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

OVERVIEW

We are a global optical transceiver provider with integrated capabilities spanning R&D and vertically integrated manufacturing. Originating from the telecom market, we have successfully expanded into the datacom market and established a rapidly growing market position in high-speed optical transceivers. We are among the early market participants to develop, mass produce and commercialize 400G and 800G optical transceivers globally, and are one of a limited number of industry participants capable of designing and producing 1.6T optical transceivers. Our in-house manufacturing capabilities cover core optical components and key production processes extending from laser chip on substrate and optical coupling to complete module assembly.

We have participated in the evolution of optical interconnect technologies from cloud computing applications to AI-driven workloads. Our high-speed optical transceiver products are highly versatile and are designed to support a broad range of AI-related networking and interconnection applications, including high-speed interconnection within and between data centers, thereby supporting extensive coverage of major AI-driven datacom applications. Our 400G, 800G, and 1.6T high-speed optical transceivers have been successfully deployed by industry-leading customers, positioning us to capture the growing demand driven by AI infrastructure build-out. We are also developing advanced optical interconnect solutions, including 12.8T extra-dense pluggable optics (XPO), 6.4T and 7.2T near-packaged optics (NPO) architectures, and technologies relevant to co packaged optics (CPO) architectures.

We have established a well-integrated global operational and manufacturing footprint to support our international customer base. Our customer base spans key regions of the global optical interconnect industry, including North America, PRC, and Europe. To meet the needs of our global customers, we operate dual-country production facilities in the PRC and Malaysia. This manufacturing footprint enhances our scalable production and delivery capabilities, particularly in the datacom sector where timely delivery of large-volume orders is a key purchasing consideration. In addition, our global manufacturing setup enables us to achieve flexible capacity allocation, enhance supply chain resilience and respond effectively to evolving global trade dynamics. Our in-house manufacturing capabilities, equipped with digitalized and automated manufacturing technologies, support the large-scale production and commercialization of products developed through our R&D platform.

According to Frost & Sullivan, we ranked 11th globally among optical transceiver providers and 8th among Chinese optical transceiver providers by revenue in 2025, with a global market share of 0.8%. By revenue generated from 400G-and-above high-speed optical transceivers, we ranked 11th among global optical transceiver providers in 2025, and recorded a CAGR of 247.6% from 2023 to 2025, which was the third fastest revenue growth rate among the top 11 global providers of 400G-and-above high-speed optical transceivers in 2025. Further, by revenue generated from 800G-and-above high-speed optical transceivers, we ranked 10th among global optical transceiver providers in 2025, and recorded a CAGR of 1,069.0% from 2023 to 2025, which was the fastest revenue growth rate among the top ten global providers of 800G-and-above high-speed optical transceivers in 2025.

OUR PRODUCTS

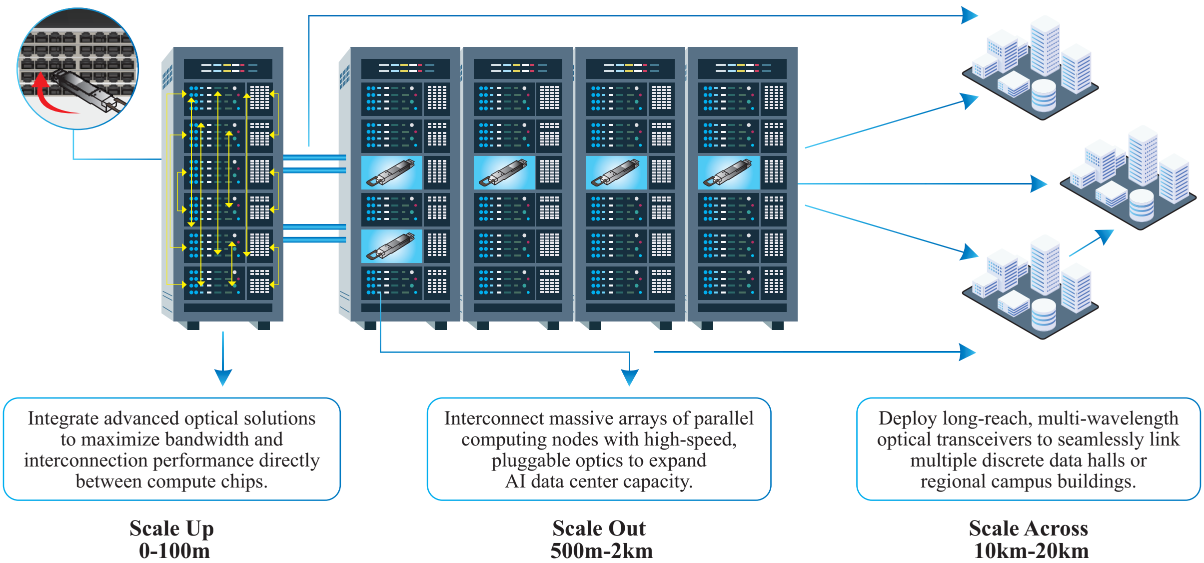
We offer a portfolio of optical transceivers covering a broad range of transmission speeds, including products below 400G, 400G, 800G, and 1.6T.

During the initial stage of our business development, our products were primarily used in telecom networks, mainly covering transmission speeds below 400G. Through our long-term cooperation with leading telecom and networking equipment vendors, we accumulated extensive customer resources, product development expertise and a strong track record in product reliability, delivery efficiency and quality control. These capabilities, developed under the stringent standards of the telecom industry, are well aligned with the demanding requirements of leading end customers in the datacom market, establishing a solid foundation for our subsequent expansion into the datacom industry.

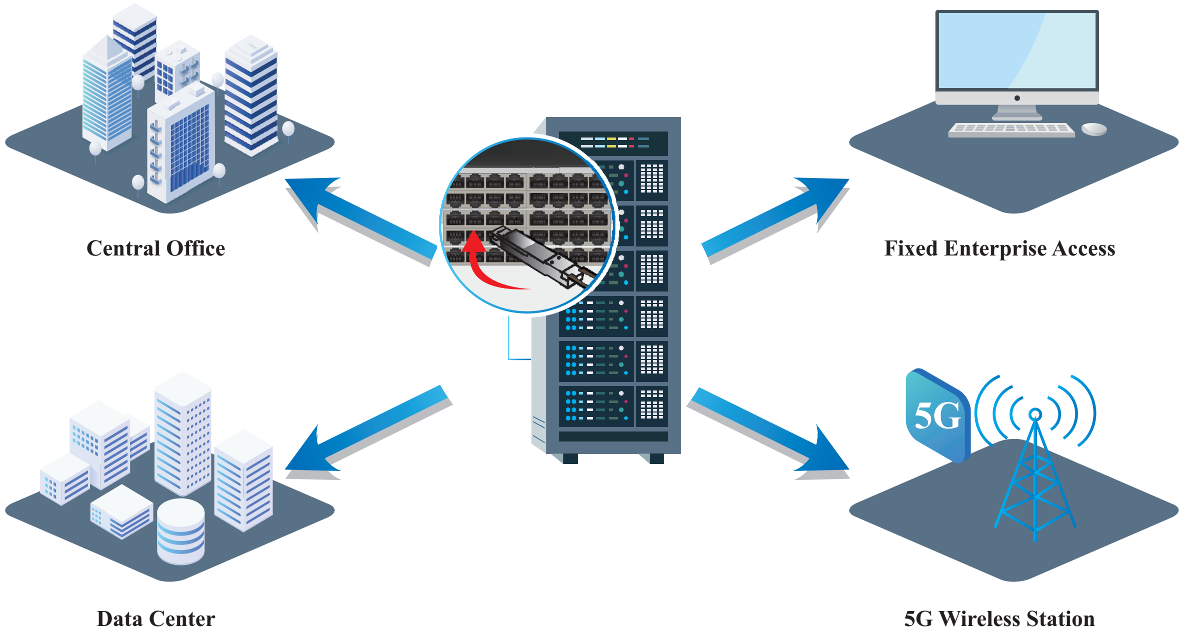
Optical interconnects are a key component of AI infrastructure, enabling high-throughput and low-latency data transmission within modern data centers. The rapid advancement and commercialization of AI technologies have significantly accelerated the build-out of AI data centers and driven exponential growth in data traffic. Against this backdrop, high-performance optical transceivers have become indispensable in supporting efficient data exchange across large-scale computing clusters. In response to such market evolution, we have continued to expand our high-speed optical transceiver portfolio and broaden its range of applications in the datacom market. Our high speed optical transceivers, including 400G, 800G, and 1.6T products, have been successfully deployed by industry-leading customers.

The diagrams below illustrate our principal application scenarios:

Datacom application scenarios



Telecom application scenarios



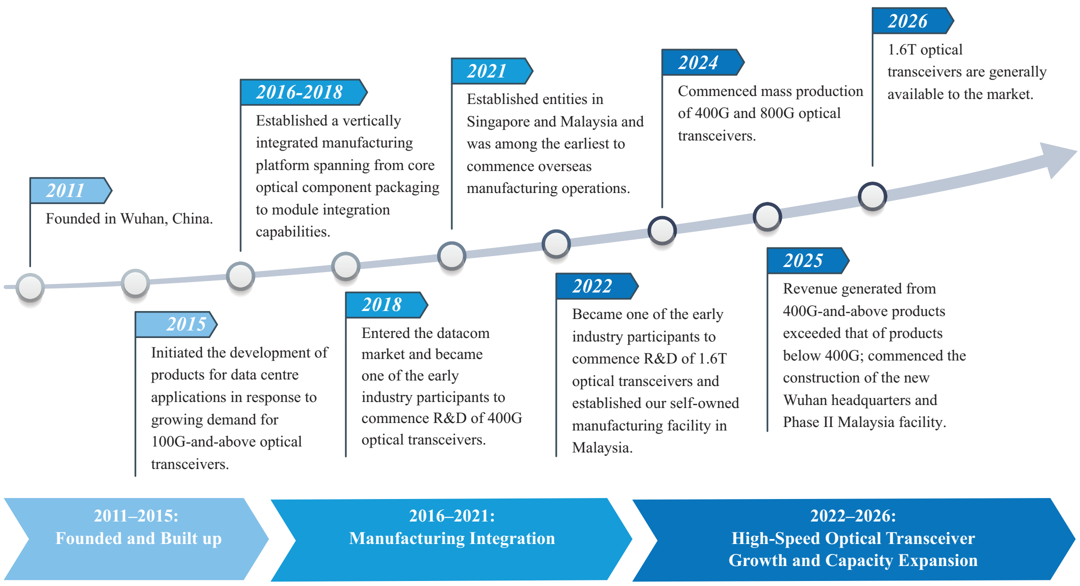
OUR MARKET OPPORTUNITIES

The rapid development of AI, cloud computing, and big data has driven sustained growth in global datacom demand, particularly as AI adoption increases computing power requirements and accelerates the expansion of AI data centers. Against this backdrop, data transmission within and between data centers increasingly requires higher bandwidth, lower latency, and greater energy efficiency, making optical transceivers critical components for high-speed data interconnection and AI infrastructure performance. Continuous technological upgrades and product iterations of optical transceivers, together with efficient delivery capabilities, are therefore essential to meet evolving performance requirements and support the growth of modern datacom systems.

According to Frost & Sullivan, global sales of optical transceivers increased from RMB77.6 billion in 2021 to RMB161.8 billion in 2025, and are expected to further increase to RMB503.4 billion by 2030. In particular, driven by AI adoption, the global datacom optical transceiver market reached RMB114.9 billion in 2025 and is expected to increase to RMB429.4 billion by 2030. Within the datacom optical transceiver market, the global market size of 400G-and-above high-speed optical transceivers increased from RMB12.3 billion in 2021 to RMB112.9 billion in 2025, and is expected to further increase to RMB465.9 billion in 2030. In particular, the 800G-and-above optical transceiver market increased from RMB1.4 billion in 2021 to RMB65.3 billion in 2025, representing a CAGR of 161.5%, and is expected to reach RMB449.8 billion in 2030, representing a CAGR of 47.1%, reflecting the accelerated industry transition toward higher transmission speeds.

OUR MILESTONES

The following highlights key milestones in our development:



OUR FINANCIAL PERFORMANCE

From 2023 to 2025, we have demonstrated strong and sustained revenue growth, accompanied by improving gross profitability. Our revenue increased from RMB605.7 million in 2023 to RMB890.1 million in 2024 and further increased to RMB1,253.5 million in 2025. Over the same period, our gross margin increased from 18.6% in 2023 to 23.2% in 2024 and further to 24.4% in 2025, driven by continuous product innovation and an increasing contribution from higher-speed optical transceivers. For details, see "Financial Information" of this document.

OUR DELIVERY CAPACITIES

We operate our dual manufacturing centers, located in Wuhan, the PRC, and Penang, Malaysia. As of the Latest Practicable Date, our production facilities in Wuhan comprised an aggregate gross floor area (GFA) of 51,904 sq.m., while those in Penang comprised an aggregate GFA of 18,273 sq.m. Our total production capacity reached approximately 2.8 million units, 4.3 million units and 4.2 million units in 2023, 2024 and 2025. Alongside the expansion of our manufacturing scale, we have optimized our product mix to align with evolving market demand. In particular, we have been actively expanding our production capacity for 800G and 1.6T and above products. As of December 31, 2025, our designed production capacity for optical transceivers with transmission speeds of 800G-and-above reached approximately 0.6 million units, and further increased to approximately 1.6 million units as of April 30, 2026, representing a CAGR of approximately 438.5% from 2023 to 2025. In addition to our in-house production, we involve third-party production facilities for the production of lower-speed products below 100G. The outsourced processing fees we paid to third-party production partners amounted to RMB31.6 million, RMB31.3 million, and RMB34.1 million in 2023, 2024 and 2025, respectively, representing 6.4%, 4.6%, and 3.6% of our total cost of sales for the respective years. For details, see "Business — Our Delivery Capacities" of this document.

RESEARCH AND DEVELOPMENT

We place significant emphasis on research and development, which is a key driver of our technological advancement and product competitiveness. In 2023, 2024 and 2025, our research and development expenses amounted to RMB57.3 million, RMB58.4 million, and RMB98.6 million, respectively, accounting for 9.5%, 6.6% and 7.9% of our total revenue, respectively. We have established R&D centers in Wuhan and Shanghai. In addition, we have established a laboratory in the U.S. As of December 31, 2025, we had 471 employees primarily engaged in R&D-related functions, accounting for approximately 32.8% of our total workforce. For details, see "Business — Research and Development" of this document.

OUR CUSTOMERS AND SUPPLIERS

Our products are ultimately deployed in a wide range of end-use scenarios, including AI-related infrastructure, data centers, telecom transmission, wireless networks, fiber access and fiber channel systems. During the Track Record Period, our direct customers primarily consisted of AI data center operators, cloud service providers, telecom operators, switch and networking equipment manufacturers and integrators. During the Track Record Period, the aggregate revenue generated from our five largest customers in each year was RMB283.0 million, RMB564.5 million, and RMB822.7 million, representing 46.8%, 63.4%, and 65.7% of our revenue, respectively. Revenue generated from our largest customer in the same periods was RMB100.3 million, RMB194.4 million, and RMB284.3 million, representing 16.6%, 21.8%, and 22.7% of our revenue, respectively. During the Track Record Period, purchases from our five largest suppliers in each year amounted to RMB253.8 million, RMB456.4 million, and RMB532.2 million, respectively, representing 37.3%, 42.5%, and 35.6% of our total purchases, respectively. In addition, during the Track Record Period, purchases from our largest supplier in each year accounted for 11.9%, 16.8%, and 16.9% of our total purchases in the same years, respectively. For details, see "Business — Our Customers" and "Business — Our Suppliers" of this document.

OUR STRENGTHS

We believe that our achievements are driven by the following competitive advantages:

- Early mover in high-speed optical transceivers with deep technological heritage and a forward-looking product roadmap.
- Organic growth fueled by our long-term and trusted partnerships with leading customers worldwide.
- Global manufacturing footprint supports stable, scalable and reliable product delivery capabilities.
- Strong R&D capabilities catering to evolving customer demand.
- An experienced and stable founding team that fosters a customer-centric and value-driven culture to support sustainable growth.

OUR STRATEGIES

We plan to implement the following strategies to achieve our strategic goals:

- Deepen our presence in the datacom market and enhance our high-speed optical transceiver capabilities.

- Expand our manufacturing capacity and optimize our global production footprint.
- Expand our customer base and strengthen customer relationships.
- Strengthen our R&D capabilities and advance next-generation technologies.
- Attract and retain talent to support long-term growth.

COMPETITION

The global optical transceiver industry in which we operate is highly competitive. According to Frost & Sullivan, global sales of optical transceivers increased from RMB77.6 billion in 2021 to RMB161.8 billion in 2025, representing a CAGR of 20.2%. In 2025, the top ten global optical transceiver suppliers collectively accounted for approximately 72.7% of the global market share. According to Frost & Sullivan, we ranked 11th among global optical transceiver providers and 8th among Chinese optical transceiver providers by optical transceiver revenue in 2025, with a global market share of 0.8%. In terms of revenue generated from 800G-and-above optical transceivers, we ranked 10th among global optical transceiver providers in 2025, with a global market share of 0.5% in such market. We face competition from optical transceiver providers in China and globally. Competition in our industry is primarily driven by the ability to iterate high-speed products, maintain relationships with key customers, and achieve large-scale production and stable delivery. Leading industry players also continue to strengthen vertical integration and invest in frontier technologies to enhance product iteration efficiency, supply chain resilience, and overall competitiveness. For details, see "Business — Competition" and "Industry Overview" of this document.

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks, including (i) risks relating to our business and industry; (ii) risks relating to where we conduct business; and (iii) risks relating to the **[REDACTED]**. Some of the major risk factors include the following:

- We are engaged in a competitive industry, in which our operational and financial performance, financial condition, and future prospects may be affected by changes in such competitive environment.
- Our success depends on our ability to develop and launch products in a timely and cost-efficient manner that adapts to technological advancements and addresses evolving customer requirements, while anticipating and supporting significant industry transitions.
- Maintaining long-term relationships with our major customers is essential to our continued success, and any disruption or loss of such relationships could adversely affect our results of operations and financial condition.
- Any slowdown in the growth of the end markets that adopt our products could adversely affect our business, financial condition, and results of operations.
- Technological innovation and R&D capabilities are key to our success. If we fail to keep up with the evolution of technologies, enhance our R&D capabilities, or to achieve anticipated R&D milestones, that could materially and adversely affect our competitiveness and profitability.
- Our ability to maintain and expand production capacity, and effectively manage capacity utilization, is essential to sustaining our market competitiveness and supporting our future growth.

- Our historical financial results may not be indicative of future performance.
- We are exposed to risks relating to foreign exchange fluctuations.
- If we fail to manage our inventories effectively, our results of operations and financial condition may be materially and adversely affected.
- We are exposed to regulatory, operational and other risks associated with our global operations.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting **[REDACTED]** commissions, fees, and estimated expenses payable by us in connection with the **[REDACTED]**, assuming no **[REDACTED]** is exercised and an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the midpoint of the indicative **[REDACTED]** range stated in this document.

- Approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, will be used to expand our production capacity and further enhance the level of automation and intelligent manufacturing capabilities across our production facilities and product lines.
- Approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, will be used for investment in R&D and the broadening of applications for our innovative products.
- Approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, will be used for our global business expansion.
- Approximately **[REDACTED]**% of the **[REDACTED]**, or approximately HK$**[REDACTED]**, will be used for general working capital and other corporate purposes.

For details, see "Future Plans and Use of **[REDACTED]**" of this document.

LISTING ON THE CHINEXT MARKET OF THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE [REDACTED]

Since September 2022, the A Shares of our Company have been listed on the ChiNext Market of the Shenzhen Stock Exchange. The Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, our Company has complied with all laws and regulations, in all material respects, applicable to its A-share listing. To the best knowledge of the Directors, there are no material matters in relation to the compliance record of the Company on the Shenzhen Stock Exchange that should be brought to the attention of the Stock Exchange or potential investors of the **[REDACTED]**. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, the Company has not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, the Shenzhen Stock Exchange or other PRC securities regulatory authorities. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Advisor's view above, no material matter has come to the Sole Sponsor's attention that would cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date.

Our Company seeks to **[REDACTED]** H Shares on the Stock Exchange to deepen our strategic layout of globalization, accelerate the development of our overseas business, promote our international brand image and further enhance our core competitiveness. See "Business — Our Strategies" and "Future Plans and Use of **[REDACTED]**" of this document for more details.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS AND ACTING-IN-CONCERT ARRANGEMENT

As of the Latest Practicable Date, Mr. Zhang and Mr. Yang are acting-in-concert parties collectively interested in approximately 34.53% of the total issued Shares. Immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no additional Shares are issued pursuant to the Pre-**[REDACTED]** Share Incentive Scheme), Mr. Zhang and Mr. Yang will be collectively interested in approximately **[REDACTED]**% of the total issued Shares. Therefore, Mr. Zhang and Mr. Yang will be our Single Largest Group of Shareholders upon completion of the **[REDACTED]** pursuant to the Listing Rules. For further details, see "Relationship with our Single Largest Group of Shareholders" of this document.

For details of the acting-in-concert arrangement among the members of our Single Largest Group of Shareholders, see "History, Development and Corporate Structure — Our Single Largest Group of Shareholders and Acting-in-Concert Arrangement" of this document.

PRE-[REDACTED] SHARE INCENTIVE SCHEME

As of the Latest Practicable Date, we had one share incentive scheme, namely the Pre-**[REDACTED]** Share Incentive Scheme, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules. Assuming full vesting and exercise of all outstanding Share options granted under the Pre-**[REDACTED]** Share Incentive Scheme, the shareholding of our Shareholders immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), will be diluted by approximately **[REDACTED]**%. The dilution effect on our earnings per Share would by approximately **[REDACTED]**%.

For further details of the Pre-**[REDACTED]** Share Incentive Scheme, see "Appendix VI Statutory and General Information — D. Pre-**[REDACTED]** Share Incentive Scheme" of this document.

DIVIDEND POLICY

During the Track Record Period, our Company declared dividends of RMB6.5 million and RMB25.9 million for the years ended December 31, 2023 and 2024, respectively, which were paid in June 2024 and May 2025, respectively.

Our dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future. Currently, our Group does not have a predetermined dividend distribution ratio and we do not intend to do so following the **[REDACTED]**. After completion of the **[REDACTED]**, any proposed distribution of dividends shall be formulated by our Board and will be subject to approval of our Shareholders. A decision to declare or to pay any dividends in the future will depend upon our earnings, financial condition, operating and capital requirements, statutory restrictions, and any other factors that our Directors may consider important. For details, see "Financial Information — Dividends" of this document.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]** commissions, and other fees incurred in connection with the **[REDACTED]**. The estimated total **[REDACTED]** expenses (based on the mid-point of the **[REDACTED]** range and assuming that the **[REDACTED]** is not exercised) for the **[REDACTED]** are approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**), accounting for approximately **[REDACTED]**% of our gross **[REDACTED]**. Approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) of the estimated **[REDACTED]** expenses is directly attributable to the issue of **[REDACTED]** to the public and will be accounted for as a deduction from equity upon completion of the **[REDACTED]**. The remaining estimated **[REDACTED]** expenses of approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) will be charged to profit or loss before or upon completion of the **[REDACTED]**. This calculation is subject to adjustment based on the actual amount incurred or to be incurred.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following table sets forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountant's Report set out in Appendix I to this document. The following data and discussion should be read in conjunction with our consolidated financial statements and related notes and the section headed "Financial Information" of this document.

Summary of Consolidated Income Statements

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

	For the Year Ended December 31		
	2023	2024	2025
	(RMB in thousands)		
Revenue	**605,725**	**890,075**	**1,253,529**
Cost of sales	(493,161)	(683,586)	(947,829)
Gross profit	**112,564**	**206,489**	**305,700**
Other income and gains	33,384	47,213	48,634
Selling and marketing expenses	(20,511)	(22,788)	(28,929)
Administrative expenses	(40,261)	(65,650)	(98,624)
Research and development expenses	(57,306)	(58,367)	(98,561)
Reversal of impairment/(impairment) on financial assets, net	557	6,369	(2,339)
Other expenses	(2,501)	(6,361)	(1,726)
Fair value losses on investment properties	—	(676)	(518)
Finance costs	(3,255)	(6,096)	(13,166)
Share of profits and losses of a joint venture	—	—	(283)
Profit Before Tax	**22,671**	**100,133**	**110,188**
Income tax credit/(expense)	3,812	(7,181)	(7,101)
Profit For The Year	**26,483**	**92,952**	**103,087**

Summary of Statements of Financial Position

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated.

	As of December 31		
	2023	2024	2025
	(RMB in thousands)		
Non-current assets	711,417	889,283	1,196,685
Current assets	1,028,169	1,322,229	1,787,425
Non-current liabilities	9,078	17,904	54,317
Current liabilities	308,905	682,620	1,310,441
Net current assets	719,264	639,609	476,984
Net Assets	1,421,603	1,510,988	1,619,352

For a detailed discussion of our current assets and current liabilities during the Track Record Period, please see "Financial Information — Discussion of Certain Key Items on Consolidated Statements of Financial Position" of this document.

Summary of Statements of Cash Flows

The table below sets forth the selected cash flow data from the consolidated cash flow statements for the years indicated.

	For the Year Ended December 31		
	2023	2024	2025
	(RMB in thousands)		
Net cash flows generated from/(used in) operating activities	118,502	118,723	(206,196)
Net cash flow used in investing activities	(511,289)	(256,056)	(305,112)
Net cash flow generated from financing activities	39,736	167,648	470,070
Net increase/(decrease) in cash and cash equivalents	(353,051)	30,315	(41,238)
Cash and cash equivalents at the beginning of the year	538,710	187,035	223,619
Effect of foreign exchange rate changes, net	1,376	6,269	(2,752)
Cash and cash equivalents at the end of the year	**187,035**	**223,619**	**179,629**

KEY FINANCIAL RATIOS

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

	For the Year Ended/As of December 31		
	2023	2024	2025
Gross margin(1)	18.6%	23.2%	24.4%
Net profit margin(2)	4.4%	10.4%	8.2%
Return on equity(3)	1.9%	6.3%	6.6%
R&D expense to revenue ratio(4)	9.5%	6.6%	7.9%

Notes:

(1) Gross margin is calculated by dividing gross profit by revenue for the year.

(2) Net profit margin is calculated by dividing net profit for the year by revenue for the year.

(3) Return on equity is calculated using net profit for the year divided by the average of the beginning and ending balances of total equity and multiplied by 100%.

(4) R&D expense to revenue ratio is calculated by dividing research and development expenses by revenue for the year.

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK$[REDACTED] per H Share	Based on an [REDACTED] of HK$[REDACTED] per H Share
[REDACTED] of our H Shares(1) . . .	HK$**[REDACTED]**	HK$**[REDACTED]**
[REDACTED] of our Shares(2)	HK$**[REDACTED]**	HK$**[REDACTED]**
Unaudited **[REDACTED]** adjusted net tangible assets per Share(3)	HK$**[REDACTED]**	HK$**[REDACTED]**

Notes:

(1) The calculation of **[REDACTED]** is based on the **[REDACTED]** H Shares expected to be outstanding immediately upon completion of the **[REDACTED]**, without taking into account H Shares that may be issued upon the exercise of the **[REDACTED]**.

(2) The calculation of **[REDACTED]** of our Shares is based on the assumption that **[REDACTED]** Shares (comprising **[REDACTED]** H Shares and 130,084,500 A Shares) will be in issue immediately upon completion of the **[REDACTED]**, without taking into account H Shares that may be issued upon the exercise of the **[REDACTED]**. The calculation of market value of the A shares is based on the average closing price of the A Shares of RMB332.24 per A Share for the five business days immediately preceding the Latest Practicable Date and 130,084,500 A Shares in issue as of the Latest Practicable Date.

(3) The unaudited **[REDACTED]** adjusted consolidated net tangible assets per Share is calculated after making the adjustments see "Appendix II — Unaudited **[REDACTED]** Financial Information" of this document.

COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that could, individually or in aggregate, have a material adverse effect on our business, results of operations, and financial condition.

According to our PRC Legal Advisor, the business operations we engaged in the PRC had been carried out in compliance with applicable PRC laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date. According to our Malaysia Legal Advisor, the business operations conducted by our Malaysia subsidiary had been carried out in compliance with applicable Malaysian laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date. According to our U.S. Legal Advisor, the business operations conducted by our U.S. subsidiary had been carried out in compliance with applicable U.S. laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date. For further details, see "Risk Factors — Risks Relating to Our Business and Industry — We may from time to time be subject to claims, disputes, lawsuits, and other legal and administrative proceedings" of this document.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Based on the management accounts of our Company, we recorded a decline in our financial performance for the three months ended March 31, 2026, primarily due to (i) temporary production interruptions and the deferral of certain customer order deliveries resulting from adjustments to our manufacturing facilities and production arrangements during the first quarter of 2026, including certain manufacturing lines reconfigured from Wuhan, the PRC to Penang, Malaysia and among our production facilities in Malaysia; (ii) supply constraints affecting certain key raw materials, particularly optical chips, which adversely affected our ability to fulfill certain customer orders on schedule; (iii) increased foreign exchange losses arising from exchange rate fluctuations; and (iv) higher operating expenses associated with our business expansion, including the continued expansion of our workforce and increased depreciation and amortization expenses.

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