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

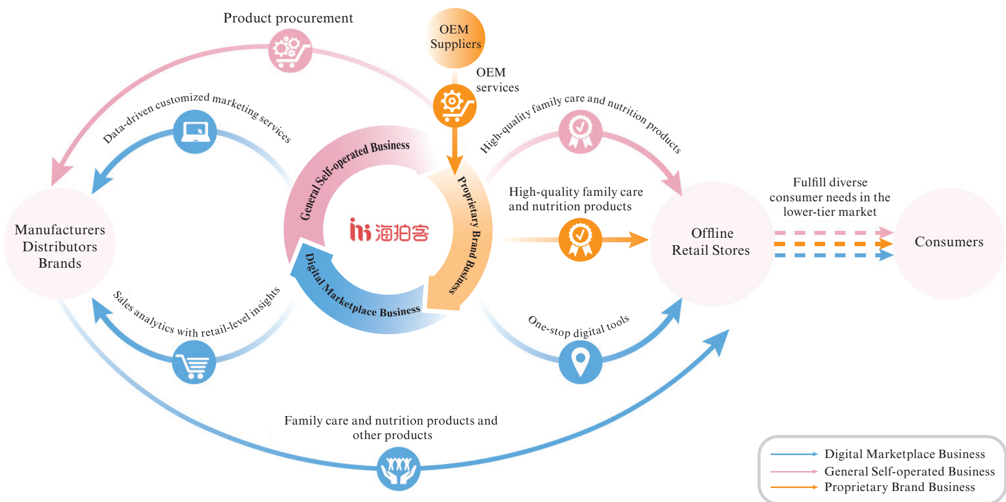
OVERVIEW

Who We Are

We are a commerce and service platform serving businesses in China's family care and nutrition product industry in lower-tier market. Operating through two core models, namely, (i) a digital marketplace model, where our *Hipac* platform connects family care and nutrition product vendors with diverse buyers to streamline supply chains and facilitate transactions, and (ii) a self-operated model, where we hold inventory of family care and nutrition products and sell them to downstream buyers via our *Hipac* platform, we reorganize the family care and nutrition product supply chain, empower our business customers with a wide portfolio of family care and nutrition products, optimize consumer experience and facilitate consumption upgrades in lower-tier market. In 2025, our GMV generated from family care and nutrition products in China's lower-tier market reached RMB7.9 billion, making us the largest commerce and service platform serving businesses in China's family care and nutrition product industry in lower-tier market in terms of GMV in 2025, with a market share of 8.7%, according to Frost & Sullivan.

China's family care and nutrition product industry in lower-tier market is characterized by a fragmented structure at both ends, with a multitude of upstream brands, distributors and manufactures, and geographically dispersed downstream retailers. To tackle such pain points, our *Hipac* platform, a B2B online distribution platform adopting an asset-light model, efficiently connects family care and nutrition product vendors (including manufacturers, distributors and brands) with a wide range of buyers, fostering a fully integrated ecosystem. As of December 31, 2025, our *Hipac* platform covered 31 provinces, municipalities and autonomous regions and across over 3,000 counties and villages nationwide. For the year ended December 31, 2025, our *Hipac* platform had over 76,000 core buyers which placed over 24 orders on our platform during the year, with an average of 11 orders placed by each core buyer per month.

The following chart illustrates our business model and the core participants in our ecosystem:



Business Model

With observation and understanding of the challenges and opportunities in the family care and nutrition product industry, we have developed diverse offerings and revenue sources leveraging our extensive industry experience and strong information technology capabilities. During the Track Record Period, we generated revenue primarily from (i) digital marketplace business, and (ii) self-operated business, which includes (a) general self-operated business, and (b) proprietary brand business.

Despite that both our digital marketplace business and self-operated business are primarily conducted based on our *Hipac* platform, there are major differences between them, as outlined in the table below:

	Digital marketplace business	**Self-operated Business**
Our role	Platform owner and operator	Vendor
Revenue model	Commissions	Product sales
Revenue recognition method	Net basis	Gross basis
Cost structure	We bear transaction processing costs, server costs and staff costs	We bear cost of goods and warehousing and logistics costs
Pricing decision maker	Vendors	Us
Party bearing inventory risk	Vendors	Us
Party responsible for delivery	Usually vendors; some vendors also entrust us to deal with their product delivery to facilitate the transaction	Usually us; to a much lesser extent, our suppliers deliver our sourced products to our downstream buyers on our behalf
Party responsible for promotion	Usually vendors; some vendors also rely on our customized marketing services	Us
Party responsible for customer service	Vendors	Us

The following table sets forth a breakdown of our revenue, gross profit and gross profit margin by business line for the years indicated:

	Year ended December 31,											
	2023				2024				2025			
	Revenue	% of total revenue	Gross profit	Gross profit margin	Revenue	% of total revenue	Gross profit	Gross profit margin	Revenue	% of total revenue	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Digital marketplace business	296,236	27.8	270,648	91.4	229,335	22.2	209,890	91.5	180,732	12.9	164,443	91.0
Self-operated business	767,800	71.9	128,063	16.7	801,826	77.7	124,177	15.5	1,216,106	86.8	196,288	16.1
General self-operated business	443,067	41.5	30,295	6.8	579,623	56.2	43,030	7.4	1,064,663	76.0	124,701	11.7
Proprietary brand business	324,733	30.4	97,768	30.1	222,203	21.5	81,147	36.5	151,443	10.8	71,587	47.3
Others[(1)]	2,749	0.3	2,749	100.0	1,238	0.1	1,238	100.0	4,152	0.3	4,152	100.0
Total	**1,066,785**	**100.0**	**401,460**	**37.6**	**1,032,399**	**100.0**	**335,305**	**32.5**	**1,400,990**	**100.0**	**364,883**	**26.0**

Note:

(1) Others mainly comprise revenue generated from offline matchmaking services for upstream vendors selling infant formula, cosmetics and electronic products to downstream buyers in rare circumstances, which was recorded on a net basis as we did not control the inventories prior to their delivery to the buyers.

The following table sets forth our key operating metrics for the years indicated:

	Year ended/As of December 31,		
	2023	**2024**	**2025**
Number of registered vendors	3,280	4,241	4,041
Number of registered buyers	273,987	289,512	301,991
Number of transacting vendors	5,530	5,340	4,718
Number of transacting buyers[(1)]	172,146	167,874	155,531
Number of core buyers[(2)]	104,267	93,764	76,052
GMV (RMB in millions)[(3)]	12,028	10,966	10,546
Number of SKUs sold under our self-operated business	1,252	2,111	3,217
Number of new SKUs launched under our proprietary brand business	302	643	314

Notes:

(1) Transacting buyers refer to buyers which placed at least one order through either third-party online stores or our own online stores on our *Hipac* platform in the relevant years.

(2) Core buyers refer to buyers which placed over 24 orders through third-party online stores and/or our own online stores on our *Hipac* platform in the relevant years.

(3) Including the GMV of the sales by our own online stores on *Hipac* platform under our self-operated business.

Digital Marketplace Business

Hipac platform is an end-to-end multifunctional platform designed to optimize business connectivity between vendors and buyers. Our full-service digital ecosystem streamlines the entire commerce process, covering product catalog management, digital storefronts, real-time vendor-buyer communication, order processing, settlement and payment reconciliation. Our *Hipac* platform offers buyers a wide variety of family care and nutrition products and other products.

The following table sets forth a breakdown of GMV by major product categories on *Hipac* platform (including the GMV of products under our self-operated business sold through *Hipac* platform) for the years indicated:

	Year ended December 31,					
	2023		**2024**		**2025**	
	RMB in millions	*%*	*RMB in millions*	*%*	*RMB in millions*	*%*
Family care and nutrition products	11,516.2	95.7	10,572.4	96.4	10,357.1	98.2
Nutritional edibles and supplements	10,023.8	83.3	9,416.2	85.9	9,473.9	89.8
— Infant formula	9,109.1	75.7	8,558.1	78.0	8,673.3	82.2
— Dietary supplements	326.8	2.7	174.4	1.6	101.6	1.0
— Food, snacks and supplements	587.8	4.9	683.7	6.2	699.0	6.6
Non-edible family care products	1,492.4	12.4	1,156.1	10.5	883.2	8.4
Other products[(1)]	511.4	4.3	393.5	3.6	188.6	1.8
Total	**12,027.6**	**100.0**	**10,965.9**	**100.0**	**10,545.7**	**100.0**

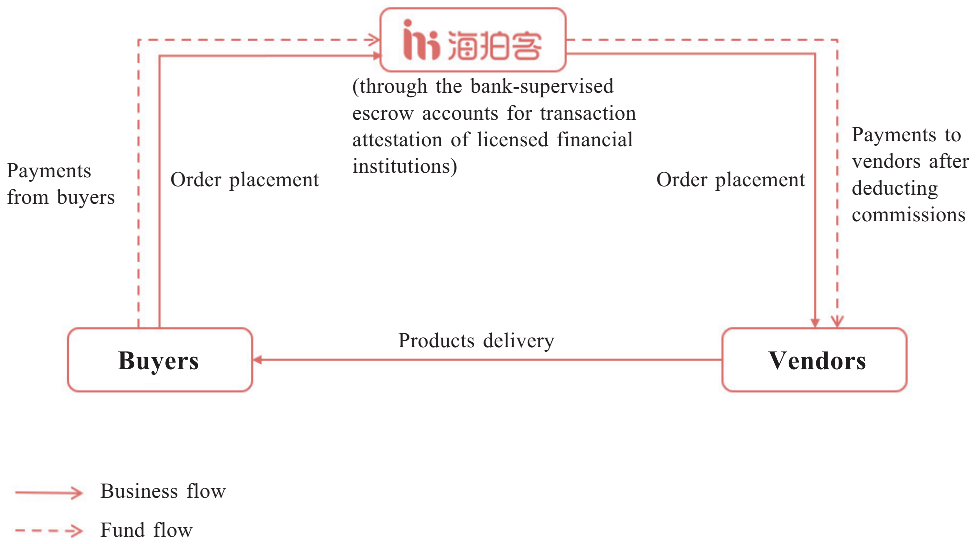
Note:

(1) Other products mainly comprise adult or age-neutral products, including apparel, cosmetics, digital home appliances, food and snacks, home cleaning products, books and stationery.

The GMV of digital marketplace business experienced an overall decline during the Track Record Period, primarily due to the combined impact of industry factors and our strategic adjustment. Fluctuations in birth rate and newly-born population have exerted a lagged impact on sales of infant products, especially infant formula and disposable diapers. As our digital marketplace has encompassed nearly all major infant formula brands, such industry backdrop has a more substantial impact on our digital marketplace business, which in turn contributed to its overall decline during the Track Record Period. As confirmed by Frost & Sullivan, such business trend is in line with China's commerce and service of family care and nutrition product industry in lower-tier market.

To deepen collaboration with family care and nutrition product brands and manufacturers, especially infant formula brands, and explore additional monetization opportunities through platform synergies, we also introduced customized marketing services in 2017 in exchange for higher commissions. Underpinned by our sales network and industry know-how, we provide vendors with data-driven market analyses to enhance demand comprehension, identify suitable products fit for targeted promotions and execute coordinated campaigns across both our *Hipac* platform and offline marketing channels, creating a synergistic ecosystem that drives mutual growth while maximizing market penetration for vendors.

The following chart illustrates the business and fund flow of our digital marketplace business:



Note: The fund flow of product sales by our own online stores on *Hipac* platform under our self-operated business follows the same pattern, except that we directly act as the vendor.

Self-operated Business

Established upon the downstream buyer base brought by our *Hipac* platform and deep collaboration with upstream manufacturers, we started our self-operated business in 2019 to address growing procurement and fulfilment needs while deepening industry connections. Unlike our digital marketplace, which has encompassed nearly all major infant formula brands and thus more susceptible to the fluctuations in birth rate and newly-born population, our self-operated business retains substantial market potential. According to Frost & Sullivan, the overall family care and nutrition product industry in China's lower-tier market is relatively fragmented, leaving considerable space for potential market expansion of participants in the industry. See "Industry Overview — Overview of China's Commerce and Service of Family Care and Nutrition Product Industry in Lower-tier Market — Competitive Landscape" for details.

The following table sets forth the breakdown of our revenue generated from self-operated business by major product categories for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of total*	*RMB'000*	*% of total*	*RMB'000*	*% of total*
Family care and nutrition products	767,479	100.0	797,559	99.5	1,215,807	100.0
Nutritional edibles and supplements	560,389	73.0	680,909	85.0	1,063,102	87.4
Infant formula	395,125	51.4	522,135	65.2	903,590	74.3
Food, snacks and supplements	153,242	20.0	86,348	10.8	53,479	4.4
Dietary supplements	12,022	1.6	72,426	9.0	106,033	8.7
Non-edible family care products	207,090	27.0	116,650	14.5	152,705	12.6
Other products [(1)]	321	0.0	4,267	0.5	299	0.0
Total	**767,800**	**100.0**	**801,826**	**100.0**	**1,216,106**	**100.0**

Note:

(1) Other products mainly comprise digital home appliances.

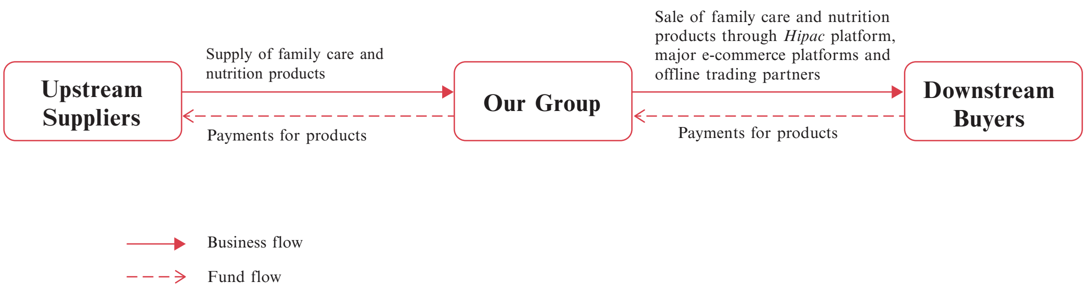
During the Track Record Period, substantially all of our revenue of self-operated business was generated from family care and nutrition products, which accounted for 100.0%, 99.5% and 100.0% of our revenue of self-operated business in 2023, 2024 and 2025, respectively.

Notwithstanding the larger scale of GMV generated by our digital marketplace business, our self-operated business demonstrates significantly stronger profit efficiency attributable to our deeper integration into the industry value chain, as compare with merely charging commissions under the digital marketplace business. During the Track Record Period, the average conversion rate of GMV to gross profit under self-operated business (13.4%, 12.3% and 13.0% in 2023, 2024 and 2025, respectively) is substantially higher than the conversion rate of our digital marketplace business (2.4%, 2.1% and 1.8% in 2023, 2024 and 2025, respectively). Therefore, we strategically shifted our business focus from scale-oriented development, namely digital marketplace business, to profit-oriented development, namely self-operated business, since 2022. In addition, we gradually pivoted our business focus from food, snacks and supplements for infants and toddlers to family dietary supplements, a category with deeper moat, broader target customers, higher growth rate and greater opportunities.

General Self-operated Business

Under our general self-operated business, we directly procure products from family care and nutrition product brands, their authorized distributors and manufacturers and sell them mainly on *Hipac* platform as the vendor. Through direct negotiations with upstream suppliers, we secure competitive pricing while maintaining full control over inventory management, delivery, pricing strategies and after-sales customer services. We primarily focus on product categories characterized by high channel added value, diverse supply source with fragmented yet fast-growing downstream demand, such as infant formula and dietary supplements, where we can gather downstream demands leveraging our role as the owner and operator of *Hipac* platform and achieve stronger bargaining power to ensure cost-competitive offerings.

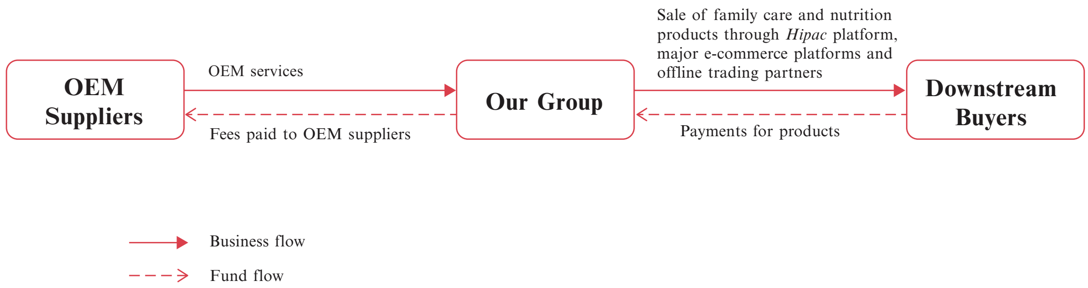
The following chart illustrates the business and fund flow of our general self-operated business:



Our Proprietary Brand Business

As our industry expertise deepened, we expanded into proprietary brand business in 2021. During the Track Record Period, our proprietary brand business encompassed (i) curated white brand disposable diaper products produced by third-party manufacturers with limited brand recognition, and (ii) our self-developed and OEM-manufactured brand collections. We take the lead in the research, development and production of our proprietary brand collections and hold the relevant trademarks and patents, which demonstrates our commitment to maintaining product quality and innovation. We identify unmet market demand through big data analysis of transaction data accumulated on *Hipac* platform as well as through continuous communication between our sales and marketing team and offline retail stores, and we study the feasibility of developing products to satisfy such demand and engage OEM suppliers to bring the products to market.

The following chart illustrates the business and fund flow of our proprietary brand business:



Sales Channels

Products under our self-operated business are mainly sold to downstream buyers through our own online stores on *Hipac* platform, and to a lesser extent, directly to consumers through our self-operated stores on major e-commerce platforms and through our offline trading partners which do not transact on our *Hipac* platform. The following table sets forth the breakdown of revenue generated from our self-operated business by sales channels for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Hipac platform	631,315	82.2	709,877	88.5	1,019,833	83.9
Third-party e-commerce platforms	97,173	12.7	67,320	8.4	95,423	7.8
Offline trading partners	39,312	5.1	24,629	3.1	100,850	8.3
Total	**767,800**	**100.0**	**801,826**	**100.0**	**1,216,106**	**100.0**

Our Customers and Suppliers

Our Customers

During the Track Record Period, our customers primarily included (i) vendors on our digital marketplace; (ii) buyers of products of our self-operated business; and (iii) our offline trading partners. We do not have substantial reliance on any single customer. For each of the years ended December 31, 2023, 2024 and 2025, revenue generated from the five largest customers accounted for 5.9%, 5.8% and 8.4% of our total revenue, respectively, and revenue generated from the largest customer accounted for 1.6%, 1.5% and 3.3% of our total revenue, respectively.

All of our five largest customers during the Track Record Period were Independent Third Parties. To the best knowledge of our Directors, none of our Directors, their respective associates or any shareholder who owns more than 5% of our issued share capital had any interest in any of our five largest customers during the Track Record Period.

Our Suppliers

During the Track Record Period, our suppliers primarily included (i) family care and nutrition product brands, their authorized distributors and manufacturers from which we sourced products for our general self-operated business; (ii) OEM suppliers for our proprietary brand business; (iii) warehousing and logistics service providers; and (iv) cloud service and transaction processing service providers for our digital marketplace business. Our products and services are primarily sourced within China. For each of the years ended December 31, 2023, 2024 and 2025, our purchases from the five largest suppliers accounted for 62.9%, 77.6% and 77.1% of our total purchases, respectively, and our purchases from the largest supplier accounted for 23.8%, 38.2% and 40.9% of our total purchases, respectively.

All of our five largest suppliers during the Track Record Period were Independent Third Parties. To the best knowledge of our Directors, none of our Directors, their respective associates or any shareholder who owns more than 5% of our issued share capital had any interest in any of our five largest suppliers during the Track Record Period.

OUR COMPETITIVE STRENGTHS

We believe that our sustainable growth in the family care and nutrition product market can be propelled by the following competitive strengths: (i) a commerce and service platform serving businesses in China's family care and nutrition product industry in lower-tier market, committed to offering diverse choices to Chinese families in lower-tier market; (ii) closer to lower-tier market that boast the most dynamic and loyal consumer base in China; (iii) strong synergies across our business lines, catalyzing the growth of proprietary brands; (iv) category expansion aligned with consumer demands, exhibiting steady business development momentum; (v) a fully integrated digital marketplace constructed upon industry insights and massive data accumulation; and (vi) experienced management team and corporate culture that fosters innovation.

OUR STRATEGIES

We intend to further entrench our competitive strengths and implement the following strategies: (i) strengthening linkages with upstream brands and deepening cooperative relationships; (ii) continuing to delve deep into consumer demands and strengthening the development capabilities of proprietary brands; (iii) bolstering technological capabilities and leveraging AI to improve operational efficiency; (iv) expanding our presence; and (v) integrating the industry value chain through strategic acquisitions and/or investments.

RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." Some of the major risks that we face include: (i) our business relies on the lower-tier market's demand for the products on our digital marketplace. A material change in consumer demand or preferences, or any unexpected situation with a negative impact on market demand may materially and adversely affect our business and results of operations; (ii) any quality issues in the products offered by third-party vendors or improper activities of third-party vendors on our platform may damage our brand, subject us to liability and harm our business and financial results; (iii) if we fail to respond to fluctuations in birth rate and newly-born population in a timely manner, our market share, business and profitability could be materially and adversely affected; (iv) our success depends on our ability to generate robust synergies among all participants on our digital marketplace. If we fail to maintain or strengthen such synergies, our business, results of operations and financial performance may be materially and adversely affected; and (v) if we fail to retain existing customers or attract new customers, or if our customer engagement levels and revenue contributions decline, our financial condition and business operations may be materially and adversely affected.

OUR SINGLE LARGEST SHAREHOLDER GROUP

As of the Latest Practicable Date, Mr. Zhao is able to exercise approximately 42.88% voting rights in our Company through (i) Cross Maze, and (ii) the voting rights entrusted by Entrusting Shareholders under an acting-in-concert agreement dated September 15, 2022, and such voting rights will represent approximately [REDACTED]% of our issued share capital immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued pursuant to the exercise of share options or vesting of restricted shares granted under the 2015 Share Incentive Scheme). Therefore, Mr. Zhao together with Cross Maze are considered as the Single Largest Shareholder Group of our Company for the purpose of the Listing Rules.

[REDACTED] INVESTMENTS

Since our establishment, we have received multiple series of financing from our [REDACTED] Investors. We utilized the proceeds from the [REDACTED] Investments for promoting the growth and expansion of our principal business as well as for general working capital purposes. See "History, Reorganization and Corporate Structure — [REDACTED] Investments" for details of our [REDACTED] Investments and the identity and background of our [REDACTED] Investors.

[REDACTED] SHARE INCENTIVE SCHEMES

In order to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, directors and business partners and to promote the success of our Company's business, our Company adopted the 2015 Share Incentive Scheme and the 2023 Share Incentive Scheme. For details, see "History, Reorganization and Corporate Structure — [REDACTED] Share Incentive Schemes" and "Appendix IV — Statutory and General Information — D. [REDACTED] Share Incentive Schemes" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary 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.

Selected Information from Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue	**1,066,785**	**1,032,399**	**1,400,990**
Cost of sales	(665,325)	(697,094)	(1,036,107)
Gross profit	**401,460**	**335,305**	**364,883**
Other income and gains	39,850	32,471	14,913
Selling and distribution expenses	(309,470)	(255,846)	(255,365)
Administrative expenses	(59,407)	(71,225)	(306,598)
Research and development expenses	(35,335)	(33,585)	(21,849)
Other expenses	(20,024)	(6,693)	(4,595)
Finance costs	(466)	(2,964)	(1,746)
Fair value loss on convertible redeemable preferred shares	(72,989)	(76,183)	(147,776)
Share of loss of an associate	(53)	(106)	(139)
Loss before tax	**(56,434)**	**(78,826)**	**(358,272)**
Income tax credit/(expense)	(106)	1	(419)
Loss for the year	**(56,540)**	**(78,825)**	**(358,691)**
Loss for the year attributable to:			
Owners of the parent	(52,131)	(78,403)	(358,129)
Non-controlling interests	(4,409)	(422)	(562)
	(56,540)	**(78,825)**	**(358,691)**
Total comprehensive loss for the year attributable to:			
Owners of the parent	(83,422)	(111,832)	(311,011)
Non-controlling interests	(4,409)	(422)	(562)
	(87,831)	**(112,254)**	**(311,573)**

Non-HKFRS Financial Measure

We provide adjusted net profit as a non-HKFRS financial measure, which is not required by, or presented in accordance with, HKFRS Accounting Standards. See "Financial Information — Description of Key Items of Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income — Non-HKFRS Financial Measure" for details in this regard. The following table reconciles our adjusted net profit (non-HKFRS financial measure) for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss for the year	**(56,540)**	**(78,825)**	**(358,691)**
Add:			
Fair value loss on convertible redeemable preferred shares(1)	72,989	76,183	147,776
Equity-settled share-based payments	2,852	28,411	237,654
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted net profit (non-HKFRS financial measure)	**19,301**	**25,769**	**42,559**

Note:

(1) Relating to the redemption right granted to our [REDACTED] Investors and the promissory notes issued to certain [REDACTED] Investors in May 2024 (the "**Old PNs**"). The Old PNs were terminated prior to our initial submission of [REDACTED] application in June 2025. As all Preferred Shares will be automatically converted to ordinary shares upon [REDACTED], such convertible redeemable preferred shares will be reclassified from liabilities to equity upon [REDACTED].

See "Financial Information — Description of Key Items of Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income" and "Financial Information — Year to Year Comparison of Results of Operations" for more detailed discussions of our revenue, gross profit, gross profit margin and net loss.

Summary of Consolidated Statements of Financial Position

The following table sets forth our financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	125,362	131,220	52,311
Total current assets	742,769	668,518	541,682
Total current liabilities	(2,784,330)	(2,800,926)	(2,655,865)
Net current liabilities	(2,041,561)	(2,132,408)	(2,114,183)
Total assets less current liabilities	(1,916,199)	(2,001,188)	(2,061,872)
Total non-current liabilities	(1,146)	—	(13,235)
Net liabilities	(1,917,345)	(2,001,188)	(2,075,107)

We recorded accumulated losses of RMB1,728.0 million as of January 1, 2023, comprising of (i) operating losses of RMB530.2 million due to continuous investments in market expansion, R&D of platform technologies, development of proprietary products and exploration of new product categories, (ii) changes in fair value of convertible redeemable preferred shares of RMB893.3 million, (iii) shares repurchased of RMB223.0 million and (iv) equity-settled share-based payments of RMB81.5 million. We had accumulated losses of RMB1,777.5 million, RMB1,854.3 million and RMB2,205.3 million as of December 31, 2023, 2024 and 2025, respectively, which also contributed to our position of net liabilities during the Track Record Period. These losses were a consequence of sustained comprehensive losses, as we are generally in a phase of incurring net losses.

Our net liabilities increased from RMB1,917.3 million as of December 31, 2023 to RMB2,001.2 million as of December 31, 2024, and further increased to RMB2,075.1 million as of December 31, 2025, primarily attributable to loss for the year, being partially offset by increased share option and share award reserve. We expect to achieve a net asset position upon [REDACTED], as the convertible redeemable preferred shares will be reclassified from liabilities to equity upon [REDACTED].

For details of our financial position, see "Financial Information — Discussion of Certain Key Items from Consolidated Statements of Financial Position." For details of our net current liabilities, see "Financial Information — Net Current Liabilities."

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows during the Track Record Period:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows used in operating activities	(6,013)	(112,293)	(142,589)
Net cash flows from investing activities	114,034	116,035	146,228
Net cash flows used in financing activities	(56,033)	(24,718)	(207,387)
Net increase/(decrease) in cash and cash equivalents	51,988	(20,976)	(203,748)
Cash and cash equivalents at the beginning of the year	334,375	388,274	368,461
Effect of foreign exchange rate changes, net	1,911	1,163	389
Cash and cash equivalents at the end of the year	**388,274**	**368,461**	**165,102**

We recorded net cash used in operating activities of RMB6.0 million, RMB112.3 million and RMB142.6 million in 2023, 2024 and 2025, respectively. Our net cash outflow position was generally in line with our loss before tax position, adjustments for changes in fair value of convertible redeemable preferred shares, investment income and bank interest income, and changes in working capital items that negatively affected our operating cash flows, which primarily include the increases in inventories, trade receivables, prepayments, deposits and other receivables and restricted cash, and the decreases in trade payables and other payables and accruals. The fluctuations in our net cash used in operating activities during the Track Record Period were primarily attributable to the rise in our working capital requirements, which corresponded to the expansion of our self-operated business segment, under which we bear the cost of goods and warehousing and logistics cost. See "Financial Information — Liquidity and Capital Resources — Cash Flows" for details regarding our cash flows.

Key Financial Ratios

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

	Year ended December 31,		
	2023	2024	2025
		%	
Profitability ratios			
Gross profit margin	37.6	32.5	26.0
Net loss margin	5.3	7.6	25.6
Adjusted net profit margin (non-HKFRS financial measure)	1.8	2.5	3.0

	As of December 31,		
	2023	2024	2025
Liquidity ratios			
Current ratio	0.3	0.2	0.2

See "Financial Information — Key Financial Ratios" for details regarding the calculation and reasons for the fluctuation of the above ratios.

COMPETITION

We operate in China's steadily growing and increasingly competitive commerce and service of family care and nutrition product industry in lower-tier market. According to Frost & Sullivan, the industry concentration of China's commerce and service of family care and nutrition product industry in lower-tier market still has a room for growth, with top five commerce and service platforms serving businesses jointly accounted for a total market share of 23.9% in 2025 in terms of GMV. Our competitors mainly comprise traditional distributors and other commerce and service platforms. We distinguish ourselves through key factors such as the recognition of brand name, stable supply chain and extensive sales network. We believe we are well positioned to capitalize on future industry growth, leveraging our leading market position and extensive market knowledge accumulated over years of operations. See "Industry Overview" for a detailed discussion on the markets where we operate.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Business and Financial Performance

Our business model, revenue structure and cost structure generally remained unchanged subsequent to the Track Record Period. Subsequent to December 31, 2025 and up to April 30, 2026, total GMV on our *Hipac* platform slightly decreased as compared with that of the same period in 2025, primarily due to (i) an infant formula recall incident initiated by a global infant formula brand in the first quarter of 2026, which exerted an adverse impact on infant formula sales on our platform, and (ii) the continuous declines in birth rate and newly-born population. According to our unaudited management accounts, revenue derived from our self-operated business remained comparatively steady across the first four months of 2025 and the first four months of 2026, and the gross profit margin of such business line increased attributable to the higher revenue contribution from channel exclusive products, which we generally have higher gross profit margins benefiting from our price and channel control initiatives. Nonetheless, our total revenue in the first four months of 2026 slightly decreased from that of the same period in 2025, mainly due to the contraction in our digital marketplace business affected by the aforementioned industry background.

We expect to continue to incur net operating cash outflow and net loss for the year ending December 31, 2026, primarily due to the expected [REDACTED] and fair value loss on convertible redeemable preferred shares we expected to record prior to the [REDACTED].

No Material Adverse Change

Our Directors confirm that, up to the date of this document, there has been no material changes to our business model and the general economic and regulatory environment in which we operate, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the date of the latest audited consolidated financial position of our Group as set out in the Accountants' Report in Appendix I to this document.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [REDACTED] of the Stock Exchange for the grant of the [REDACTED] of, and permission to [REDACTED] in, our Shares to be issued pursuant to the [REDACTED] (including the Shares which may be issued pursuant to the exercise of the [REDACTED]) and the Shares to be issued under the 2015 Share Incentive Scheme, on the basis that, among other things, we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue for the year ended December 31, 2025, being RMB1,401.0 million (equivalent to approximately HK$1,611.3 million), which is significantly over HK$500 million; and (ii) our expected market [REDACTED] at the time of [REDACTED], which, based on the low-end of the indicative [REDACTED] range, exceeds HK$4 billion.

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK$[REDACTED] per Share	Based on an [REDACTED] of HK$[REDACTED] per Share
Market [REDACTED] of our Shares[(1)]	HK$[REDACTED]	HK$[REDACTED]
Unaudited pro forma adjusted net tangible asset per Share[(2)]	HK$[REDACTED]	HK$[REDACTED]

Notes:

(1) The calculation of [REDACTED] is based on [REDACTED] Shares expected to be in issue immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised).

(2) The unaudited pro forma net tangible assets per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that [REDACTED] Shares were in issue immediately following the completion of the [REDACTED], without taking into account any Shares which may be allotted and issued upon exercise of the [REDACTED] and/or share options granted under the 2015 Share Incentive Scheme and upon vesting of restricted shares granted under the 2015 Share Incentive Scheme.

[REDACTED]

Our [REDACTED] primarily include [REDACTED], professional fees paid to the Sole Sponsor, legal advisers, the Reporting Accountants and other professional parties for their services rendered in relation to the [REDACTED] and the [REDACTED]. The estimated total [REDACTED] (based on the mid-point of our indicative [REDACTED] for the [REDACTED] and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately RMB[REDACTED] (equivalent to HK$[REDACTED]) (including (i) [REDACTED], SFC transaction levy, Stock Exchange trading fees and AFRC transaction levy for all [REDACTED] of approximately HK$[REDACTED]; and (ii) non-[REDACTED] related expenses of approximately HK$[REDACTED], which consist of (a) fees and expenses of legal advisers and accountants of approximately HK$[REDACTED]; and (b) sponsor fee and other fees and expenses of approximately HK$[REDACTED]), representing [REDACTED]% of the gross [REDACTED] (based on the mid-point of our indicative [REDACTED] for the [REDACTED] and assuming that the [REDACTED] is not exercised) of the [REDACTED].

During the Track Record Period, we incurred [REDACTED] of RMB[REDACTED] (equivalent to HK$[REDACTED]), of which RMB[REDACTED] (equivalent to HK$[REDACTED]) was recognized as administrative expenses in the consolidated statements of profit or loss and RMB[REDACTED] (equivalent to HK$[REDACTED]) was directly attributable to the issuance of [REDACTED] which is expected to be charged against equity upon the [REDACTED]. We expect to incur additional [REDACTED] of approximately RMB[REDACTED] (equivalent to HK$[REDACTED]), of which approximately RMB[REDACTED] (equivalent to HK$[REDACTED]) is expected to be recognized as administrative expenses in the consolidated statements of profit or loss and approximately RMB[REDACTED] (equivalent to HK$[REDACTED]) is expected to be recognized as a deduction in equity directly upon the [REDACTED].

DIVIDENDS AND DIVIDEND POLICY

No dividend has been paid or declared by our Company during the Track Record Period. We do not have a formal dividend policy or a predetermined payout ratio for dividend distribution. For details, see "Financial Information — Dividends and Dividend Policy."

[REDACTED]

We estimate the [REDACTED] of the [REDACTED] which we will receive, assuming an [REDACTED] of HK$[REDACTED] per [REDACTED] (being the mid-end of the [REDACTED] range stated in this document), will be approximately HK$[REDACTED], after deducting the estimated [REDACTED] and other fees and expenses payable by us in connection with the [REDACTED] and assuming the [REDACTED] is not exercised.

We intend to use the [REDACTED] of the [REDACTED] for the following purposes:

Approximately HK$ in millions	Percentage of [REDACTED]	Future Plans
[REDACTED]	[REDACTED]%	strengthen our collaborations with other participants in the ecosystem
[REDACTED]	[REDACTED]%	bolster our technological capabilities and improve our IT infrastructure
[REDACTED]	[REDACTED]%	selectively pursue strategic alliances, acquisitions and/or investments opportunities in the industry value chain when appropriate opportunities arise
[REDACTED]	[REDACTED]%	working capital and other general corporate purposes

See "Future Plans and [REDACTED]" for further information relating to our future plans and [REDACTED] from the [REDACTED].