SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to invest in the [REDACTED]. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in "Risk Factors" in this document. You should read that section carefully before you decide to invest in the [REDACTED].

OVERVIEW

We are a digital retail solutions provider in China, dedicated to offering end-to-end and multi-channel digital retail solutions for established brands. As a digital retail solutions provider, we provide comprehensive and tailored digital retail solutions to our brand owners to enable them to efficiently build their e-commerce infrastructure and drive online sales, enhancing operational efficiency and accelerating business growth. Our solutions cover the entire value chain of the e-commerce ecosystem, including brand positioning, consultation of product development, retail operations, channel management, marketing and promotion, order fulfilment, as well as data and IT services. Generally, we purchase products from brand owners, which seek to leverage our strengths to achieve improved sales performance, and we sell these products to end consumers, e-commerce platforms or distribution partners. We also provide one or more of the following services to our brand owners, including (i) traffic acquisition and branding services, (ii) e-commerce store operation services, (iii) brand value enhancement services, and/or (iv) data and IT services. See "Business — Our Business Model" for details. According to CIC, in terms of GMV in 2025, we were the fifth largest digital retail solutions provider with a market share of 1% and the largest O2O digital retail solutions provider in China. China's digital retail solution market is vast and highly fragmented, with competition intensifying as the sector continues to expand. According to CIC, the top five players collectively accounted for approximately 10% of the total market share of China's digital retail solution market in 2025, amongst which our market share is approximately 1% in the same year.

Since our inception, we have served more than 200 brands, including over 100 international brands. Our brand owners cover food & beverage, beauty & personal care, baby & kids, pop toys, pets, health and outdoor sports industries as well as chain enterprises. Our brand owners include nearly 50% of the Fortune 500 FMCG companies in 2024. We maintain an average relationship of more than nine years with our major brand owners, and over 90% of the collaborative relationships with them were still active as of the Latest Practicable Date.

According to CIC, China's overall digital retail penetration rate has been steadily increasing over the years, rising from 22.9% in 2021 to 29.5% in 2025. Meanwhile, the market size for digital retail solutions in China continued to grow, increasing from RMB1.4 trillion in 2021 to RMB2.2 trillion in 2025 in terms of GMV at a CAGR of 12.3%, and is expected to further increase to RMB3.8 trillion in 2030 at a CAGR of 12.1% from 2026 to 2030.

Currently, we have established an multi-channel network that covers over ten core digital retail platforms including Tmall, JD.com, Douyin and Pinduoduo. We currently offer brand e-commerce services through the following main channels: online authorised flagship stores and other brand stores on major platforms like Tmall, JD.com, and Pinduoduo; O2O platforms such as Meituan and Taobao Flash Sale; and social media/content driven channels including Douyin, WeChat Mini Programmes and RED (Xiaohongshu). See "Business — Multi-channels in Digital Retail" for details. Leveraging our advanced technological capabilities, we seamlessly integrate our brand owners' operations across these diverse digital retail channels. This integration includes unified product details and consumer profiles, strategic cross-channel marketing and pricing strategies, as well as synchronised inventory management. As a result, our brand owners gain a comprehensive view of their business across different channels and platforms, and are able to translate these insights into action, including establishing new channels, integrating distributor networks as well as building a stable supply chain, building on our multi-channel capabilities. Since 2018, we have been awarded "Tmall Six-Star Service Provider" (天貓六星服務商) for eight consecutive years, and we also hold awards, certifications and qualifications from multiple major e-commerce platforms such as JD.com, Douyin, Meituan, and Taobao Flash Sale. These recognitions are a testament to our industry standing and service standards.

Our GMV was RMB10,002.0 million, RMB13,459.0 million and RMB15,061.6 million in 2023, 2024 and 2025, respectively. Our revenue amounted to RMB1,722.9 million, RMB1,698.6 million and RMB1,757.2 million in 2023, 2024 and 2025, respectively. During the same period, we recorded net profit of RMB67.6 million, RMB60.4 million and RMB60.9 million, respectively. For details, see "Financial Information — Results of Operation".

As part of our provision of end-to-end digital retail solutions, generally, we purchase products from brand owners and we sell these products to end consumers, e-commerce platforms or distribution partners, and generate revenue from the sales of goods. Our ability to provide comprehensive digital retail solutions across multiple platforms help brand owners reach consumers more efficiently, and they seek to leverage our strengths to achieve improved sales performance. Through conducting onward sale of our brand owners' products with our comprehensive digital retail solutions capability, we believe we are better positioned to maintain stability and stickiness of our relationship with brand owners and expand our offering of solutions to them, in particular those in the FMCG industry. We also record revenue from the provision of services by providing the following services to our brand owners, including (i) traffic acquisition and branding services, (ii) e-commerce store operation services, (iii) brand value enhancement services, and/or (iv) data and IT services.

Our pricing for sales of goods is generally based the purchase price from brand owners, prevailing market prices, and other relevant sales-related costs. Our pricing for provision of services are structured through a mixed pricing model combining fixed monthly or quarterly retainers with performance-based incentives linked to KPIs. See "Business — Our Business Model — Our Solutions — Sales of goods - Pricing for Sales of Goods" and "Business — Our Business Model — Our Solutions - Provision of Services" for details. To date, we have established an multi-channel network covering over ten core platforms including Tmall, JD.com, Douyin and Pinduoduo to provide multi-channel digital retail solutions to our brand owners. See "Business — Multi-channels in Digital Retail" for details.

Our Solutions — Sales of Goods

When we sell goods, we select and purchase goods from our brand owners and/or their authorised distributors, then leverage various e-commerce marketing tools to create brand-aligned marketing campaigns. By integrating off-platform resources (i.e., leveraging external platform channels such as social media and search engines (e.g., KOL marketing to generate interest) to drive traffic, thereby expanding brand exposure and customer acquisition), and adopting various models such as shelf-based e-commerce (i.e., e-commerce using standardised product displays and proactive search as the core to deliver an efficient purchase path for end consumers), content-driven e-commerce (i.e., e-commerce using content such as live streaming and short videos to attract end consumers' interest and affecting their purchasing behaviour), social e-commerce (i.e., e-commerce using user sharing and social interactions to build brand image and achieve precise marketing through social media through influencing purchase intent) and O2O e-commerce (i.e., e-commerce integrating online platform models with offline physical store experiences), we promote and sell these purchased goods (i) directly to end consumers through authorised flagship stores (旗艦店) and other brand stores operated by us (the "**to-C model**"), or (ii) to e-commerce platforms or distribution partners (the "**to-B model**").

Our comprehensive digital retail solutions go beyond selling goods for our brand owners. The comprehensiveness of our solutions lies in our ability to help brand owners attract high-quality traffic through targeted multi-channel campaigns, effectively convert such engagement into actual orders using precisely executed strategies, and ensure efficient fulfilment through integrated logistics and operational support; as well as our complete suite of value-added digital retail solutions, which our brand owner can select all or opt for specific ones that align with their immediate needs. Leveraging our deep understanding of customer behaviour and brand development strategies, we provide our brand owners with practicable and expertise-supported advice and solutions, including specific channels on which our brand owners should operate, key promotional cycles relevant to their offerings, personalised and targeted marketing strategies, and analysis of target customer demographics and customer behaviour. We combine our expertise in online channel operations and our brand owners' product offerings to enhance revenue generation from sales of goods and foster collaborative relationships. See "Business — Our Business Model — Our Solution - Sales of Goods" for details of examples of such.

Our Solutions — Provision of Services

We provide one or more of the following services to our brand owners in exchange for service fees. These include (i) traffic acquisition and branding services, such as search and recommendation traffic optimisation, platform promotional campaigns, and commercial advertisement placement to enhance visibility; (ii) e-commerce store operation services, including product management, interactive experience management (i.e., the optimisation of product details design, functional descriptions services to enhance end consumers' convenience and satisfaction when browsing and using the relevant platform, thereby enhancing customer retention and repurchase rates), daily promotional campaign management (i.e., planning, execution, and performance monitoring of regular promotions to stimulate sales growth and improve marketing efficiency), customer relationship management (including customer support services), and order fulfilment management; (iii) brand value enhancement services, such as large-scale promotional campaigns, KOL and content marketing, and O2O activations to increase brand awareness and loyalty; and/or (iv) data and IT services encompassing IT solutions, data analytics, and automation tools that support and enhance the capabilities and efficiency of all other service layers.

We tailor our solutions to meet the specific needs of each brand owner. Our brand owners can choose to leverage our complete suite of digital retail solutions or opt for specific solutions that align with their immediate requirements, including front-end traffic acquisition, mid-end e-commerce store operations and/or back-end brand value enhancement. Regardless of the solutions selected, our technology and data infrastructure seamlessly integrate to support and enhance the efficiency of the chosen solutions.

See "Business — Our Business Model" for further details.

OUR STRENGTHS AND STRATEGIES

We believe the following strengths have contributed to our success: (i) we are a China's digital retail solutions provider; (ii) we have rich experience in providing end-to-end solutions to established brands across industries; (iii) we are deeply embedded in platform ecosystems to drive multi-channel brand growth; (iv) our digital intelligence underpins a refined operation system; and (v) we have seasoned management and professional team with strategic insight and extensive industry experience.

We plan to pursue the following strategies to deliver sustainable commercial value to our brand owners: (i) continuously expand into emerging industries and broaden brand coverage; (ii) improve online digitalisation and AI penetration to enhance digital intelligence capabilities comprehensively; (iii) strengthen technology R&D investment and enhance talent system; and (iv) continue to build capabilities to serve overseas market to empower the globalisation of Chinese brands.

KEY RISK FACTORS

We believe the following are some of the major risks that may have an impact on our business and financial performances: (i) our success is tied to the business needs and performance of existing and future brand owners that we serve. If the complexities and challenges faced by brand owners seeking to sell online diminish, or if they choose to enhance their in-house e-commerce capabilities of their own accord instead of utilising our solutions, demand for our solutions could be adversely affected; (ii) if we are unable to retain our existing brand owners, our results of operations could be materially and adversely affected; (iii) if the ramp-up of operations for newly-added brand owners does not meet our expectations, our results of operations and financial condition may be materially and adversely impacted; (iv) if we fail to effectively operate on e-commerce platforms and channels or adapt ourselves to emerging e-commerce platforms and channels, or if e-commerce platforms and channels otherwise curtail or inhibit our ability to integrate our solutions with their channels, our solutions would be less appealing to existing and potential brand owners; (v) we face challenges in adapting to e-commerce channel changes and driving technological innovation; and (vi) if the digital retail market in China does not grow, or grows more slowly than we expect, demand for our solutions could be adversely affected.

COMPETITIVE LANDSCAPE

China's digital retail solution market is vast and highly fragmented, with competition intensifying as the sector continues to expand. According to CIC, the top five players collectively accounted for approximately 10% of the total market share of China's digital retail solution market in 2025, amongst which our market share is approximately 1% in the same year. In terms of GMV in 2025, we were the fifth largest digital retail solutions provider with a market share of 1% and the largest provider of O2O digital retail solutions in China. With our end-to-end capabilities and extensive service compatibility, we have established ourselves as an end-to-end digital retail solutions provider in China. See "Industry Overview" for further details of the competitive landscape of China's digital retail solution market.

OUR CUSTOMERS AND SUPPLIERS

During the Track Record Period, our customers primarily consisted of large-scale e-commerce platforms which purchased products from us under the to-B model, end consumers who purchased products from us under the to-C model, and brand owners which receive services from us. Revenue from our five largest customers in each year during the Track Record Period was RMB434.0 million, RMB452.3 million and RMB387.0 million, respectively, representing 25.1%, 26.6% and 22.0% of our total revenue in the respective years, respectively. Revenue from our largest customer in each year during the Track Record Period was RMB321.1 million, RMB368.2 million and RMB296.9 million, respectively, representing 18.6%, 21.7% and 16.9% of our total revenue in the respective years, respectively.

During the Track Record Period, our suppliers primarily consisted of our brand owners from which we purchased goods, and e-commerce platforms from which we procured advertisement placement for our brand owners. Purchases from our respective five largest suppliers in each year during the Track Record Period were RMB1,068.7 million, RMB1,191.6 million and RMB1,079.9 million, respectively, representing 48.8%, 52.6% and 48.4% of our total purchases for that respective year, respectively. Purchases from our respective largest supplier were RMB449.0 million, RMB538.2 million and RMB418.7 million in each year during the Track Record Period, respectively, representing 20.5%, 23.8% and 18.8% of our total purchases for that respective year.

APPLICATION OF AI TECHNOLOGY

We have built an intelligent AI framework that covers multiple business scenarios and spans our commercial process, creating a complete smart closed loop from market insights to after-sales services, through the integration of our industry expertise and AI technology. Distinguished from generic AI solutions, we have developed a differentiated AI application system based on our extensive insights into vertical industries and accumulation of historical data. Our intelligent AI framework is designed to enhance the capabilities of our employees, through the deep integration of AI technologies with product offerings ("Goods") and business scenarios ("Place"), seamlessly connecting consumer needs and improving customer services ("People"), ensuring a holistic approach for our AI deployment that enhances customers' shopping experiences and the core aspect of our business operation.

Our AI business assistant combines AI-powered business system local knowledge bases with business data. Our AI customer service assistant utilises pre-training and fine-tuning technologies to fully address training needs for customer services staff. Our AI HR assistant consolidates more than 600 HR policy documents into an interactive knowledge base that supports natural language queries. Additionally, we adopt generative AI technology to create differentiated marketing visual solutions for brand owners empowering brand owners in content creativity, production, and distribution to improve efficiency. See "Business — Digital Solutions & Innovative Applications — Application of AI Technology" for details.

RESEARCH AND DEVELOPMENT

We devote substantial resources to our research and development initiatives, concentrating on establishing a fully integrated intelligent e-commerce platform, to expand our technological footprint and assist our brand owners in achieving digital transformation. Our R&D expenses amounted to RMB14.4 million, RMB11.3 million and RMB11.4 million in 2023, 2024 and 2025, respectively. For further details of our IT department and our R&D efforts, see "Business — Research and Development".

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set out selected financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document as well as "Financial Information".

Results of Operations

The following table sets out a summary of our consolidated profit or loss for the years indicated, extracted from the Accountants' Report set out in Appendix I to this document.

	Year ended 31 December					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	1,722,898	100	1,698,554	100	1,757,210	100
Cost of sales	(1,328,139)	(77.1)	(1,328,401)	(78.2)	(1,370,274)	(78.0)
Gross profit	394,759	22.9	370,153	21.8	386,936	22.0
Other income	21,475	1.2	15,153	0.9	13,559	0.8
Impairment losses under expected credit loss ("ECL") model, net of reversal	(967)	(0.1)	(169)	(0.0)	927	0.1
Other gains and losses	2,970	0.2	2,088	0.1	2,401	0.1
Selling and marketing expenses	(227,977)	(13.2)	(219,042)	(12.9)	(228,138)	(13.0)
Administrative expenses	(75,413)	(4.4)	(70,557)	(4.2)	(64,725)	(3.7)
Research and development expenses	(14,360)	(0.8)	(11,250)	(0.7)	(11,413)	(0.6)
Share of results of associates	504	0.0	(432)	(0.0)	(290)	(0.0)
[REDACTED]	—	—	—	—	[REDACTED]	[REDACTED]
Finance costs	(9,774)	(0.6)	(7,534)	(0.4)	(6,839)	(0.4)
Profit before tax	91,217	5.3	78,410	4.6	79,011	4.5
Income tax expense	(23,627)	(1.4)	(17,976)	(1.1)	(18,151)	(1.0)
Profit for the year	67,590	3.9	60,434	3.6	60,860	3.5

Non-IFRS Measure

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use adjusted profit for the year (a non-IFRS measure) and adjusted net margin (a non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures facilitate comparisons of operating performance from period to period by eliminating potential impact of certain items. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated financial statements in the same manner as they help our management. However, our presentation of adjusted profit for the year (a non-IFRS measure) and adjusted net margin (a non-IFRS measure) may not be comparable to similar item measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our consolidated financial statements or financial condition as reported under IFRS. We define adjusted profit for the year (a non-IFRS measure) as profit for the year adjusted for [REDACTED]. We define adjusted net margin (a non-IFRS measure) as adjusted profit for the year (a non-IFRS measure) as a percentage of our total revenue, which is set out in "— Key Financial Ratios" in this section.

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Reconciliation of net profit to adjusted profit (non-IFRS measure)			
Profit for the year	67,590	60,434	60,860
Add:			
[REDACTED]	—	—	[REDACTED]
Adjusted profit (non-IFRS measure)	67,590	60,434	[REDACTED]

Our adjusted profit for the period (a non-IFRS measure) increased from RMB60.4 million in 2024 to RMB74.3 million in 2025, primarily due to improved profitability.

See "Financial Information — Non-IFRS Measure."

Our revenue increased by 3.5% from RMB1,698.6 million in 2024 to RMB1,757.2 million in 2025. Our revenue decreased by 1.4% from RMB1,722.9 million in 2023 to RMB1,698.6 million in 2024.

Our gross profit increased by 4.5% from RMB370.2 million in 2024 to RMB386.9 million in 2025. Gross profit from to-C business increased by 7.0% from RMB250.9 million in 2024 to RMB268.6 million in 2025, and that for to-B business decreased by 6.7% from RMB65.4 million in 2024 to RMB61.0 million in 2025. Gross profit from services increased by 6.5% from RMB53.8 million in 2024 to RMB57.3 million in 2025. Our gross profit margin remained relatively stable at 21.8% in 2024 and 22.0% in 2025, with gross profit margin for to-C business remained relatively stable at 25.8% in 2024 and 25.3% in 2025, and that for to-B business also remained relatively stable at 11.2% in 2024 and 11.3% in 2025. Gross profit margin for provision of services decreased from 37.9% in 2024 to 36.8% in 2025, primarily attributable to the strategic pricing adopted for certain newly acquired brand owners, for which we offered more competitive rates to establish business relationships.

Our gross profit decreased by 6.2% from RMB394.8 million in 2023 to RMB370.2 million in 2024. Gross profit margin decreased from 22.9% in 2023 to 21.8% in 2024. Gross profit margin for to-C business decreased from 27.0% in 2023 to 25.8% in 2024, and gross profit margin for to-B business decreased from 11.7% in 2023 to 11.2% in 2024. Gross profit margin for service remained relatively stable at 38.1% in 2023 and 37.9% in 2024. The decrease in gross profit margin from 2023 to 2024 was primarily contributed by the decline in our to-C and to-B business gross profit margin, as we strategically decided to boost market penetration for food products which had a relatively lower profit margin, because such strategy allows us to quickly sell food products at larger volumes, achieving faster inventory turnover and reducing inventory risks. The increased sales volume and faster inventory turnover also helps to maintain our gross profit level from sales of such products. In 2023, a pet brand owner proposed unfavourable renewed terms which would result in substantial decrease in our net profit, should we continue our cooperation with it. To avoid a decline in our profit margin, we terminated our cooperation with such brand owner, which led to an increase in profit margin in the pets category in 2024. The overall profit margin still recorded a decline in 2024, impacted by the relatively low margin in the food products which accounted for a relatively high portion of revenue in the same year. See "Financial Information — Year to Year Comparison of Results of Operations — Year Ended 31 December 2024 Compared to Year Ended 31 December 2023 — Gross Profit and Gross Profit Margin" for details.

See "Financial Information — Year to Year Comparison of Results of Operations" for reasons for the changes in revenue and gross profit margin.

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

	For the year ended 31 December					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Sales of goods						
To-C	1,030,981	59.8	973,948	57.3	1,060,438	60.3
To-B	556,655	32.3	582,433	34.3	540,795	30.8
Sub-total	1,587,636	92.1	1,556,381	91.6	1,601,233	91.1
Provision of services						
Sub-total	135,262	7.9	142,173	8.4	155,977	8.9
Total	**1,722,898**	**100.0**	**1,698,554**	**100.0**	**1,757,210**	**100.0**

The following table sets out a breakdown of our revenue by types of goods or services in absolute amounts and as a percentage of revenue for the years indicated.

	For the year ended 31 December					
Revenue	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Sales of Goods	1,587,636	92.1	1,556,381	91.6	1,601,233	91.1
Consumer goods brands						
Food & beverage	562,927	32.6	650,170	38.4	643,763	36.6
Health	350,356	20.3	394,657	23.2	406,141	23.1
Pets	283,326	16.4	207,977	12.2	196,793	11.2
Beauty & personal care	169,873	9.9	122,018	7.2	165,115	9.4
Baby & kids	152,868	8.9	127,954	7.5	102,409	5.8
Pop toys	65,369	3.8	53,439	3.1	87,012	5.0
Other categories (note)	2,917	0.2	166	0.0	—	0.0
Provision of Services	135,262	7.9	142,173	8.4	155,977	8.9
Retail chain brands	50,986	3.0	57,833	3.4	58,063	3.3
Outdoor sports	1,890	0.1	18,642	1.1	20,598	1.2
Other categories (note)	82,386	4.8	65,698	3.9	77,316	4.4
Total	**1,722,898**	**100.0**	**1,698,554**	**100.0**	**1,757,210**	**100.0**

Note: "Other categories" under sales of goods include various other categories of products we purchased from our brand owners; and "other categories" under provision of services primarily include services covering e-commerce store operations, brand value enhancement and data and IT services under sales of goods, as well as home appliances.

The following table sets out a breakdown of our gross profit by sale of goods or provision of services in absolute amounts, or gross profit margin, for the years indicated.

	For the year ended 31 December					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB'000)	*(%)*	*(RMB'000)*	*(%)*	*(RMB'000)*	*(%)*
Sales of goods						
To-C	278,364	27.0	250,910	25.8	268,567	25.3
To-B	64,917	11.7	65,416	11.2	61,038	11.3
Sub-total	343,281	21.6	316,326	20.3	329,605	20.6
Provision of services						
Sub-total	51,478	38.1	53,827	37.9	57,331	36.8
Total	**394,759**	**22.9**	**370,153**	**21.8**	**386,936**	**22.0**

The following table sets out the breakdown of our GMV under sales of goods for the years indicated.

	For the year ended 31 December		
	2023	2024	2025
		(RMB'000)	
To-C	1,424,268	1,462,126	1,460,047
To-B	753,115	783,970	728,267
Total	**2,177,383**	**2,246,096**	**2,188,314**

Our GMV was higher than our revenue during the Track Record Period. For to-C model under sales of goods, our GMV is calculated based on the actual payments made by consumers, inclusive of value-added tax on the product sales, and does not deduct amounts or account for subsequent order modifications by consumers influenced by complex promotional rules, which results in it being higher than the revenue from the to-C model. For to-B model under sales of goods, our GMV is primarily measured based on the total value of goods ultimately sold by the e-commerce platform to end consumers, while our revenue consistent with the amount shown on platforms' settlement statements. In addition, our total GMV was primarily derived from the provision of services during the Track Record Period, and served primarily as an indicator of our performance on provision of services. As our revenue from provision of services is recognised only as a modest percentage of GMV, our aggregate GMV exceeded the total revenue during the Track Record Period. See "Financial Information - Description of Selected Components of Consolidated Statements of Profit or Loss and other Comprehensive Income" for details.

We had net profit of RMB67.6 million, RMB60.4 million and RMB60.9 million in 2023, 2024 and 2025, respectively. The increase in our net profit in 2024 to 2025 was primarily due to improved profitability. The decrease in our net profit in 2023 to the amount in 2024, was primarily driven by the decrease in revenue from sales of goods. See " Financial Information — Year to Year Comparison of Results of Operations" for details.

Summary of Consolidated Statements of Financial Position

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

	As of 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS			
Property and equipment	2,277	2,171	2,292
Right-of-use assets	32,755	14,312	14,015
Investment properties	15,130	14,768	14,406
Intangible assets	442	375	308
Interests in associates	8,357	8,596	8,306
Equity instruments at FVTOCI	1,782	1,800	—
Other non-current assets	3,921	3,078	2,892
Deferred tax assets	6,191	7,531	5,078
	70,855	52,631	47,297
CURRENT ASSETS			
Inventories	469,958	450,982	413,877
Trade and other receivables	366,546	443,865	428,440
Tax recoverable	1,568	2,880	3,291
Financial assets at fair value through profit or loss ("FVTPL")	116,510	152,700	149,052
Time deposits	—	14,377	21,086
Restricted bank deposits	4,157	7,818	8,827
Cash and cash equivalents	286,747	228,756	248,915
	1,245,486	1,301,378	1,273,488
CURRENT LIABILITIES			
Trade, bills and other payables	252,528	315,887	257,820
Tax liabilities	15,553	12,876	11,456
Bank borrowings	189,933	177,977	179,592
Lease liabilities	21,243	9,546	8,631
Contract liabilities	24,715	18,704	22,548
Financial liabilities at FVTPL	—	—	—
	503,972	534,990	480,047
NET CURRENT ASSETS	741,514	766,388	793,441
TOTAL ASSETS LESS CURRENT LIABILITIES	812,369	819,019	840,738
NON-CURRENT LIABILITIES			
Deferred tax liabilities	195	212	5
Lease liabilities	12,219	5,360	6,787
	12,414	5,572	6,792
NET ASSETS	799,955	813,447	833,946

Our net current assets increased from RMB766.4 million as of 31 December 2024 to RMB793.4 million as of 31 December 2025, primarily due to (i) an increase in cash and cash equivalents of RMB20.2 million, (ii) a decrease in trade, bills and other payables of RMB58.1 million, and (iii) increase in time deposits of RMB6.7 million.

Our net current assets increased from RMB741.5 million as of 31 December 2023 to RMB766.4 million as of 31 December 2024, primarily due to (i) an increase in trade and other receivables of RMB77.3 million, (ii) an increase in financial assets at fair value through profit or loss of RMB36.2 million, and (iii) a decrease in bank borrowings of RMB12.0 million.

We had net assets of RMB800.0 million, RMB813.4 million and RMB833.9 million as of 31 December 2023, 2024 and 2025, respectively. The increase in our net assets as of 31 December 2024 to the amount as of 31 December 2025 was primarily due to the profit for the year of RMB60.9 million in 2025, offset by the recognition of dividends as distribution of RMB37.7 million. The increase in our net assets as of 31 December 2023 to the amount as of 31 December 2024 was primarily due to the profit of the year of RMB60.4 million in 2024, offset by the recognition of dividends as distribution of RMB28.5 million and the repurchase of shares of RMB17.9 million. See the "Consolidated Statements of Changes in Equity" of the Accountants' Report in Appendix I to this document for details.

Cash Flows

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

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net cash from operating activities	71,781	79,014	77,846
Net cash (used in) from investing activities	(18,597)	(53,624)	367
Net cash used in financing activities	(81,224)	(81,455)	(55,116)
Net (decrease) increase in cash and cash equivalents	**(28,040)**	**(56,065)**	**23,097**
Cash and cash equivalents at beginning of the year	313,427	286,747	228,756
Cash and cash equivalents at end of the year	**286,747**	**228,756**	**248,915**

In 2025, our net cash generated from operating activities was RMB77.8 million, which was primarily attributable to our profit before tax for the year of RMB79.0 million, as adjusted by (i) the add-back of non-cash items, primarily comprising depreciation of right-of-use assets of RMB10.3 million and write-down of inventories, net of reversal, of RMB9.3 million; and (ii) changes in working capital, which primarily comprised an decrease in trade, bills and other payables of RMB56.5 million.

In 2024, our net cash generated from operating activities was RMB79.0 million, which was primarily attributable to our profit before tax for the year of RMB78.4 million, as adjusted by (i) the add-back of non-cash items, primarily comprising depreciation of right-of-use assets of RMB15.9 million and write-down of inventories, net of reversal, of RMB7.9 million; and (ii) changes in working capital, which primarily comprised an increase in trade and other receivables of RMB77.5 million.

In 2023, our net cash generated from operating activities was RMB71.8 million, which was primarily attributable to our profit before tax for the year of RMB91.2 million, as adjusted by (i) the add-back of non-cash items, primarily comprising depreciation of right-of-use assets of RMB23.6 million, and finance costs, of RMB9.8 million; and (ii) changes in working capital, which primarily comprised a decrease in trade, bills and other payables of RMB17.0 million, and an increase in inventories of RMB9.8 million.

Key Financial Ratios

The following table sets out our key financial ratios as of the balance sheet dates indicated.

	As of 31 December		
	2023	2024	2025
Gross profit margin(1) (%)	22.9	21.8	22.0
Net profit margin(2) (%)	3.9	3.6	3.5
Adjusted net margin (a non-IFRS measure)(3) (%)	3.9	3.6	4.2
Gearing ratio(4)	0.3	0.2	0.2
Current ratio(5)	2.5	2.4	2.7
Quick ratio(6)	1.5	1.6	1.8

Notes:

(1) Gross profit margin equals gross (loss)/profit divided by revenue for the year and multiplied by 100%.

(2) Net profit margin equals net (loss)/profit divided by revenue for the year and multiplied by 100%.

(3) Adjusted net margin (a non-IFRS measure) is calculated as adjusted profit for the year (a non-IFRS measure) divided by revenue for the corresponding year and multiplied by 100%.

(4) Gearing ratio equals total interest-bearing debt (including interest-bearing bank borrowings and lease liabilities) divided by total equity at the end of the year.

(5) Current ratio equals total current assets divided by total current liabilities at the end of the year.

(6) Quick ratio equals total current assets less inventories divided by total current liabilities at the end of the year.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Company was held directly as to approximately 22.48% by Mr. Xu, 11.13% by Shanghai Keytier, 8.66% by Mr. You Minyong, 8.03% by Mr. Han, 7.69% by Shanghai Kaipeng, 6.61% by Mr. Xu Zhiwen, 3.18% by Shanghai Kaixian, 2.02% by Shanghai Lanhao and 1.13% by Shanghai Kaiao. Shanghai Keytier, Shanghai Kaipeng, Shanghai Kaixian, Shanghai Lanhao and Shanghai Kaiao (collectively the "**Controlled Entities**") are limited partnerships controlled by either Mr. Xu or Mr. Han, among which, (i) Shanghai Keytier is a limited partnership whose general partner is Shanghai Chuyuan, which is owned as to 80% by Mr. Xu; (ii) Shanghai Kaipeng is a limited partnership whose general partner is Shanghai Haozhong, which is owned as to 99% by Mr. Xu; and (iii) Shanghai Kaixian, Shanghai Lanhao and Shanghai Kaiao are limited partnerships whose general partner is Mr. Han.

On 29 August 2022, Mr. Xu, Mr. Han, Mr. You Minyong and Mr. Xu Zhiwen entered into an acting in concert agreement, pursuant to which Mr. Xu, Mr. Han, Mr. You Minyong and Mr. Xu Zhiwen are deemed to be parties acting in concert. Since Mr. Xu, Mr. Han, Mr. You Minyong, Mr. Xu Zhiwen, Shanghai Chuyuan, Shanghai Haozhong and the Controlled Entities in aggregate were entitled to exercise voting rights attached to the [REDACTED] Shares, representing [REDACTED]% of the total issued share capital of our Company, and representing [REDACTED]% of our total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised), they will continue to be a group of Controlling Shareholders of our Company immediately after the [REDACTED]. For details, see "Relationship with Our Controlling Shareholders" in this document.

[REDACTED] INVESTORS

The success of eight rounds of financing of RMB168,783,984 in aggregate from external investors not only demonstrates investors' confidence in our future development, but also provides strong funding support for our technological research and development and market expansion, enabling us to stand out in fierce market competition. The [REDACTED] from the [REDACTED] Investments had been fully utilised as of the Latest Practicable Date. Pursuant to the applicable PRC law, all existing Shareholders (including the [REDACTED] Investors) shall not dispose of any of the Shares held by them within 12 months following the [REDACTED] Date. For details on the identity and background of these [REDACTED] Investors, as well as the amounts raised and the use of [REDACTED], see "History, Development and Corporate Structure — [REDACTED] Investments — 5. Information on our [REDACTED] Investors".

DIVIDEND AND OUR DIVIDEND POLICY

During the Track Record Period, we declared and paid two dividends in 2024 of RMB9.7 million and RMB18.8 million respectively, and declared and paid two dividends in 2025 of RMB28.3 million and RMB9.4 million respectively. See Note 13 of the Accountants' Report in Appendix I to this document for details our dividends. Based on our dividend policy adopted in May 2025, we do not have a fixed dividend distribution ratio. Any future declarations and payments of dividends will be at the discretion of our Directors, subject to shareholders' approval, and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors which our Directors consider relevant. We will continue to evaluate our dividend policy in light of our financial condition and the prevailing economic environment, and update the same when necessary. The amount of distribution that we have declared and made in the past do not indicate the dividends that we may pay in the future. Any declaration and payment as well as the amount of dividend will be subject to the requirements of our constitutional documents and applicable laws and regulations.

As advised by our PRC Legal Advisers, no dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. Our Shareholders in a general meeting may approve any declaration of dividends recommended by our Board.

PREVIOUS A SHARE LISTING ATTEMPTS

Our Company submitted an application to Shenzhen Stock Exchange for the proposed A share listing on the ChiNext on 30 June 2021, which was subsequently withdrawn on 23 December 2021 due to changes in our Company's capital market operation plans. On 15 July 2022, our Company then entered into a tutoring agreement with GF Securities Co., Ltd. (廣發証券股份有限公司) in preparation for a listing application on the Shanghai Stock Exchange and made a preliminary filing with the Shanghai Supervision Bureau of the CSRC, the tutoring service of which was terminated on 28 November 2023. Having taken into account our long-term business development plan and financing needs for our further expansion, and considering that the Stock Exchange, being an internationally recognised and reputable stock exchange, to be a more appropriate [REDACTED] venue, we voluntarily decided not to continue the application for [REDACTED] on A share market and to pursue a [REDACTED] in Hong Kong. For details, see "History, Development and Corporate Structure — Corporate Development of our Company — Previous A Share Listing Attempts".

[REDACTED]

The statistics in the following table are based on the assumptions that: (i) the [REDACTED] is completed and [REDACTED] [REDACTED] are issued in the [REDACTED]; (ii) the [REDACTED] is not exercised; and (iii) [REDACTED] Shares are in issue upon completion of the [REDACTED]:

	Based on an [REDACTED] of HK$[REDACTED]	**Based on an [REDACTED] of HK$[REDACTED]**
Market capitalisation of our Shares[1]	HK$[REDACTED] million	HK$[REDACTED] million
Unaudited [REDACTED] adjusted net tangible asset per Share[2][3]	HK$[REDACTED]	HK$[REDACTED]

Notes:

(1) The calculation of market capitalisation is based on [REDACTED] Shares expected to be in issue following completion of the [REDACTED]. This calculation is based on the indicative [REDACTED] of HK$[REDACTED] and HK$[REDACTED].

(2) The unaudited [REDACTED] adjusted net tangible asset per Share is calculated after making the adjustments referred to in "Unaudited [REDACTED] Financial Information" set out in Appendix II to this document and on the basis of a total of [REDACTED] Shares expected to be in issue following the completion of the [REDACTED]. This calculation is based on the indicative [REDACTED] of HK$[REDACTED] and HK$[REDACTED].

(3) No adjustment has been made to the unaudited [REDACTED] adjusted consolidated net tangible assets attributable to owners of our Group as of 31 December 2025 to reflect any trading result or other transactions entered into subsequent to 31 December 2025. In particular, the unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 have not been adjusted to illustrate the effect of the dividend declared of RMB9,425,000 subsequent to 31 December 2025 as disclosed in Note 40 "Subsequent Events" to Appendix I to this Document. Had this dividend was declared and paid on 31 December 2025, the unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of 31 December 2025 would be approximately RMB[1,004,271,000] or RMB[954,329,000], based on the [REDACTED] of HK$[REDACTED] or HK$[REDACTED] per [REDACTED], respectively, and the unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as of 31 December 2025 would be RMB[REDACTED] (equivalent to HK$[REDACTED]) or RMB[REDACTED] (equivalent to HK$[REDACTED]), based on the [REDACTED] of HK$[REDACTED] (equivalent to RMB[REDACTED]) or HK$[REDACTED] (equivalent to RMB[REDACTED]) per [REDACTED], respectively. All exchange rates used in translation herein were the exchange rates prevailing on [20 May 2026] with reference to the rates published by the China Foreign Exchange Trade System.

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. Assuming an [REDACTED] of HK$[REDACTED] per Share (being the [REDACTED] of the indicative [REDACTED] stated in this document), the [REDACTED] expenses which are payable by us are estimated to amount in aggregate to be approximately RMB[REDACTED] million (equivalent to approximately HK$[REDACTED] million), accounting for approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED].

The total [REDACTED] consist of (i) approximately RMB[REDACTED] million [REDACTED] fees (including [REDACTED] commission, incentive fee, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy); and (ii) approximately RMB[REDACTED] million non-[REDACTED] fees mainly comprising (a) fees paid to legal adviser(s) and accountant(s) of approximately RMB[REDACTED] million, and (b) other fees and expenses and fees paid to other professional parties of approximately RMB[REDACTED] million. Among the total [REDACTED], RMB[REDACTED] million had been recognised in profit or loss during the Track Record Period, RMB[REDACTED] million is expected to be charged to profit or loss, and approximately RMB[REDACTED] million directly attributable to the issue of the Shares is expected to be deducted from equity upon the completion of the [REDACTED]. Our total [REDACTED] are estimated to account for [REDACTED]% of the gross [REDACTED] of the [REDACTED]. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK$[REDACTED] million, after deducting professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED], assuming an [REDACTED] of HK$[REDACTED] per Share, being the [REDACTED] of the indicative [REDACTED] of HK$[REDACTED] per Share to HK$[REDACTED] per Share. We intend to use the [REDACTED] we will receive from the [REDACTED] for the following purposes:

- approximately [REDACTED]%, or HK$[REDACTED] million, will be used for the strategic expansion and innovation of our business operations;
- approximately [REDACTED]%, or HK$[REDACTED] million, will be used for comprehensive upgrades to our digital intelligence capabilities and strengthening our technical team and infrastructure;
- approximately [REDACTED]%, or HK$[REDACTED] million will be used for our overseas business expansion, particularly for empowering the globalisation of Chinese brands to establish global localised operation in overseas markets, primarily in Southeast Asia and the Europe; and
- approximately [REDACTED]%, or HK$[REDACTED] million, for our general corporate and working capital purposes.

To the extent that our actual [REDACTED] from the [REDACTED] differ from our estimate above, we intend to apply the actual [REDACTED] in the same proportion set out above. See "Future Plans and [REDACTED]" for further details of our use of [REDACTED] from the [REDACTED].

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that there has been no material adverse change in our financial or trading position or prospects since 31 December 2025, being the end date of our latest consolidated financial statements as set out in the Accountants' Report included in Appendix I to this document, and up to the date of this document.

U.S. TARIFF POLICIES

In 2025, the U.S. announced a series of tariff increases on imports from China. In response, China also raised tariffs on U.S. goods. The trade tensions temporarily eased in May 2025, that the 10.0% reciprocal tariff on goods imported from China remained but the additional 24.0% tariff had been temporarily suspended on 14 May 2025 for 90 days. This suspension of increased tariff rates has been extended for additional 90 days, effective from 12 August 2025 to 10 November 2025, with current tariffs maintained at 30% for U.S. tariffs on Chinese goods and 10% for Chinese tariffs on U.S. goods. Article 54 of the Customs Law of the People's Republic of China (2021 Amendment) (中華人民共和國海關法(2021修正)) stipulates that the consignee of imported goods, the consignor of exported goods, and the owner of inbound and outbound articles are the persons obligated to pay customs duties. Based on the afore-mentioned laws and regulations, our PRC Legal Advisers are of of the view that for products imported by us from the U.S., we, as the consignee of the imported goods, are the subject applicable to customs duties.

Despite the above, in late October 2025, following the China-U.S. economic and trade consultations in Kuala Lumpur, the U.S. has agreed to remove the so-called "fentanyl-related" 10% additional tariffs on Chinese products. The 24% retaliatory tariffs imposed on Chinese products would continue to be suspended for one year. In response, China has adjusted its corresponding countermeasures against the aforementioned U.S. tariffs announcing the continued suspension of the 24% retaliatory tariffs on U.S. goods for one year, while the 10% retaliatory tariffs will remain in effect. This adjustment took effect on 10 November 2025. Both sides have also agreed to extend certain tariff exclusion measures.

Our Directors are of the view that the risk of rising tariffs has had relatively limited impact on our operations. The primary effect has been on our imports of selected U.S.-origined beauty and personal care products. The sales amount of U.S.-origined products accounted for 4.4%, 4.2% and 4.1% of our total sales in 2023, 2024 and 2025, respectively, out of which 1.1%, 0.8% and 0.9% were directly purchased from brand owners located in the U.S., respectively, and others were purchased from brand owners' authorised sales agents or PRC branches. The purchase amount of U.S.-origined products which we purchased directly from brand owners located in the U.S. accounted for 0.6%, 0.6% and 0.3% of our total purchase in 2023, 2024 and 2025, respectively. This impact has been partially offset by these products' strong and loyal customer base. Notably, we face no export tariff exposure, as we currently do not ship products to the U.S. market, we did not generate any revenue from sales to the U.S. during the Track Record Period and up to the Latest Practicable Date, and we are not aware of any onward sales to the U.S. by any of our customers. To further mitigate the import tariff impact, we have implemented several measures, including (i) collaborating closely with brand owners to optimise our cost structures, (ii) diversifying our supply chain through increased overseas direct purchases by actively procuring products from brand owners which plan to source products from locations outside of the U.S. Such initiative is also beneficial for our brand owners to diversify their own production to alternative locations in response to the global trade environment. In 2023, 2024 and 2025, we experienced a decreasing trend with regards to our direct purchases from brand owners located in the U.S.; and (iii) expanding cross-border e-commerce channels by increasing our presence across multiple major e-commerce platforms on the one hand, and adopting various cross-border e-commerce supply chain models, such as direct shipping, to enhance supply chain flexibility and effectively reduce reliance on single import channels on the other hand.

Based on the foregoing, our PRC Legal Advisers and our Sponsor concur with our Directors' assessment that the U.S. tariff policies did not and will not have a direct material impact on the Group's business operations or financial performance.