosure practices adopted by comparable industrial technology issuers.

Our R&D activities are primarily conducted through our provincial-level research platforms, namely our provincial-level enterprise research institute and provincial high-tech research and development centre. These platforms principally undertake applied research, product development, testing and industrialisation support, and provide technical support for customer-specific requirements. During the Track Record Period, we independently developed and mastered key technologies, including (i) high-efficiency three-phase asynchronous motor design, (ii) precision machining for high-efficiency motor rotors and bearings, (iii) PMSM design, (iv) technologies for improving efficiency of explosion-proof motors, and (v) design capabilities for high-efficiency motor variable frequency drives.

Our R&D projects are generally initiated based on market demand and customer requirements. Following feasibility assessments conducted by our technical, marketing and finance functions, projects are formally established. Our technical team conducts design and process formulation and prepares task specifications and development plans; our production team conducts trial production; and our quality management and relevant functions perform internal verification against design specifications. After internal verification, products are typically submitted to independent third-party testing institutions for external testing and issuance of test reports prior to final sample confirmation, production validation and mass production.

As at 31 December 2025, we had approximately 200 personnel handling R&D duties, accounting for approximately 21.6% of our total workforce. Our R&D personnel have expertise in, among others, electrical and electromagnetic theory, mechanical design, materials science, power electronics, drive control, and application integration for intelligent manufacturing and industrial robotics-related applications. Their principal responsibilities include (i) product planning and application definition, (ii) electromagnetic and mechanical design, (iii) power electronics and drive/control algorithm development, including inverter/driver hardware and control firmware, (iv) simulation and verification, including electromagnetic and thermal modelling and performance validation, (v) process engineering and manufacturability optimisation, and (vi) reliability, compliance testing and certification support.

We supplement in-house development with collaborations with renowned universities, academic institutions and research centres, typically on a milestone basis with agreed deliverables, confidentiality obligations and agreed allocation (or joint ownership) of intellectual property rights.

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Set out below is a summary of the major R&D projects undertaken by our Group during the Track Record Period and as at the Latest Practicable Date:

Project Category	Key Development Areas	Research institution	Development Period	Status
IE5 3-PH IM	Electromagnetic and structural design of IE5 three-phase asynchronous motor series, with a power range of 0.55kW to 315kW, frame sizes ranging from H80 to H355, and four rotational speeds: 3000r/min, 1500r/min, 1000r/min, and 750r/min.	a research centre in Shanghai	July 2022 – December 2023	Products undergoing batch production and being sold commercially
Direct-drive PMSM for mechanical equipment	Motor manufacturing and testing of rare-earth direct-drive permanent magnet motors for low-speed, high-torque systems	a technology university in Shenyang	November 2022 – November 2025	Products undergoing batch production and being sold commercially
Industrial robot joint module (PMSM-based)	PMSM-based joint module targeting 48V supply and continuous torque of 36 N·m; motor electromagnetic design; driver hardware (including PCB schematic/design outputs); vector control algorithm development; prototype build and testing (including performance validation)	a leading research university in Zhejiang	May 2026 – July 2026	Prototype stage
Robotics systems (single/dual-arm)	Single-arm robotic system for automated electromechanical testing; dual-arm robotic system for automated screw assembly; multi-degree-of-freedom dual-arm robot body system (up to 6–7 axes per arm) with 0.1 mm repeat positioning accuracy; system-level integration and subsequent optimisation/upgrade support	a national technology university in Beijing	May 2026 – April 2028	Prototype/development stage

Our ongoing R&D efforts focus on the enhancement of permanent magnet motor technologies, drive control systems and energy-efficient solutions. We are also expanding into industrial robotics applications, including industrial robotic systems, joint modules and other related components, with a view to strengthening our capabilities in motion control and mechatronic integration. Please refer to the subsection headed the “Our Business Strategies” above.

We have continued to invest in R&D during the Track Record Period. Our R&D expenses were approximately RMB28.5 million, RMB29.4 million and RMB30.0 million for the Track Record Period, respectively, representing approximately 4.2%, 4.1% and 4.1% of our revenue for the respective years.

QUALITY CONTROL

We are committed to maintaining the highest level of quality in our solutions in accordance with domestic and international standards. We have designed and implemented a quality management system that provides the framework for continuous improvement of products and processes. We operate our own testing centre, where all factory inspections, type tests and energy efficiency tests are conducted to meet requirements, and non-conforming products are strictly prohibited from leaving the factory. In addition, we have established a dynamic standard update mechanism, where new national and international standards are adopted and implemented immediately upon publication, ensuring our products

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consistently comply with current and valid standards. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material complaints, product liability claims or product returns in relation to our products.

SALES, CUSTOMERS AND MARKETING

Contracting, pricing and settlement

For major customers in the PRC, we generally enter into framework agreements setting out principal commercial terms, such as product specifications, delivery arrangements and settlement terms, which are supplemented by purchase orders specifying pricing, quantities and delivery schedules. Such framework agreements typically contain delivery forecasts, and customers are generally required to notify us of adjustments from time to time. For overseas customers, we generally enter into sales contracts on an order-by-order basis.

We generally determine pricing on a cost-plus basis, with reference to factors including production costs, technological specifications, customer demand, order volume, supply chain considerations, prevailing market conditions and targeted margins. Given that raw materials constitute a significant portion of our cost of sales and our product offerings are diverse, our pricing is subject to fluctuations, particularly in relation to key raw materials such as copper, aluminium, silicon steel and other metals. To mitigate such volatility, we may incorporate price adjustment mechanisms in our sales arrangements to reflect changes in the costs of such key inputs.

Payments are generally settled by telegraphic transfer. Our domestic sales are primarily denominated and settled in RMB, while our overseas sales are generally denominated in RMB, Euro or US\$. During the Track Record Period, approximately 66.4%, 21.0% and 12.6% of our sales were settled in RMB, Euro and US\$, respectively. Given our overseas sales exposure, we are subject to foreign exchange fluctuations between RMB and such foreign currencies, which may adversely affect our revenue, cost of sales and profitability. For further details, see the section “Risk Factors — Risks relating to our Business and Industry — We are exposed to fluctuations in foreign currency exchange rates, which could adversely affect our business operations, results of operations, and financial condition”.

Credit policy

We typically may grant credit periods ranging from approximately 30 days to 180 days, depending on customers’ credit profile, transaction history and project characteristics.

We implement credit control procedures to manage credit risk, including conducting credit assessments through internal evaluations, which are subject to periodic review by our sales and finance departments. Our finance department is responsible for invoicing, receivables management and collection. During the Track Record Period, we did not experience any material defaults or bad debts that had a material adverse impact on our financial position or results of operations.

Customers

Our customers primarily comprise rotating equipment manufacturers, motor solution providers, resellers and motor brand companies mainly based in China, and overseas markets, including European countries such as Germany, Italy, Turkey, as well as Africa and other regions. For details of the geographical distribution of our revenue during the Track Record Period, see the subsection headed “Our Competitive Strengths — Diversified and quality customer base with long-term collaborative relationships” in this section above. We primarily adopt a direct sales model for both the PRC and

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overseas markets, supplemented to a limited extent by distributors. During the Track Record Period, in terms of revenue approximately 97.3% of our sales were direct sales and approximately 2.7% were to motor resellers.

The tables below set forth the information of our top five customers in each year during the Track Record Period:

FY2023

Customers	Background	Product provided	Year of commencement of business relationship	Credit terms	Payment method	Revenue (RMB'000) (approximately)	% of total revenue (approximately)
Customer A	See Note 1.	3-PH IM	2010	30 days	Bank acceptance draft	135,908	19.9
Customer B	See Note 2.	3-PH IM	2002	90 days	Telegraphic transfer	81,651	11.9
Customer C	See Note 3.	3-PH IM	2002	180 days	Telegraphic transfer	71,348	10.4
Customer D	See Note 4.	3-PH IM	2005	30 days	Telegraphic transfer	40,491	5.9
Customer E	See Note 5.	3-PH IM	2006	90 days	Bank acceptance draft	23,528	3.4
Total						352,926	51.5

FY2024

Customers	Background	Product provided	Year of commencement of business relationship	Credit terms	Payment method	Revenue (RMB'000) (approximately)	% of total revenue (approximately)
Customer A	See Note 1.	3-PH IM	2010	30 days	Bank acceptance draft	117,173	16.3
Customer B	See Note 2.	3-PH IM	2002	90 days	Telegraphic transfer	94,862	13.2
Customer C	See Note 3.	3-PH IM	2002	180 days	Telegraphic transfer	51,995	7.3
Customer D	See Note 4.	3-PH IM	2005	30 days	Telegraphic transfer	47,684	6.7
Customer F	See Note 6.	3-PH IM	2018	150 days	Telegraphic transfer	20,660	2.9
Total						332,374	46.4

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FY2025

Customers	Background	Product provided	Year of commencement of business relationship	Credit terms	Payment method	Revenue (RMB'000) (approximately)	% of total revenue (approximately)
Customer G	See Note 7.	3-PH IM	2010	180 days	Telegraphic transfer	76,801	10.5
Customer A	See Note 1.	3-PH IM	2010	30 days	Bank acceptance draft	61,584	8.4
Customer B	See Note 2.	3-PH IM	2002	90 days	Telegraphic transfer	60,103	8.2
Customer C	See Note 3.	3-PH IM	2002	180 days	Telegraphic transfer	55,932	7.6
Customer D	See Note 4.	3-PH IM	2005	30 days	Telegraphic transfer	33,624	4.6
Total						288,044	39.3

Notes:

- Customer A is a group of companies located in China, primarily engaging in the production and sale of pumps, valves, motors, electrical appliances and mechanical equipment with a registered share capital of approximately RMB101.8 million.
- Customer B is a Germany-based motor supplier motors, providing standard and customised motor solutions to industrial customers primarily in European markets with a registered capital of approximately €102,000.
- Customer C is an Italian manufacturer engaged in the design, production and customisation of motors for a range of industrial applications with a registered capital of approximately €120,000.
- Customer D is a limited liability company located in Zhejiang, China, primarily engaging in the manufacturing of pumps, gas and liquid separation and purification equipment with a registered capital of approximately RMB300 million.
- Customer E is a public limited company located in Zhejiang, China, and listed on the Shenzhen Stock Exchange, primarily engaging in the manufacturing, research and development, and sale of wind turbines and on-board chargers for new energy vehicles, which recorded revenue of approximately RMB1.6 billion for FY2025 and a market capitalisation of over approximately RMB4.47 billion as at 31 March 2026.
- Customer F is a South Africa-based company involved in the supply and distribution of motors, variable speed drives and related industrial equipment with a registered capital of approximately 100,000 ZAR.
- Customer G is a limited liability company located in Turkey, primarily engaging in the wholesale and retail of motors and gearboxes with a registered capital of approximately US\$48,000.

As of the Latest Practicable Date, none of our Directors, their respective close associates or any of our shareholders (who, to the knowledge of our Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year during the Track Record Period.

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Salient Terms of Sales Framework Agreements with Major Customers in China

The salient terms of our sales framework agreements with our major customers in the PRC during the Track Record Period are set out below:

- **Product specifications.** Our customers typically set forth specific product specification requirements for products ordered, such as product name, model, configuration and features.
- **Term.** We typically enter into contracts with a duration of one to two years. However, the specific term may be determined on a case-by-case basis depending on the nature of the engagement.
- **Payment.** Payment shall generally be made by customers following delivery, either through a one-off payment or on a monthly basis for monthly deliveries. In some instances, a certain amount shall be retained and held in an account in our name for a certain period, subject to which costs may be deducted directly from the account in respect of any claims, which shall otherwise be transferred to us.
- **Warranty.** The warranty period generally lasts from one to seven years after the product or solution was accepted by the customer.
- **Intellectual Property.** We retain ownership of the intellectual property rights related to the products we provide. In some instances, intellectual property arising from products developed by us but based on technical data, blueprints and technical information provided by our customers shall be owned solely by our customers.
- **Confidentiality.** We may generally not disclose or otherwise use confidential information of our customers in a manner that is harmful to their interests without their consent. Customised products produced by us are exclusive to the relevant customer, and we may not produce, sell or copy their specifications for other customers. Such terms typically survive any termination or expiry of the underlying contract.
- **Termination.** Customers may generally terminate the contract upon a material breach committed on our part, or if we are unable to rectify quality issues within our products after two attempts.

Salient Terms of Sales Contracts on Order-by-order basis with Major Overseas Customers

The salient terms of our standard sales contracts on an order-by-order basis with our major customers overseas during the Track Record Period are set out below:

- **Product specifications.** Our customers typically set forth specific product specification requirements for products ordered, such as product name, model, configuration and features.
- **Order-by-order.** Sales contracts are generally entered into on an order-by-order basis.
- **Payment.** Payments generally consist of a combination of an upfront deposit and deferred settlement after the bill of lading date.
- **Warranty.** The warranty period generally lasts from one to seven years after the product or solution was accepted by the customer.

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During the Track Record Period, we did not experience any material breach of agreements with our customers.

Marketing

We focus on developing and maintaining relationships with key customers, primarily through participation in industry exhibitions, tendering processes and ongoing business development efforts. Our sales teams are responsible for identifying and engaging potential customers, understanding their operational requirements and managing the full sales cycle, including pre-sales support and after-sales services. For overseas markets, we develop customer relationships through international exhibitions and online channels and implement ongoing account management and business development initiatives for key customers.

In the course of expanding our market reach and showcasing our industrial capabilities, our Company has proactively participated in a number of prominent trade fairs and exhibitions, including domestic events such as the annual China Import and Export Fair (Canton Fair) (廣交會), Flowtech China (上海國際泵閥展), China Shunde (Lunjiao) International Woodworking Machinery Fair (中國順德(倫敦)國際木工機械博覽會), the Zhejiang Pumps & Electrical Machinery Exhibition* (浙江泵與電機展覽會), the Changsha International Construction Equipment Exhibition* (長沙國際工程機械展覽會) and the Taizhou Industrial Expo* (台州工博會). In addition, our Company has also participated in international events such as the Hannover Messe held in Germany, International Industry Week held in Saudi Arabia, Industrial Transformation Mexico, and WIN Eurasia held in Turkey. Through these engagements, we have strengthened our brand presence, fostered business collaborations, and kept abreast of industry developments both domestically and globally.

OUR RAW MATERIALS AND SUPPLIERS

Our raw materials and components primarily include silicon steel, enamelled copper wire, aluminium, permanent magnetic materials and casting frames. We have established a network of more than approximately 300 suppliers in China, primarily comprising manufacturers. Up to the Latest Practicable Date, we had established business relationships ranging from approximately 2 to 9 years with our five largest suppliers. Our Directors believe our stable relationships with our suppliers will continue to ensure a sufficient and reliable supply of raw materials and components, while also helping to mitigate fluctuations in raw materials going forward. See the section headed “Risk Factors — Risks relating to Our Business and Industry — Increases in prices or instability in the supply of the raw materials used in production may adversely affect our business.”

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The tables below set forth the basic information of our Group’s top five suppliers in each year during the Track Record Period:

FY2023

Suppliers	Background	Product/ services purchased	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount (RMB’000) (approximately)	% of total purchase (approximately)
Supplier A	See Note 1.	Enamelled copper wire	2021	30 days	Telegraphic transfer	113,163	23.7
Supplier B	See Note 2.	Enamelled copper wire	2017	Payment upon delivery	Telegraphic transfer	37,460	7.8
Supplier C	See Note 3.	Permanent magnetic materials	2018	Payment upon delivery	Bank acceptance draft	30,135	6.3
Supplier D	See Note 4.	Silicon steel	2017	30 days	Telegraphic transfer	29,834	6.2
Supplier E	See Note 5.	Casting frames	2018	Payment upon delivery	Telegraphic transfer	21,835	4.6
Total						232,427	48.6

FY2024

Suppliers	Background	Product/ services purchased	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount (RMB’000) (approximately)	% of total purchase (approximately)
Supplier A	See Note 1.	Enamelled copper wire	2021	30 days	Telegraphic transfer	168,225	30.8
Supplier C	See Note 3.	Permanent magnetic materials	2018	Payment upon delivery	Telegraphic transfer	28,409	5.2
Supplier B	See Note 2.	Enamelled copper wire	2017	Payment upon delivery	Telegraphic transfer	24,683	4.5
Supplier E	See Note 5.	Casting frames	2018	Payment upon delivery	Telegraphic transfer	24,473	4.5
Supplier F	See Note 6.	Silicon steel	2020	Payment upon delivery	Telegraphic transfer	20,172	3.7
Total						265,962	48.7

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FY2025

Suppliers	Background	Product/ services purchased	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount (RMB'000) (approximately)	% of total purchase (approximately)
Supplier A	See Note 1.	Enamelled copper wire	2021	30 days	Telegraphic transfer	183,097	30.9
Supplier C	See Note 3.	Permanent magnetic materials	2018	Payment upon delivery	Telegraphic transfer	34,417	5.8
Supplier B	See Note 2.	Enamelled copper wire	2017	Payment upon delivery	Telegraphic transfer	33,509	5.6
Supplier G	See Note 7.	Casting frames	2021	Payment upon delivery	Bank acceptance draft	23,767	4.0
Supplier H	See Note 8.	Silicon steel	2024	30 days	Bank acceptance draft	22,341	3.8
Total						297,131	50.1

Notes:

- Supplier A is a limited liability company located in Zhejiang, China, primarily engaging in the manufacturing and processing of enamelled copper wire and household electrical appliances with a registered share capital of approximately RMB30 million.
- Supplier B is public limited company located in Zhejiang, China, and listed on the Shanghai Stock Exchange, primarily engaging in the research, development, production, and sale of electromagnetic wires, used for motors and electrical appliances, which recorded revenue of approximately RMB12.6 billion for FY2025 and a market capitalisation of over approximately RMB6.46 billion as at 31 March 2026.
- Supplier C is a limited liability company located in Zhejiang, China, primarily engaging in the production and sale of magnetic materials and electronic special materials with a registered share capital of approximately RMB85.2 million.
- Supplier D is a limited liability company located in Shanghai, China, primarily engaging in the sale of metal materials, chemical raw materials and products, hardware and electrical equipment, electromechanical equipment with a registered share capital of approximately RMB11.1 million.
- Supplier E is a limited liability company located in Jiangsu, China, primarily engaging in the research and development of electromechanical technology; the production, processing, and sale of motors, metal molds, and auto parts with a registered share capital of approximately RMB50 million.
- Supplier F is a limited liability company located in Shanghai, China, primarily engaging in the sale of metal materials and products, mineral products, chemical products, hardware and electrical equipment, and timber with a registered share capital of approximately RMB10 million.
- Supplier G is a limited liability company located in Zhejiang, China, primarily engaging in the manufacturing, processing, and sales of mechanical parts and components with a registered share capital of approximately RMB100,000.
- Supplier H is a limited liability company located in Shanghai, China, primarily engaging in the sale of metal materials, building materials, hardware and electrical products, communication equipment, mechanical and electrical equipment with a registered share capital of approximately RMB26 million.

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As of the Latest Practicable Date, none of our Directors, their respective close associates or any of our shareholders (who, to the knowledge of the Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year during the Track Record Period.

Procurement

We have a procurement system and primarily adopt a combination of order-based procurement and safety stock management. We organise procurement based on historical data accumulation and customer order requirements while also maintaining a certain level of safety stock based on upstream and downstream industry conditions. Our suppliers are predominantly located in the Yangtze River Delta region, enabling relatively fast supply chain response times and lower transportation costs.

We primarily procure products such as silicon steel, enamelled copper wire, aluminium, permanent magnetic materials and casting frames. These products are readily available in the market, with mature trading mechanisms and pricing systems, and their prices are relatively transparent. We have established a supply department responsible for controlling and managing our entire procurement process. For major raw material suppliers, we generally conduct a comprehensive evaluation covering aspects such as quality assurance, delivery reliability, pricing levels and cooperation attitude, and determine a list of approved suppliers annually. After identifying approved suppliers, we sign either framework procurement contracts or specific procurement contracts. For each type of major raw material, we ensure there are generally two to three approved suppliers. After each batch of raw material procurement, our quality department conducts sample inspections. For critical components and materials, inspection reports are issued. The prices of raw materials we procure are generally determined through negotiation with our suppliers, based on market benchmark prices. Our procurement department is responsible for monitoring the price trends of major raw materials and communicates with suppliers regarding raw material prices from time to time. Prices fluctuate significantly depending on market conditions. During the Track Record Period and up to the Latest Practicable Date, we did not experience shortages of silicon steel, enamelled copper wire, aluminium, permanent magnetic materials and casting frames that materially affected our operations.

Salient Terms of Agreements with Suppliers

The salient terms of our purchase contracts with our suppliers during the Track Record Period are set out below:

- ***Specifications.*** The product name, specification, price, quantity, delivery timeline and other detailed items are specified in the agreements.
- ***Payment and delivery.*** We are responsible for timely payment, typically through telegraphic transfer or payment in cash upon delivery provided no major defects exists. We usually accept delivery either at the supplier’s site or at our site. If delivery is made at the supplier’s site, we will handle transportation and bear the relevant costs. If delivery is made to our site, the supplier will be responsible for delivery and its associated costs.
- ***Quality control.*** If products are found non-compliant after acceptance, we will provide written objection to the supplier, who must bear all economic loss or provide suitable replacements within a specified period after receiving the written notice.
- ***Termination.*** Generally, both parties are entitled to terminate the contract upon mutual written consent.

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BUSINESS ACTIVITIES WITH CUSTOMERS IN COUNTRIES SUBJECT TO INTERNATIONAL SANCTIONS

The United States and other jurisdictions or organisations, including the European Union, the United Kingdom, the United Nations and Australia, have, through executive orders, legislation or other governmental measures, implemented international sanctions targeting entities and individuals, including sanctioned targets, entities and individuals that are nationals of or located in certain sanctioned countries, and entities and individuals that are associated with certain industries or sectors in specific countries.

During the Track Record Period, based on the information provided by us, our International Sanctions Legal Advisers has advised us that we made certain sales and deliveries of motors to customers in transactions that were identified as potentially involving goods, services or payments to, or for the benefit of, an entity on the Specially Designated Nationals and Blocked Persons List (“**SDN List**”) maintained by the Office of Foreign Assets Control (“**OFAC**”) with secondary sanctions risk indicators (“**SDN Sales**”). The SDN Sales involved total payments of approximately US\$75,000 during the Track Record Period. In addition, based on the information provided by us, our International Sanctions Legal Advisers has advised us that certain Russia-related transactions involved receipt of funds through a financial institution on the SDN List (“**SDN Payments**”). Our Directors confirm the SDN Payments involved receipts from two customers during the Track Record Period, in an aggregate amount of approximately RMB640,000.

We have engaged Katten Muchin Rosenman LLP, our International Sanctions Legal Advisers, to perform procedures to assess our compliance with international sanctions laws and regulations and evaluate our risk of exposure and potential penalties under the international sanctions laws and regulations. Our Directors confirm that, as of May 2025, we ceased all transactions involving entities on the SDN List.

Our International Sanctions Legal Advisers has advised us that the risk that our sales during the Track Record Period constituting sanctioned activity under international sanctions enacted by relevant jurisdictions is low, with the exception of the SDN Sales and SDN Payments discussed below.

Primary Sanctions Risks

Our International Sanctions Legal Advisers has advised us that, under the International Emergency Economic Powers Act (“**IEEPA**”) and other applicable laws, U.S. economic sanctions administered by OFAC may apply to activities involving a U.S. nexus, such as funds transfers denominated in U.S. currency that clear through the U.S. financial system.

As advised by our International Sanctions Legal Advisers, during the Track Record Period, no activity that would constitute a direct violation of U.S. primary sanctions laws and regulations was identified during the Track Record Period.

However, as advised by our International Sanctions Legal Advisers, as the SDN Sales were denominated in U.S. dollars and processed through U.S. financial institutions, such transactions may implicate U.S. primary sanctions restrictions applicable to U.S. persons and U.S. financial institutions, and could give rise to direct U.S. sanctions exposure if we were found to have caused a U.S. person to process a prohibited transaction or otherwise to have evaded U.S. sanctions. Should such transactions implicate U.S. primary sanctions, we may face administrative penalties and reputational harm.

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Secondary Sanctions Risks

Our International Sanctions Legal Advisers has further advised us that the provision of material assistance to entities on the SDN List with secondary sanctions risk indicators could create exposure under U.S. secondary sanctions.

During the Track Record Period, the SDN Sales involved total payments of approximately US\$75,000. In addition, the SDN Payments involved receipts from two customers during the Track Record Period, in an aggregate amount of approximately RMB640,000.

Our International Sanctions Legal Advisers has advised us that the SDN Sales and the SDN Payments may create exposure under U.S. secondary sanctions. In light of our Russia-related dealings during the Track Record Period, and given that the assessment of secondary sanctions risk and material assistance is highly fact-specific and depends on, among other factors, the identity and ownership of counterparties, the nature of the goods, payment flows, trans-shipment arrangements, and whether any blocked person or other sanctionable nexus was involved, our International Sanctions Legal Advisers has advised that potential exposure to U.S. secondary sanctions cannot be ruled out. Secondary sanctions risks may arise in particular in respect of the SDN Sales and the SDN Payments. Our International Sanctions Legal Advisers has advised that such transactions present heightened concerns as to potential secondary sanctionable activity. Whether such transactions would result in sanctions being imposed on us or other relevant persons is subject to the discretion of OFAC and other competent authorities and is highly dependent on the specific facts and circumstances. Should OFAC and other competent authorities decide to impose sanctions, we may be designated to the SDN List and face reputational harm.

However, our International Sanctions Legal Advisers has advised that, in light of the nature of the SDN Sales and SDN Payments and the fact that SDN Sales and SDN Payments were of relatively small amount, it is less likely that we would be viewed as providing material assistance to the said counterparties and hence the possibility that SDN Sales and SDN Payments will result in the exercise of discretionary authority under secondary U.S. sanctions is relatively low.

Sanctions Risks to Relevant Persons Resulting from Participation in [REDACTED]

Given the scope of the [REDACTED] and the expected [REDACTED] as set out in this document, the cessation of the relevant activities, the remedial measures, and the internal control measures implemented by us, our International Sanctions Legal Advisers is of the view that parties involved in the [REDACTED] will not be implicated by any applicable international sanctions, including our Company and our subsidiaries (solely for the participations in the [REDACTED]), the respective directors and employees of our Company and our subsidiaries, our Company’s or our subsidiaries’ [REDACTED], Shareholders, the Stock Exchange, the [REDACTED] and group companies, or any person involved in the [REDACTED], and accordingly, the sanctions risk exposure to our Company (solely for the participations in the [REDACTED]), its [REDACTED] and Shareholders, and persons who might, directly or indirectly, be involved in permitting the [REDACTED], [REDACTED], and [REDACTED] of our Shares (including the Stock Exchange, the [REDACTED] and related group companies) as a result of such involvement in the [REDACTED] is low.

Our Internal Control Measures to Minimise International Sanctions Risk

We will continue to enhance internal control and risk management measures which we believe enable us to better monitor and evaluate our business and to address economic sanctions risks.

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In particular, our International Sanctions Legal Advisers has recommended the following compliance measures (the “**Recommended Measures**”). Our International Sanctions Legal Advisers are of the view that, the Recommended Measures are consistent with guidance published by OFAC regarding sanctions compliance programs, and, if properly implemented, updated, and enforced, are designed to enable us to comply with applicable International Sanctions laws and to address sanctions risks. We had subsequently implemented the aforementioned Recommended Measures by 23 April, 2026 to control and monitor our exposure to sanctions risks:

- We adopted a trade compliance policy (the “**Trade Compliance Policy**”) for the purposes of complying with applicable International Sanctions enacted by Relevant Jurisdictions.
- Our Trade Compliance Policy includes appropriate procedures:
 - to screen customers and suppliers against the lists of individuals, entities, and regions subject to International Sanctions enacted by Relevant Jurisdictions;
 - to determine the extent to which our Company’s business with customers and suppliers may expose the Company to legal, commercial, or reputational risks; and
 - to determine appropriate measures to mitigate such risks.
- Our corporate management office coordinates the implementation of the Trade Compliance Policy. High-risk issues shall be escalated to senior management for final decisions when necessary.
- Our corporate management office may engage external legal advisers with relevant expertise and experience in sanctions matters to evaluate the sanctions risk as and when necessary and will formulate risk management measures taking into account the advice and recommendations provided by such external legal advisers.
- Our corporate management office shall arrange appropriate compliance training for our senior management and other relevant personnel to assist them in evaluating the potential sanctions risks in our daily operations.
- Our corporate management office shall continuously monitor developments in International Sanctions laws and regulations, so as to timely and effectively determine appropriate measures to mitigate such risks.

INTELLECTUAL PROPERTY

Intellectual property rights are important to our business. Our future commercial success depends, in part, on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and know-how related to our business.

As at the Latest Practicable Date, we had 66 registered patents (including 15 inventions, 48 utility models and 3 designs) and 3 patent applications in China (including 2 inventions and 1 utility model). We held 22 registered trademarks in China and 9 registered trademarks overseas. We also had 15 software copyrights in China, and had 7 domain names in China. For further details, see the section headed “Appendix VII — Statutory and General Information — A. Further Information about Our Business — 2. Intellectual Property Rights” in Appendix VII in this document. During the Track Record Period and up to the Latest Practicable Date, we did not encounter any impediments in intellectual property rights applications.

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To protect our trade secrets and other proprietary technologies, our employees’ labour contracts generally contain confidentiality clauses, pursuant to which all confidential information must not be disclosed to third parties during or after the termination of employment, and any scientific research achievements, technical secrets or invention patents developed by employees in the course of performing their duties, as well as related intellectual property rights, shall belong to our Company. Moreover, upon resignation or termination of employment, all documents or records of any form that contain our business secrets must be returned to us and must not be copied. In addition, we proactively protect and enforce our intellectual property rights by signing agreements with confidentiality clause with industry organisations and academic institutions.

During the Track Record Period and up to the Latest Practicable Date, we are not aware of (i) any material infringement by us of any intellectual property rights of third parties, or (ii) any material infringement by any third party of intellectual property rights owned by us. During the Track Record Period and up to the Latest Practicable Date, we are not aware of any pending or potential legal claims against our Group in connection with any infringement of intellectual property rights of third parties. For more details of the risks of legal claims against our Group in relation to the infringement of third party intellectual property rights, please see the section headed “Risk Factors — Risks relating to Our Business and Industry — An inability to protect our intellectual property rights, or actual or alleged infringement of a third-party intellectual property rights, could adversely affect our business.” in this document.

EMPLOYEES

As at 31 December 2025, we had approximately 932 full-time employees, all of whom were based in the PRC. The following table sets forth the number of our employees by function as at 31 December 2025:

Employee Function	Number of employees
Management	129
Production	514
Research and Development	201
Administration	50
Sales and Marketing	27
Finance	11
Total	932

We normally recruit employees through online recruitment platforms and posting recruitment notices. We use our best endeavours to attract and retain appropriate and suitable workers to serve our Group. Our remuneration plans are formulated based on job responsibilities and management levels. This encourages employees to pursue specialised career paths and develop in-depth expertise in their respective fields, whilst also ensuring that pay is commensurate with the value employees contribute.

We enter into employment contracts and agreements regarding confidentiality, intellectual property and non-competition with our employees, under which all technical know-hows obtained by the employees during the course of their employment are subject to confidentiality. Further, when employees are hired, we give them an employee handbook, which informs them of our policies and their rights in all material respects, from recruitment, compliance, salary, benefits, performance assessment to training and development.

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After recruitment, we provide or arrange various types of training to our employees. Our training programmes are also categorised based on job responsibilities and management levels. Training content covers departmental functions, job responsibilities, work procedures, operating regulations, safety and environmental protection knowledge, and other topics. Training methods include both internal and external training. Through internal knowledge sharing, inviting external experts and sending staff on external training courses, we are able to enhance employees’ theoretical knowledge and skill levels, building a workforce with strong professional capabilities and high standards of professional conduct. Personnel are also required to complete a designated amount of training annually, the completion of which will be reflected in periodic performance evaluations.

We have established a labour union dedicated to safeguarding the rights and interests of our employees. We had maintained a good relationship with our employees and did not have any material labor dispute during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

We maintain insurance policies in accordance with relevant laws and regulations and based on our assessment of our operational needs and industry practice. Our Directors believe that our insurance coverage is adequate for our business and in line with general market practice. We will continue to review and assess our risk portfolio and make necessary and appropriate adjustments to our insurance plans to align with our needs and with industry practice. During the Track Record Period and up to the Latest Practicable Date, we had maintained social insurance for our employees in the PRC to provide protection against employees’ risks of work-related injuries and occupational diseases. In line with general market practice, we do not maintain certain policies that are not generally required by laws. See “Risk Factors — Risks Relating to our Business and Industry — Our insurance coverage may be sufficient to cover all losses or potential claims, which could adversely affect our business, financial condition and results of operations”. During the Track Record Period and up to the Latest Practicable Date, we had not made and had not been subject to any material claim of insurance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Our Company has embedded ESG principles into our business operations and decision-making processes, committed to driving long-term value creation through sustainable development. By benchmarking against the ESG Reporting Code of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the IFRS Sustainability Disclosure Standards, the Global Reporting Initiative (GRI) Standards, and industry best practices, we have identified key ESG issues covering areas such as corporate governance, climate change response, pollutant emissions, energy utilisation, employee health and safety, and product quality, thereby laying the foundation for establishing a materiality map.

ESG Governance

- *The Board of Directors*: as the highest decision-making body, responsible for approving ESG strategies, policies, and overall plans; identifying, assessing, and prioritising material ESG issues and related risks; establishing an ESG risk management and internal control system tailored to business characteristics and ensuring its effective operation; setting ESG goals, regularly reviewing progress, and approving ESG reports.

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- *The Strategy and Investment Committee:* as the coordinating management body, responsible for researching ESG strategies, major plans and decisions, providing recommendations, and driving ESG implementation; overseeing material ESG matters, identifying and assessing risks and opportunities, and monitoring annual ESG performance; reviewing ESG reports and disclosure documents.
- *The ESG Working Group:* as the coordinating and executive body, responsible for facilitating collaboration among departments and third-party organisations to advance the implementation of ESG initiatives; collecting and organising stakeholder engagement materials; and regularly submitting analyses of material issues and improvement recommendations to the Strategy and Investment Committee.

ESG And Climate-related Risk Management

Our Company has fully integrated ESG risks into its overall risk management framework, establishing systematic management processes. We conduct regular targeted risk assessments using multi-dimensional evaluation methods to develop and implement differentiated risk response strategies.

- *Risk identification:* systematically map ESG-related risk points throughout the entire business process;
- *Risk assessment:* analyse the likelihood of occurrence and the potential impact of risks;
- *Risk response:* develop targeted control measures and emergency plans;
- *Monitoring and reporting:* continuously track risk changes and report regularly to management;
- *Continuous improvement:* continuously improve control measures based on monitoring results and management reviews.

Regarding climate-related risks and opportunities, we reference the Task Force on Climate-related Financial Disclosures (TCFD) framework to establish a risk and opportunity identification process. By reviewing existing business activities, we assess and analyze potential climate change risks at each operational stage, evaluating their potential impact on Our Company’s operations and finances. Based on risk assessment results, we develop response strategies while simultaneously identifying opportunities presented by climate change, thereby improving our performance in climate change governance.

Risks	Description	Impact Duration	Potential Impact	Mitigation Measures
Physical Risks				
Acute Risks	Major production and operation facilities are located in coastal areas, which are vulnerable to extreme weather events, such as floods and typhoons. Extreme weather events may adversely affect production facilities, the stability of water and power supply, and thus disrupt production activities	Short-to-medium term	Reduced income : production disruptions, and delayed product delivery will result in economic losses	• Formulate emergency response plans for extreme weather, conduct emergency drills, and prevent potential damages caused by extreme weather events • Establish extreme weather early warning mechanism, conduct real-time meteorological monitoring, issue timely warnings, and ensure sufficient time for response measures

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Risks	Description	Impact Duration	Potential Impact	Mitigation Measures
Chronic Risks	Sustained increases in average temperatures may lead to higher energy consumption of refrigeration systems and production disruptions due to equipment overheating	Medium-to-long term	- Cost increase: higher energy consumption of refrigeration equipment drives up operating costs - Revenue decrease: production disruptions and delayed product delivery result in economic losses	- Increase proportion of renewable energy used in refrigeration equipment. - Implement workshop cooling schemes during high-temperature seasons
Transition Risks				
Policy and Legal Risk	As carbon emission regulation becomes increasingly stringent, it may lead to the idling, depreciation or obsolescence of high-energy-consuming equipment	Short-to-medium term	Cost increase: to meet regulatory requirements, it may be necessary to increase investment in new production processes and retrofit high-energy-consuming and high-emission equipment	Track policy developments in real time and adjust business strategies flexibly
Reputational Risk	Stakeholders such as customers and investors are paying increasing attention to the enterprise's carbon emission performance. The lack of green, low-carbon technologies and products may make it difficult to satisfy all parties' demands, and even trigger negative public opinions, damaging our Company's reputation	Medium-to-long term	Revenue decrease: customers and investors may lose trust in the enterprise and its products, thereby affecting market competitiveness and leading to a decline in revenue	Integrate ESG risks into our Company's overall risk control framework to prevent negative incidents
Market Risk	Market demand for low-carbon products is growing. Failure to meet this demand may expose the enterprise to the risk of declining market share	Medium-to-long term	Cost increase: failure to meet market demand for low-carbon products may require additional funds to be invested in technical transformation and equipment upgrading which push up costs	- Strengthen R&D of green and low-carbon products, enhance the promotion of the green and low-carbon brand image - Set clear emission reduction targets and indicators, and plan and implement emission reduction actions
Technical Risk	Technical innovation is required to adapt to the rapid development of low-carbon technologies. Failure in low-carbon technology R&D may result in a disadvantageous position in market competition	Medium-to-long term	Cost increase: to keep pace with the development of low-carbon technologies, additional funds need to be invested to support R&D, thereby increasing costs	- Increase investment in the independent R&D of low-carbon technologies - Carry out cooperative R&D with leading industry partners or institutions

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We understand that risks and opportunities often go hand in hand, and this is equally true for climate change-related issues. Therefore, while systematically identifying potential risks, we also place significant emphasis on identifying and articulating the opportunities that arise from them.

Opportunities	Description	Impact Level	Impact Duration	Potential Impact
Energy Management	With the popularisation of renewable energy, their usage costs are gradually declining, which may reduce energy expenses	High	Medium-to-long term	Cost reduction: clean energy with decreasing costs generates little hazardous waste, eliminating the requirements for extra investments in waste treatment and thus lowering operating costs
Products and Services	Market demand for low-carbon footprint products is growing, and low-carbon products indicate rising market demand	High	Long-term	Revenue increase: growing customer demand for low-carbon products and services, coupled with the booming low-carbon product market may enhance market competitiveness, attract more orders, and boost revenue
Brand premium	Green energy transition may enhance low-carbon brand premium	High	Long-term	- Brand strength improvement: integrate carbon management and climate risk management into the long-term strategy, internalise them as our Company's operational guidelines and innovation drivers, and establish a low-carbon brand image - Revenue increase: customers are willing to pay a premium for low-carbon products and brands, thereby increasing revenue

Waste and Air Pollutant Management

Our Company rigorously implements emissions management throughout its operations by establishing the Wastewater Treatment Management System, Stormwater and Sewage Pipe Network Management System, Hazardous Waste Management System, Hazardous Waste Warehouse Management System, and Hazardous Waste Labeling System. These systems define emission standards, monitoring procedures, and accountability for violations, aiming to control and reduce pollutant emissions generated during our production processes, including wastewater, exhaust gas, solid waste, domestic waste, noise, radiation pollution, and thermal pollution.

- Wastewater management:* we strictly comply with national water pollution prevention and control regulations, including the Law of the People's Republic of China on the Prevention and Control of Water Pollution, and have obtained the requisite pollutant discharge permits, upholding our environmental responsibility to discharge pollutants in accordance with permit requirements. By optimizing wastewater treatment processes and constructing treatment facilities, we ensure that wastewater discharge meets local operational standards. Additionally, we implement measures such as clean-drainage separation and closed-loop circulation to enhance the recycling rate of production wastewater and reduce discharge volumes.

Indicator	2023	2024	2025
Total wastewater discharge (m ³)	39,000.00	40,028.00	46,075.00
Wastewater discharge intensity (m ³ /person)	42.53	42.95	49.44

- Exhaust gas management:* exhaust gases generated during production are managed through classified treatment. For gases containing pollutants such as sulfur oxides (SO_x), nitrogen oxides (NO_x), and particulate matter (PM), we employ enclosed collection systems followed by activated carbon adsorption and condensation treatment to achieve compliant emissions.

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Indicator ⁽¹⁾	2023	2024	2025
SO _x (kg)	0.54	452.49	620.46
NO _x (kg)	24.38	484.86	556.12
PM (kg)	2.14	590.94	852.70

(1) In accordance with the management requirements of the Ministry of Ecology and Environment regarding the National Pollutant Discharge Permit Management Information Platform, data on sulfur oxides (SO_x), nitrogen oxides (NO_x), and particulate matter (PM) emissions from production facilities have been added as mandatory disclosure items for the issuance and renewal of the Pollutant Discharge Registration Certificate starting from 2024. Accordingly, Our Company has completed the calculation, registration, and disclosure of relevant data as required since 2024, in response to stakeholders’ concerns regarding the management of air pollutant emissions.

- *Noise management:* we rigorously implement relevant provisions of the Law of the People’s Republic of China on the Prevention and Control of Environmental Noise Pollution. Addressing noise at both the source and along transmission pathways, we adopt measures tailored to the characteristics of each noise source, including optimizing equipment selection, adding sound-absorbing materials, and installing noise barriers to mitigate noise pollution generated by machinery during production.
- *Waste management:* we systematically promote classified waste management. For non-hazardous waste such as cardboard boxes, wooden pallets, and domestic waste, we implement standardised controls throughout the entire process, engaging professional agencies for collection, storage, transportation, and disposal while establishing a traceable management system. For hazardous waste listed in the National Hazardous Waste List, including paint residues and waste oil, we engage qualified entities for treatment. Our Company also strengthens resource recycling by configuring specialised equipment for the reprocessing of materials such as waste wood and metal scrap, significantly improving the comprehensive utilisation rate of waste.

Indicator	2023	2024	2025
Total hazardous waste (Tonne)	0.62	0.54	0.52
Hazardous waste intensity (Tonne/person)	0.00068	0.00058	0.00056
Total non-hazardous waste (Tonne)	0.48	0.47	0.47
Non-hazardous waste intensity (Tonne/person)	0.00053	0.00051	0.00050
Paper packing (Tonne)	249.53	311.92	497.82
Wood packing (Tonne)	2,275.05	2,243.11	3,003.88
Total packaging material used (Tonne)	2,524.58	2,555.03	3,501.70
Intensity of packaging material use (Tonne/person)	2.75	2.74	3.76

Energy Management

Our Company strictly complies with the Energy Conservation Law of the People’s Republic of China and continuously optimises its energy management system. We have established regulations including the Energy and Energy Equipment Management System, Energy-Saving Management System for Electrical Equipment, Energy Conservation Control System, Energy-Saving Management System for Motor Operation, Power Supply and Distribution Management System, Lighting Management System, Energy Use Guidelines for Office Personnel, and Air Conditioning Energy-Saving Management System to standardise the development of our energy management system. Additionally, we have formulated the Energy Statistics Management System and Measuring Instruments (Energy) Management System,

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established an energy quota indicator framework, and improved our energy metering system to implement refined energy management. We continuously strengthen internal energy statistics management to enhance energy utilisation efficiency and optimise cost-effectiveness.

Our Company primarily relies on municipal power supply for production operations. To reduce electrical energy consumption, we are promoting the transition of our energy structure toward clean energy sources, decreasing dependence on traditional fossil fuels to lower energy consumption and alleviate environmental pressure. Specific energy-saving initiatives include:

- *Utilisation of renewable energy:* installation of distributed photovoltaic (PV) power generation; replacement of fuel vehicles with new energy transport vehicles;
- *Promotion of lighting energy efficiency:* retrofitting lighting facilities within the plant area with LED energy-saving light sources, which consume only 1/10 of the energy used by incandescent lamps and 1/4 of that used by energy-saving lamps;
- *Equipment management:* standardizing air conditioning temperature settings and restricting usage hours; reducing standby power consumption of electrical equipment and appropriately configuring computer power plans;
- *Green procurement:* encouraging the procurement of energy-saving and eco-labeled products.

Indicator	2023	2024	2025
Direct energy consumption — Petrol (MWh)	247.27	242.83	225.05
Direct energy consumption — Diesel (MWh)	111.20	83.50	81.34
Direct energy consumption — Natural gas (MWh)	5,856.01	6,495.22	6,119.95
Direct energy consumption — Solar power (MWh)	4,039.10	4,350.64	5,313.78
Total direct energy consumption (MWh)	10,253.58	11,172.19	11,740.12
Indirect energy consumption — Purchased electricity	4,648.92	6,747.90	7,552.02
Total indirect energy consumption (MWh)	4,648.92	6,747.90	7,552.02
Total energy consumption (MWh)	14,902.50	17,920.09	19,292.14
Energy consumption intensity (MWh/person)	16.25	19.23	20.70

Water Management

Our Company sources all water from municipal supplies, with no significant direct or indirect water-related impacts arising from water withdrawal, consumption, discharge, or changes in storage volume. We have established a comprehensive, full-process water management system that includes developing water usage budgets, implementing dynamic monitoring systems, analyzing water consumption data, optimizing water use processes, and strengthening employee training on water conservation. Through this lifecycle approach to water management, we aim to minimise water-related risks and ensure the sustainability of water resources. With our wastewater treatment facilities, Our Company maintains a 100% compliance rate for wastewater discharge.

Indicator	2023	2024	2025
Municipal Water Supply (m ³)	42,145.00	50,036.00	57,594.00
Total water consumption (m ³)	42,145.00	50,036.00	57,594.00
Water consumption intensity (m ³ /person)	45.96	53.69	61.80
Total wastewater discharge (m ³)	39,000.00	40,028.00	46,075.00
Wastewater discharge intensity (m ³ /person)	42.53	42.95	49.44

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Climate Change Response

Our Company integrates national energy conservation and emission reduction policies into our strategic decision-making and daily operations, systematically identifying and managing greenhouse gas emission sources. We calculate Scope 1 (direct emissions) and Scope 2 (indirect emissions) greenhouse gas data and develop science-based reduction pathways to ensure our carbon reduction initiatives align with the national strategy of achieving “carbon peak and carbon neutrality”. We are committed to steadily advancing business development while driving green transformation through quantitative management, continuously enhancing our climate resilience capabilities.

Indicator	2023	2024	2025
Scope 1 (tCO ₂ e)	95.05	87.06	81.65
Scope 2 (tCO ₂ e) ⁽²⁾	2,466.72	3,580.44	4,007.10
Total GHG emissions (tCO ₂ e)	2,561.77	3,667.50	4,088.75
GHG intensity (tCO ₂ e/person)	2.79	3.94	4.39

- (2) Scope 2 greenhouse gas emissions are calculated based on the 2023 national average carbon dioxide emission factor for electricity of 0.5306 kgCO₂/kWh, jointly published by the Ministry of Ecology and Environment of the People’s Republic of China and the National Bureau of Statistics.

Employee Rights and Benefits

Our Company complies with laws and regulations including the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China. We have established the Recruitment, Hiring, Transfer, and Resignation Management System and sign labor contracts with all regular employees in accordance with the law, based on the principles of equality, voluntariness, and mutual agreement. Additionally, we have formulated the Social Insurance and Housing Fund Management System and Compensation Management System to promote equal employment and uphold equal pay for equal work. We ensure that employees are not discriminated against during the recruitment process based on race, gender, age, marital status, religious belief, or other factors, and prohibit child labor, forced labor, sexual harassment, and any other misconduct. We are firmly committed to safeguarding the dignity and safety of every employee.

Employment Indicator	2023	2024	2025
By genders			
Male	573 (62.49%)	600 (64.38%)	613 (65.77%)
Female	344 (37.51%)	332 (35.62%)	319 (34.23%)
By age groups			
Under 30	109 (11.89%)	103 (11.05%)	111 (11.91%)
30–50	533 (58.12%)	505 (54.18%)	477 (51.18%)
50 and above	275 (29.99%)	324 (34.77%)	344 (36.91%)
By employment types			
Full-time	917 (100.00%)	932 (100.00%)	932 (100.00%)
Part-time	0 (0.00%)	0 (0.00%)	0 (0.00%)
By geographical regions			
Domestic	917 (100.00%)	932 (100.00%)	932 (100.00%)
Overseas	0 (0.00%)	0 (0.00%)	0 (0.00%)

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Occupational Health and Safety

Our Company complies with laws, regulations, and regulatory requirements related to occupational health and safety, including the Workplace Safety Law of the People’s Republic of China and the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases. We have established and continuously improved our occupational health and safety management system to create a healthy, safe, and comfortable working environment, safeguarding employees’ lives and health as well as our Company’s property. We systematically identify risk factors in production activities related to environmental protection, occupational health, workplace safety, and fire prevention. Through the formulation and implementation of systems such as the Occupational Health and Safety Management Standards and the Labor Protection Supplies Distribution and Management System, we dynamically manage major hazard sources.

We consistently prioritise employee occupational health. In accordance with relevant regulations including the Regulations on Occupational Health Supervision and Management in the Workplace, the Measures for the Administration of Occupational Health Examinations, and the Regulations on Work-Related Injury Insurance, we implement classified management and comprehensive treatment principles to strengthen occupational health management and occupational disease prevention, ensuring employees’ occupational health and personal safety. Furthermore, regarding employee safety education, we conduct safety training for high-risk and critical positions to help employees master safe operating procedures and enhance workplace safety awareness. We regularly inspect and maintain safety facilities, and over the Track Record Period, all on-site safety facilities have been operating normally.

Indicator	2023	2024	2025
Lost-days due to work injury (days)	619.33	397.83	330.83
Work-related fatalities (person)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Work-related injuries (case)	26	21	25

Employee Development

Our Company consistently focuses on the career development of our employees, establishing fair and equitable promotion mechanisms and building a scientific employee training system to provide broad career development opportunities. Regarding compensation and benefits, we have formulated internal policies including the Compensation Management System to define the composition of compensation structures and establish a performance-oriented compensation management system based on job value. This ensures compliance, fairness, and rationality in compensation distribution. In terms of employee training, we have developed regulations such as the Training Management System to build a comprehensive employee training framework that enhances employees’ professional competence and skill levels, thereby maintaining the innovation vitality and competitiveness of our talent pool.

Indicator	2023	2024	2025
Training hours ⁽³⁾	2,010.00	2,242.00	2,288.00
Average training hours per employee ⁽⁴⁾	7.88	5.79	5.07

(3) Total training hours exclude on-the-job operational trainings.

(4) Average training hours per employee are calculated by dividing the total training hours received by a specific category of employees by the number of employees in that category who participated in the training.

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Supply Chain Management

Our Company is committed to integrating ESG principles into supply chain management, fostering a transparent and green supply chain environment, establishing healthy, transparent, and stable supplier relationships, and promoting the development of the industry ecosystem. Based on our current business operations and future plans, we have built a supply chain management system and formulated policies including the Qualified Supplier Control Procedure to regulate supplier management and procurement personnel operations at all levels from the following aspects:

- *Supply chain management:* we regulate processes for supplier development, selection, evaluation, and assessment, while establishing a supply chain risk early warning and monitoring mechanism. We regularly assess potential risks and formulate targeted measures to continuously enhance risk prevention capabilities, ensuring supply chain stability and security.
- *Procurement management:* we comply with the Tendering and Bidding Law of the People’s Republic of China and its implementing regulations, rigorously controlling the entire procurement process. We uphold the principle of transparent procurement, conduct compliance and integrity training, and ensure all procurement activities are legal and compliant, thereby building a responsible supply chain.
- *Supplier admission and evaluation:* we place strong emphasis on suppliers’ sustainable development and ESG governance performance, incorporating environmental impact, pollutant emissions, occupational safety, community contributions, and business ethics into the supplier evaluation and assessment system. Suppliers with outstanding ESG performance are given priority for collaboration under equal conditions. Suppliers that consistently fail to meet performance standards are required to make improvements within a specified timeframe or face elimination.

Indicator	2023	2024	2025
Total Number of Suppliers	364	367	365
Domestic	364 (100.00%)	367 (100.00%)	365 (100.00%)
Overseas	0 (0.00%)	0 (0.00%)	0 (0.00%)

Product Responsibility

Our Company actively ensures product quality and safety by effectively monitoring the quality of products during the mass production stage. We regularly establish quality improvement objectives and plans, tracking project progress on a monthly basis. An internal quality management audit is conducted annually. Over the Track Record Period, our products have not been subject to any penalties for violations of laws or regulations related to products and services.

Indicator	2023	2024	2025
Number of products recalled for safety and health reasons	3,526 (0.61%)	2,974 (0.44%)	3,078 (0.37%)
Number of complaints received regarding products and/or services	88	97	96

Anti-corruption

Our Company has established internal anti-corruption policies that define requirements and implementation standards, building a foundation of integrity from a institutional perspective. We provide diversified training programmes for employees and organise specialised integrity and compliance training sessions for core suppliers, ensuring that all aspects of the supply chain meet ethical business standards, preventing commercial bribery risks at the source, and safeguarding compliant and stable

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business operations. Additionally, we have established comprehensive complaint channels. Stakeholders can report issues through dedicated telephone lines, specialised email addresses, and other fixed channels, or submit complaints through various online and offline methods such as corporate WeChat and face-to-face meetings, enabling comprehensive opinion collection and supervisory response. We strictly protect whistleblower information, ensuring that employees and stakeholders can exercise their reporting rights without hindrance. There are no concluded legal cases regarding corruption brought against our Company during the Track Record Period.

Community Investment

Our Company continues to deepen collaboration with various stakeholders and actively participates in community development. With a strong sense of social responsibility, we invest in charitable causes and rural revitalisation strategies, giving back to society through concrete actions that demonstrate our corporate commitment and inject sustained momentum into high-quality economic and social development. Over the Track Record Period, we have contributed charitable donations of RMB143,000, RMB13,000, and RMB130,000 respectively. Our employees have also dedicated over 3,000 hours annually to participating in volunteer activities. We also care for our retired staff by conducting biannual visits to extend our regards.

PROPERTIES

Our corporate headquarters is located at Taizhou, Zhejiang Province, China. As at the Latest Practicable Date, we owned the land use rights of 5 parcels of land in Zhejiang Province, China with an aggregate site area of over approximately 182,600 sq.m. We primarily use these properties as our production facilities and warehouses. All these land parcels have been granted land use right certificates. Further, as at the Latest Practicable Date, we owned 8 properties located in Zhejiang Province, China, comprising factory premises with a total gross floor area of over approximately 114,000 sq.m..

As at the Latest Practicable Date, we leased 7 properties in the PRC with an aggregate gross floor area of over approximately 25,500 sq.m. Our leased properties are primarily used for commercial purposes, production and operations. As of the Latest Practicable Date, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. As of the Latest Practicable Date, 50 of our lease agreements had not been registered with relevant authorities. See “Risk Factors — Risks Relating to our Business and Industry — Failure to comply with PRC property-related laws and regulations regarding certain of our leased properties could adversely affect our business.”

LICENCES, APPROVALS AND PERMITS

We have obtained various permits, approvals and certificates for our business. As advised by our PRC Legal Advisor, we had obtained the requisite approvals and permits from, and have made all the filings with the applicable authorities which were material to our operations, and such approvals and permits are valid and subsisting as of the Latest Practicable Date. In addition, our products and R&D procedures passed various industry-recognised certifications and tests for liability. The table below sets out the main qualifications and licences of which we were the registered holder as of the Latest Practicable Date:

Certificate Title	Certificate Number	Issuing Authority	Validity Period
High-Tech Enterprise Certificate (高新技術企業證書)	GR202333002526	Department of Science and Technology of Zhejiang Province, Department of Finance of Zhejiang Province, Zhejiang Tax Bureau of the State Taxation Administration* (浙江省科學技術廳、浙江省財政廳、國家稅務總局浙江省稅務局)	8 December 2023 to 7 December 2026

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Certificate Title	Certificate Number	Issuing Authority	Validity Period
Specialised, Refined, Unique and Innovative — ‘Little Giant’ Enterprise (專精特新“小巨人”企業)	—	Ministry of Industry and Information Technology (工業和信息化部)	1 July 2024 to 30 June 2027

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. See the section headed “Risk Factors — Risks Relating to our Business and Industry — Unfavourable results of legal and regulatory proceedings could materially and adversely affect our business, financial condition and performance”]

During the Track Record Period and up to the Latest Practicable Date, there were no material legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

We are subject to a wide range of PRC laws and regulations in the ordinary course of our business and operations. For details, please see the section headed “Regulatory Overview” in this document. We have been advised by our PRC Legal Adviser that during the Track Record Period and up to the Latest Practicable Date, save as disclosed under “Risk Factors — Risks relating to conducting Business in the Jurisdiction We Operate — Changes in economic, political or social conditions, or in government policies, laws, regulations, or industry practices in the jurisdictions where we operate, may adversely affect our business, financial condition and results of operations.” in this document, and there were no material non-compliance of the laws or regulations applicable to us that would have a material adverse effect on our business, financial condition or results of operations.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal Control

Our Company has designated responsible personnel to monitor ongoing compliance with PRC laws and regulations applicable to our business operations, and to oversee the implementation of necessary measures. In addition, we plan to provide our Directors, senior management and relevant employees with regular continuing training programmes and/or updates on relevant PRC laws and regulations, with a view to proactively identifying any potential non-compliance issues.

We have adopted internal rules and policies governing key aspects of our business operations and management, including information systems, physical assets, procurement, sales and marketing, financial reporting, and human resources. For instance, we have designed and implemented a series of internal control policies and procedures relating to our information systems, including authorisation procedures, as well as data security practice guidelines for our employees. In addition, we have established internal control policies covering various aspects of human resource management, such as recruitment, training, work ethics, and legal compliance. Furthermore, we have adopted policies and procedures in connection with financial reporting management, including financial and accounting policies, budget management procedures, and financial statement preparation procedures.

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During the Track Record Period, our Directors did not identify any material internal control weakness or failure. In connection with the [REDACTED], we engaged an independent internal control consultant to assess our internal control system. During March and April 2026, the internal control consultant conducted a review covering both entity-level and business process-level controls, and did not identify any material internal control weakness or failure. Based on the review, the internal control consultant issued a set of recommendations in April 2026. We have implemented rectification and improvement measures in response to those findings and recommendations. The internal control consultant performed follow-up procedures on our remedial measures in May 2026 and did not identify any material deficiency in our internal control system.

Having considered the report prepared by the internal control consultant, our Directors confirmed that all major recommendations made by the consultant have been adopted and corresponding corrective actions have been taken to address our internal control deficiencies and weaknesses. Our Directors are of the view that our enhanced internal control measures are adequate and effective to ensure compliance with relevant laws and regulations on a going-forward basis.

Risk Management

We are exposed to various risks in the course of our business operations, and our Directors believe that effective risk management is essential to our success. Key operational risks we face include, among others, our ability to retain and grow our customer base and usage levels, our ability to respond to technological changes, competitive pressures in the relevant industries, and our ability to successfully expand into new industry sectors and develop market recognition therein. For a discussion of the various risks we face, please see the section headed “Risk Factors” in this document. In addition, we are subject to various market risks arising in the ordinary course of business, including foreign currency risk, interest rate risk, credit risk, liquidity risk and price risk. Please see the section headed “Financial Information — Risk Disclosure” in this document for further details.

We have implemented policies and procedures designed to ensure effective risk management across all aspects of our operations, including daily operational administration, data security, financial reporting procedures, and compliance with applicable laws and regulations. Our Board is responsible for overseeing and managing the overall risks associated with our operations. We have established an Audit Committee to review and supervise our Company’s financial reporting process and internal control system. For the qualifications and experience of the Audit Committee members and a detailed description of their responsibilities, please see the section headed “Directors and Senior Management — Board Committees — Audit Committee” in this document. We have adopted written terms of reference for the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognition in respect of our products, technology and innovation, significant ones of which are set forth below:

<u>Award year</u>	<u>Award/Recognition</u>	<u>Awarding Institution/Authority</u>
2025	2025 China Commercial Federation Science and Technology Award, Second Prize (2025年度中國商業聯合會科學技術獎二等獎)	China General Chamber of Commerce (中國商業聯合會)
	SGS ISO 9001:2015 Quality Management System Certification (SGS ISO 9001:2015 質量管理體系認證)	SGS-CSTC Standards Technical Services Co., Ltd. (通標標準技術服務有限公司)

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Award year	Award/Recognition	Awarding Institution/Authority
2024	Key “Little Giant” Enterprise (重點小巨人)	Ministry of Industry and Information Technology (工業和信息化部)
	Zhejiang Export Premium Brand (浙江出口名牌)	Department of Commerce of Zhejiang Province (浙江省商務廳)
	AAA-Level Credit Rating Enterprise (企業信用評價AAA級信用企業)	China Chamber of Commerce for Import and Export of Machinery and Electronic Products (中國機電產品進出口商會)
2023	Export Credit Insurance Key Supported “Little Giant” Enterprise (出口信用保險重點支持小巨人企業)	China Export & Credit Insurance Corporation (中國出口信用保險公司)
	High-tech Enterprise (高新技術企業)	Science and Technology Department of Zhejiang Province (浙江省科學技術廳), Zhejiang Provincial Department of Finance (浙江省財政廳) and Zhejiang Provincial Tax Service, State Taxation Administration (國家稅務總局浙江省稅務局)
	2023 National Intellectual Property Advantage Enterprise (2023年度國家知識產權優勢企業)	National Intellectual Property Administration, Utilisation Promotion Department (國家知識產權局運用促進司)