The following discussion and analysis of our financial condition and results of operations should be read in conjunction with notes included in the Accountants' Report in Appendix I and the Financial Information for the Three Months Ended March 31, 2026 included in Appendix IA to this document. Our consolidated financial statements have been prepared in accordance with IFRS.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. You should not place undue reliance on any such statements. Our actual future results and timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors", "Forward-Looking Statements" and elsewhere in this document.

For the purpose of this section, unless the context otherwise requires, reference to the years of 2023, 2024 and 2025 refer to the years ended December 31, 2023, 2024 and 2025, respectively.

OVERVIEW

Driven by technological capabilities and a proven ability to scale and commercialize, we are the second largest provider in Chinese mainland of high-performance computing server power supply in terms of revenue in 2025, empowering a wide range of industrial, consumer and commercial energy conversion applications. According to Frost & Sullivan, in terms of revenue in 2025, we possessed market shares of 6.9% and 15.8% in the global and Chinese mainland high-performance computing server power supply markets, respectively, and 1.0% and 2.5% in the global and Chinese mainland computing server power supply markets, respectively. Our products cater to the exacting requirements on output, efficiency, power density, and reliability.

Leveraging deep technical experience and strong customer resources in computing server power supply, we successfully expanded into the Energy Storage Solution ("**ESS**") Power Conversion business. Through this business line, we primarily provide power conversion systems for portable and residential energy storage products, serving top portable energy storage brands such as Hello Tech (the second largest portable energy storage company globally in terms of shipment volume in 2025, with a market share of 13.4%, according to Frost & Sullivan) and also cater to industrial and commercial applications.

In 2023, 2024 and 2025, our revenue amounted to RMB261.2 million, RMB555.9 million, and RMB1,044.6 million, respectively. In the same years, our profit for the period amounted to RMB4.2 million, RMB39.6 million, RMB97.1 million, respectively. For the three months ended March 31, 2026, our revenue amounted to RMB215.0 million, and we recorded loss for the period of RMB5.3 million.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our historical financial condition and results of operations have been affected by a number of important factors which we believe will continue to affect our financial condition and results of operations in the future. Our results are primarily affected by the following factors:

Global Demand for High-Performance Computing Server Power Supply Products

Our revenue is closely related to the demand for high-performance power supply products and, accordingly, to the demand for high-performance computing servers. In 2025, the market size in terms of revenue of high-performance computing server power supply industry reached RMB10.5 billion globally and RMB2.4 billion in Chinese mainland, growing at a CAGR of 169.2% and 121.3% from 2021, respectively. By 2030, the market size in terms of revenue of high-performance computing server

power supply industry is projected to reach RMB433.6 billion globally and RMB45.9 billion in Chinese mainland, growing at a CAGR of 110.5% and 80.4% from 2025, respectively. The anticipated rapid growth is primarily driven by the sustained increase in computing power demand.

Our related products, including application-specific computing server power supplies and AI computing server power supplies, are well-positioned to benefit from this increase in demand given their high energy efficiency, power density and performance. As the market demand is expected to experience sustained growth, and AI and application-specific computing server power supplies continue to be key building blocks of the proliferation of AI technology, we expect to further leverage our core competencies to deepen our penetration into the AI server market and to increase revenue contribution from AI computing server power supplies.

In addition to high-performance computing server power supplies, we also participate in the fast growing market for ESS power conversion, which are primarily used in the consumer market. As global fossil fuel and electricity price volatility drives greater focus on household energy resilience and outdoor power demand, ESS power conversion is becoming an increasingly important growth driver. According to Frost & Sullivan, the market size of ESS power conversion systems industry in Chinese mainland is expected to grow from RMB33.5 billion in 2025 to RMB154.2 billion by 2030, representing a CAGR of 35.7%. Against this backdrop, our ESS power conversion solutions are being developed towards higher energy density, greater conversion efficiency, faster charging speeds and more compact designs to capture this structural growth opportunity.

Downstream Introduction of New Technologies and Solutions

Our growth and financial performance are closely linked to the pace at which next-generation high-performance computing power systems are adopted across downstream industries. In AI and blockchain, the widespread deployment of AI data centers and the rapid increase in demand for GPU and ASIC-based computing hardware have significantly accelerated market expansion and driven higher performance standards for power supplies. Consequently, high-efficiency power conversion and advanced thermal management have become critical for supporting energy-intensive computing operations.

In response, our R&D efforts have been focusing on power supplies featuring industry-leading full-load efficiency, energy-saving design, modular architecture, and strong system adaptability. Key projects include a 20 kW liquid-cooled unit supporting 70°C inlet temperature, a cost-optimized 10 kW oil-cooled model with improved efficiency, and high-density AI power supplies such as a 3,200 W CRPS ($100W/in^3$) and a 5,500 W OCP unit meeting Ruby standards with 97.5% peak efficiency. These products are designed to support high-end chipsets and demanding supercomputing center environments. For microgrid systems, we are advancing towards mass manufacturing our 800 V DC output, 100 kW AC/DC conversion module and our 600 kW parallel system cabinet with 99% efficiency, designed to provide HVDC power for AI data centers and support integrated computing power and energy storage solutions. Additionally, we are developing a 1 MW PSL integrated computing microgrid system to enable the construction of distributed green computing power systems.

Looking forward, we will continue to build on our product portfolio and collaborative customer relationships, enabling large-scale commercialization of next-generation computing power systems and strengthening our market position as the industry transforms through technological advancement and capacity upgrades.

Product Mix and Market Demand Cycles

Our financial and operating results are closely linked to our product mix and the different demand dynamics present in each of our main business lines, namely (i) Computing Server Power Supply, which includes Application-Specific Computing Server Power Supply and AI Computing Server Power

Supply, and (ii) ESS Power Conversion. Demand for, and the profitability of the products we sell under each of these business lines are influenced by different market drivers, customer requirements and technological trends in the end markets they serve.

These businesses show different gross margin profiles, reflecting differences in the development stage of the businesses, product maturity, pricing models and customer order patterns across businesses. In general, when a business is in its nascent development stage, the average selling price of our products and its gross margin tend to experience significant fluctuations due to various reasons, including pricing strategy to gain market recognition, lower production utilization due to small-batch delivery, and the flexibility to provide customized products at small-batch and higher price. As the businesses mature, our production scales up, and the pricing of our products tracks more closely to the overall supply-demand dynamics. As a result, the average selling price of our products and its gross margin tend to normalize. For example, our ESS Power Conversion and AI Computing Server Power Supply are experiencing similar trajectory, though at different stages. Within each business, different models and specifications may also have different average selling prices. As a result, changes in the relative contribution of these businesses and products to our total revenue can affect our profitability.

Demand trends for these businesses are not uniform. We expect Application-Specific Computing Server Power Supplies and AI Computing Server Power Supplies to be our principal growth drivers, supported by the improvement in and accelerating adoption of AI, machine learning and blockchain technologies, which may in turn lead to more favorable gross margins. More specifically, according to Frost & Sullivan, since 2022, the price of high-performance application-specific computing server power supply has been, though not solely, correlated with the demand for digital asset mining machineries, which has been in turn affected by the fluctuation in the price of digital asset to some extent, as factors such as product performance and specifications, particularly energy efficiency and output power, now play an important role in purchase decisions, especially considering the total cost of ownership in large-scale deployments. At the same time, we also expect to capitalize on the growing demand for ESS Power Conversion. These differing demand and pricing dynamics can lead to changes in our product mix and profitability fluctuations. Our ability to manage and optimize our product portfolio, allocate capacity among businesses and respond to evolving customer demands will remain critical to sustaining our gross margin, profitability and overall financial performance.

R&D Investment and Innovation

We operate in industries characterized by rapid technological evolution and increasing performance requirements. We believe our ability to continuously design and develop high-performance power supply products is critical to maintaining our technology leadership and supporting our customers in the large-scale commercialization of their next-generation technologies. Therefore, our revenue growth depends on our ability to consistently introduce generational upgrades that align with emerging technologies and our customers' evolving needs.

We have been investing, and expect to continue to invest, in R&D. In 2023, 2024, 2025 and three months ended March 31, 2026, our R&D expenses were RMB42.3 million, RMB63.2 million, RMB83.3 million and RMB28.5 million, representing 16.2%, 11.4%, 8.0% and 13.3% of our total revenue for the respective periods. Our R&D efforts are aligned with our strategic priorities to reinforce our market position in high-performance power supply solutions. R&D outcomes affect our business in multiple ways, including whether we can maintain and deepen relationships with existing customers, secure new design wins, broaden our portfolio of products and solutions and improve production efficiency.

Ongoing R&D investment may lead to fluctuations in our operating expenses and does not always result in successful commercialization. Nevertheless, we believe that sustained investment in R&D is essential to strengthening our competitive position and is expected to support our long-term revenue growth and profitability.

Manufacturing Capacity and Supply Chain Capabilities

Our manufacturing capacity and supply chain capabilities are critical to meeting customer demands and ensuring the timely delivery of our products. The majority of our customer requirements involve customized solutions. Consequently, our order fulfillment capability hinges on a combination of factors, including adequate manufacturing capacity, stable access to key raw materials, and ability to respond quickly, efficiently and reliably to customized demands.

As demand for our products continues to grow, it is essential that we scale our manufacturing capabilities without compromising product quality or operational efficiency. To achieve this, we have implemented a flexible manufacturing system that allows us to adjust production capacity and allocate resources in line with shifting customer needs. In addition, we have built strong relationships with key suppliers to secure a stable supply of key raw materials and OEM service.

However, we recognize fluctuations in raw material costs, service costs and logistical challenges may impact our ability to meet customer demands on time. These factors could affect our revenue and profitability. To mitigate these risks, we continue to strengthen our supply chain resilience by diversifying our supplier base, optimizing production processes, and implementing advanced capacity planning systems.

Our Ability to Develop New Customers and Maintain Existing Major Customers

We operate in the computing server power supply industry**,** which is marked by rapid technological cycles and a growing demand for customized products. To maintain our own competitiveness, we must continuously upgrade our product offerings and innovate integrated solutions that align with evolving market and customer needs.

Our ability to maintain our customer base depends on our continued efforts to strengthen collaboration with major customers and strategic partners, as well as our capacity to support them in meeting evolving industry requirements. As demand shifts toward applications such as AI computing, energy-efficient systems and more resilient supply chains, customers increasingly require customized specifications and integrated solutions. To maintain major customer relationships, we must continue to respond to these requirements in a timely manner, ensure stable delivery and provide products that align with their technological and operational needs. Beyond deepening relationships with our existing customers, our business performance and financial results also hinge on our ability to win new customers. We proactively seek to expand our customer base by developing and offering products tailored to meet customized technical requirements. Additionally, our success in attracting new customers is shaped by our marketing initiatives and branding efforts.

BASIS OF PRESENTATION

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently applied accounting policies that conform with IFRS Accounting Standards throughout the Track Record Period. Any new or amended IFRS Accounting Standards that became effective during the Track Record Period have been applied as appropriate and any new or amendments to standards issued but not yet effective have not been early adopted, unless otherwise disclosed.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

Note 3 to "*Appendix I — Accountants' Report*" and Note 2 to "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*" to this document set forth certain material accounting policy information, which are important for understanding our financial conditions and results of operations.

Some of our accounting policies require us to apply estimates and assumptions as well as judgments relating to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and results of operations. Our management continually evaluates such estimates, assumptions and judgments based on past experiences and other factors, including industry practices and expectations of future events that are believed to be reasonable under the circumstances. There has not been any material deviation between our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future. See Note 4 to "*Appendix I — Accountants' Report*".

RESULTS OF OPERATIONS

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Revenue	261,189	100.0	555,884	100.0	1,044,596	100.0	158,934	100.0	214,984	100.0
Cost of sales	(202,039)	(77.4)	(433,861)	(78.0)	(807,990)	(77.3)	(129,298)	(81.4)	(175,761)	(81.8)
Gross profit	**59,150**	**22.6**	**122,023**	**22.0**	**236,606**	**22.7**	**29,636**	**18.6**	**39,223**	**18.2**
Other income, expenses, gains and losses, net	8,300	3.2	12,865	2.3	14,236	1.4	3,497	2.2	(6,439)	(3.0)
Selling and marketing expenses	(4,735)	(1.8)	(6,749)	(1.2)	(7,065)	(0.7)	(1,876)	(1.2)	(2,586)	(1.2)
Administrative expenses	(13,643)	(5.2)	(14,815)	(2.7)	(30,071)	(2.9)	(4,824)	(3.0)	(5,698)	(2.7)
Research and development expenses	(42,258)	(16.2)	(63,231)	(11.4)	(83,273)	(8.0)	(16,743)	(10.5)	(28,501)	(13.3)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net impairment losses under expected credit loss ("**ECL**") model	(633)	(0.2)	(972)	(0.2)	(4,318)	(0.4)	(2,215)	(1.4)	(2,100)	(1.0)
Finance income	229	0.1	1,306	0.2	4,092	0.4	806	0.5	1,149	0.5
Finance costs	(3,871)	(1.6)	(4,208)	(0.6)	(4,258)	(0.5)	(1,087)	(0.7)	(390)	(0.2)
Changes in carrying amounts of redemption liabilities	(1,398)	(0.5)	(6,967)	(1.3)	(11,518)	(1.1)	(1,216)	(0.8)	—	—
Profit (loss) before tax	**1,141**	**0.4**	**39,252**	**7.1**	**104,688**	**10.0**	**5,978**	**3.8**	**(8,729)**	**(4.1)**
Income tax credits (expenses)	3,096	1.2	349	0.0	(7,557)	(0.7)	1,021	0.6	3,405	1.6
Profit (loss) for the year/period attributable to owners of the Company	**4,237**	**1.6**	**39,601**	**7.1**	**97,131**	**9.3**	**6,999**	**4.4**	**(5,324)**	**(2.5)**

NON-IFRS MEASURE

To supplement our consolidated financial statements which are presented in accordance with IFRSs, we also use adjusted profit (a non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRSs. We believe that this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management to evaluate our operating performance and formulate business plans. However, our adjusted profit (a non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation, or as substitute for analysis of, our results of operations or financial position as reported under IFRSs.

Adjusted profit (a non-IFRS measure) is defined as profit/(loss) for the period by adding back the effects of (i) financial costs related to redemption liabilities, representing the redemption to such instruments thereafter, (ii) **[REDACTED]** incurred in connection with the **[REDACTED]**, (iii) changes in carrying amounts of redemption liabilities which are non-cash in nature and do not result in cash outflows, and (iv) share-based compensation, which is also non-cash in nature.

The following tables reconcile our adjusted profit (a non-IFRS measure) for the periods presented.

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
			(in RMB thousands)		
				(unaudited)	*(unaudited)*
Profit (loss) for the year/period	4,237	39,601	97,131	6,999	(5,324)
Add:					
Financial costs — redemption liabilities	3,150	3,285	2,597	832	—
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Changes in carrying amounts of redemption liabilities	1,398	6,967	11,518	1,216	—
Share-based compensation	2,910	3,945	5,646	921	3,572
Adjusted profit for the year/period (a non-IFRS measure)	11,695	53,798	126,635	9,968	1,635

PRINCIPAL COMPONENTS OF RESULTS OF OPERATIONS

Revenue

By Business Line

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
					(in thousands, except for percentages)					
							(unaudited)		*(unaudited)*	
Computing Server Power Supply										
Application-Specific Computing Server Power Supply	250,359	95.9	402,023	72.3	718,911	68.8	94,836	59.7	168,504	78.4
AI Computing Server Power Supply	63	0.0	1,668	0.3	7,432	0.7	158	0.1	1,350	0.6
ESS Power Conversion	10,723	4.1	152,055	27.4	318,253	30.5	63,940	40.2	45,130	21.0
Others[(1)]	44	0.0	138	0.0	—	—	—	—	—	—
Total	**261,189**	**100.0**	**555,884**	**100.0**	**1,044,596**	**100.0**	**158,934**	**100.0**	**214,984**	**100.0**

Note:

(1) Mainly including revenue from processing services.

By Geographical Location

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		(unaudited)	
Chinese Mainland	**257,319**	**98.5**	**496,039**	**89.2**	**653,752**	**62.6**	**126,703**	**79.7**	**46,633**	**21.7**
Outside of Chinese Mainland	**3,870**	**1.5**	**59,845**	**10.8**	**390,844**	**37.4**	**32,231**	**20.3**	**168,351**	**78.3**
Singapore	—	—	—	—	165,643	15.9	—	—	127,970	59.5
Hong Kong	2,079	0.8	42,793	7.7	150,588	14.4	26,761	16.9	17,677	8.2
Malaysia	—	—	—	—	25,385	2.4	—	—	3,743	1.7
The United States	1,126	0.4	8,674	1.6	12,723	1.2	2,548	1.6	184	0.1
Others[(1)]	665	0.3	8,378	1.5	36,505	3.5	2,922	1.8	18,777	8.8
Total	**261,189**	**100.0**	**555,884**	**100.0**	**1,044,596**	**100.0**	**158,934**	**100.0**	**214,984**	**100.0**

Note:

(1) Mainly including Japan, Thailand, Canada, Israel, Switzerland, Taiwan and Philippines.

During the Track Record Period, a majority of our revenue was from Chinese mainland. Information about our revenue from customers is presented based on the place of incorporation of the immediate customers. Our overseas customers primarily included customers in Hong Kong, Singapore, Malaysia and the United States.

During the Track Record Period, revenue from outside of Chinese mainland continued to increase. Notably, revenue from outside of Chinese mainland increased from RMB59.8 million in 2024 to RMB390.8 million in 2025, and from RMB32.2 million in the three months ended March 31, 2025 to RMB168.4 million in the same period in 2026, primarily driven by (i) increased procurement from core overseas customers underpinned by growing overseas demand for application-specific computing server power supplies, particularly in Singapore and Hong Kong, where customer demand for high-performance computing servers used in digital asset mining experienced strong increase; (ii) the change of delivery arrangements by certain existing customers, which previously procured through their PRC subsidiaries for subsequent export to their overseas affiliates, but have substantially shifted to placing purchase orders using their overseas affiliates and having the products delivered directly to overseas destinations; and (iii) the expansion of our overseas customer base resulting from intensified marketing activities and our strengthened industry recognition and reputation. We became acquainted with these overseas customers through ordinary business development activities, including participating in industry exhibitions, online marketing activities, introduction or referral from existing customers and connections established by our management through their industry experience. We expect that the contribution from overseas markets will continue to grow going forward, as we continue to expand our international customer base and strengthen our presence in key global markets. Consistent with this trend, starting from 2025, we have begun exporting to additional overseas markets, including Singapore and Malaysia, which has further diversified the geographical distribution of our revenue outside Chinese mainland.

Sales Volume and Average Selling Prices

	Years ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(Thousand Unit)	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*
Computing Server Power Supply										
Application-Specific Computing Server Power Supply	258.6	1.0	340.3	1.2	464.1	1.5	78.5	1.2	121.1	1.4
AI Computing Server Power Supply	0.2	0.3	1.4	1.2	3.9	1.9	0.6	0.3	1.2	1.1
ESS Power Conversion	9.6	1.1	268.4	0.6	543.6	0.6	101.1	0.6	67.5	0.7

During the Track Record Period, sales volume for our products is generally affected by downstream market demand, customer ordering patterns and the timing of new product launches and ramp-ups. This growth was further supported by the expansion of our production capacity following the completion of our Hengyang plant in February 2025, which allowed us to accommodate rising demands from our key customers. Average selling prices, in turn, are primarily influenced by factors such as product mix, technological sophistication, specifications and customer requirements. Average selling price is calculated by dividing the revenue from a given product category by the corresponding sales volume. The changes in the average price were mainly driven by shifts in product mix. For details, please see *"— Period-to-Period Comparison of Results of Operations."*

Cost of Sales

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Cost of raw materials	179,683	89.0	390,457	90.0	697,718	86.3	113,906	88.1	151,580	86.3
Cost of labor	12,798	6.3	23,050	5.3	44,148	5.5	11,250	8.7	8,479	4.8
Overhead[(1)]	9,558	4.7	20,354	4.7	66,124	8.2	4,142	3.2	15,702	8.9
Total	**202,039**	**100.0**	**433,861**	**100.0**	**807,990**	**100.0**	**129,298**	**100.0**	**175,761**	**100.0**

Note:

(1) Mainly including depreciation and amortization, OEM service fees, utilities and transportation fees.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Computing Server Power Supply										
Application-Specific Computing Server Power Supply	54,601	21.8	112,074	27.9	191,067	26.6	21,350	22.5	33,241	19.7

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
AI Computing Server Power Supply	(5)	(7.9)	779	46.7	3,545	47.7	(200)	(126.6)	545	40.4
ESS Power Conversion	4,522	42.2	9,115	6.0	41,994	13.2	8,486	13.3	5,437	12.0
Others[(1)]	32	72.7	55	39.9	—	—	—	—	—	—
Total/Overall[(2)]	**59,150**	**22.6**	**122,023**	**22.0**	**236,606**	**22.7**	**29,636**	**18.6**	**39,223**	**18.2**

Notes:

(1) Mainly including gross profit and gross profit margin from processing services.

(2) The overall gross profit margin is calculated as gross profit for the year/period divided by revenue for the corresponding period and multiplied by 100%.

Other income, expenses, gains and losses, net

Our other income, expenses, gains and losses, net consist of (i) government grants relating to our ordinary business activities, such as funding support for R&D projects, (ii) extra-deduction of value-added tax ("**VAT**") representing an additional credit on deductible input VAT for high-technology enterprises, (iii) VAT refund for software products, (iv) gain on changes in fair value of financial assets at FVTPL, net, primarily arising from wealth management products, (v) net (loss) gain on disposal of property, plant and equipment, (vi) net gain on early termination of right-of-use assets and lease liabilities, (vii) net foreign exchange gains (losses) and (viii) others, primarily the sales of scrap materials.

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Government grants	5,501	66.3	3,914	30.4	9,307	65.4	731	20.9	201	3.1
Extra-deduction of input VAT	—	—	2,959	23.0	—	—	—	—	—	—
VAT refund for software products	1,459	17.6	4,487	34.9	9,220	64.7	2,422	69.3	1,288	20.0
Gain on changes in fair value of financial assets at FVTPL, net	1,060	12.8	901	7.0	573	4.0	53	1.5	56	0.9
Net (loss) gain on disposal of property, plant and equipment	(13)	(0.2)	12	0.1	(106)	(0.7)	8	0.2	13	0.2
Net gain on early termination of right-of-use assets and lease liabilities	—	—	—	—	538	3.8	584	16.7	—	—
Net foreign exchange gains (losses)	173	2.1	520	4.0	(4,988)	(35.0)	(213)	(6.1)	(8,148)	(126.5)
Others[(1)]	120	1.4	72	0.6	(308)	(2.2)	(88)	(2.5)	151	2.3
Total	**8,300**	**100.0**	**12,865**	**100.0**	**14,236**	**100.0**	3,497	100.0	(6,439)	(100.0)
as % of total revenue		*3.2*		*2.3*		*1.4*		*2.2*		*(3.0)*

Note:

(1) Mainly including the sales of scrap materials.

Selling and Marketing Expenses

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Staff costs	2,368	50.0	3,434	50.9	3,537	50.1	918	49.0	1,305	50.5
Travel expenses	1,791	37.8	2,246	33.3	2,197	31.1	777	41.4	832	32.2
Advertising and promotion expenses	13	0.3	76	1.1	707	10.0	124	6.6	267	10.3
Depreciation and amortization	334	7.1	484	7.2	73	1.0	49	2.6	8	0.3
Others[1]	229	4.8	509	7.5	551	7.8	8	0.4	174	6.7
Total	**4,735**	**100.0**	**6,749**	**100.0**	**7,065**	**100.0**	**1,876**	**100.0**	**2,586**	**100.0**
as % of total revenue		*1.8*		*1.2*		*0.7*		*1.2*		*1.2*

Note:

(1) Mainly including rental and office expenses.

Administrative Expenses

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Staff costs	8,921	65.4	8,662	58.5	18,541	61.7	3,085	63.9	2,613	46.0
Depreciation and amortization	1,212	8.9	1,718	11.6	1,999	6.6	437	9.1	656	11.5
Office expenses	800	5.9	1,126	7.6	2,182	7.3	377	7.8	803	14.1
Travel expenses	611	4.5	966	6.5	1,389	4.6	323	6.7	486	8.5
Consulting services fees[1]	882	6.5	1,320	8.9	2,446	8.1	288	6.0	606	10.6
Other taxes and surcharges	85	0.6	290	2.0	817	2.7	148	3.1	104	1.8
Renovation expenses	1,002	7.3	75	0.5	385	1.3	117	2.4	133	2.3
Others[2]	130	0.9	658	4.4	2,312	7.7	49	1.0	297	5.2
Total	**13,643**	**100.0**	**14,815**	**100.0**	**30,071**	**100.0**	**4,824**	**100.0**	**5,698**	**100.0**
as % of total revenue		*5.2*		*2.7*		*2.9*		*3.0*		*2.7*

Notes:

(1) Mainly including fees for financial advisory and IP management services.

(2) Mainly including equipment rental expenses and recruitment and training expenses.

Research and Development Expenses

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Staff costs	30,732	72.7	49,732	78.7	63,391	76.1	13,296	79.3	22,196	77.9
Depreciation and amortization	3,712	8.8	6,150	9.7	8,111	9.7	1,788	10.7	2,889	10.1
Materials	1,935	4.6	2,424	3.8	5,374	6.5	715	4.3	1,112	3.9
Testing and certification expenses	1,482	3.5	1,499	2.4	1,819	2.2	433	2.6	719	2.5
Technical consulting fees[1]	1,089	2.6	991	1.6	144	0.2	—	—	419	1.5

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)									
							(unaudited)		*(unaudited)*	
Others[(2)]	3,308	7.8	2,435	3.8	4,434	5.3	511	3.1	1,166	4.1
Total	**42,258**	**100.0**	**63,231**	**100.0**	**83,273**	**100.0**	**16,743**	**100.0**	**28,501**	**100.0**
as % of total revenue		*16.2*		*11.4*		*8.0*		*10.5*		*13.3*

Notes:

(1) Mainly including fees for joint R&D collaboration.

(2) Mainly including outsourced development fees.

Changes in carrying amounts of redemption liabilities

In 2023, 2024 and 2025, our changes in carrying amounts of redemption liabilities, primarily related to liquidation preference rights and divestment rights, amounted to RMB1.4 million, RMB7.0 million and RMB11.5 million. For the three months ended March 31, 2025 and the same period in 2026, we recorded RMB1.2 million and nil in changes in carrying amounts of redemption liabilities.

Finance Income/Costs-Net

Our finance income primarily consists of interest income from bank deposits. Our finance costs primarily consist of interest expenses on lease liabilities, bank borrowings, discounting receivables at FVTOCI and redemption liabilities. In 2023, 2024 and 2025, our net finance costs amounted to RMB3.6 million, RMB2.9 million and RMB0.2 million, respectively. For the three months ended March 31, 2025 and the same period in 2026, we recorded net finance costs of RMB0.3 million and net finance income of RMB0.8 million, respectively.

Income Tax Credit (Expense)

We recorded income tax credit of RMB3.1 million, RMB0.3 million, RMB1.0 million and RMB3.4 million in 2023, 2024, the three months ended March 31, 2025 and the same period in 2026, respectively, and income tax expense of RMB7.6 million in 2025. During the Track Record Period and up to the Latest Practicable Date, we fulfilled all our tax obligations and did not have any unresolved tax disputes. The income tax credit in 2023, 2024, the three months ended March 31, 2025 and the same period in 2026 primarily reflected the combined effect of current tax and deferred tax arising from the statutory and preferential income tax rates applicable to the Group's entities. For the statutory tax rate and preferential income tax rates applicable to our Company and our subsidiaries, see Note 10 to "*Appendix I — Accountants' Report*" and Note 8 to "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*" in this document.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025

Revenue

Our revenue increased by 35.3% from RMB158.9 million for the three months ended March 31, 2025 to RMB215.0 million for the same period in 2026, primarily due to the increased revenue from sales of computing server power supply, especially application-specific computing server power supply, partially offset by decrease in revenue from ESS power conversion products.

	Three months ended March 31,		
	2025	2026	% Change
	(in thousands, except for percentages)		
Computing Server Power Supply			
Application-Specific Computing Server Power Supply	94,836	168,504	77.7
AI Computing Server Power Supply	158	1,350	754.4
ESS Power Conversion	63,940	45,130	(29.4)
Total	**158,934**	**214,984**	**35.3**

Sales Volume and Average Selling Prices

	Three months ended March 31,			
	2025		2026	
	Sales volume	Average selling price	Sales volume	Average selling price
	(Thousand Unit)	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	78.5	1.2	121.1	1.4
AI Computing Server Power Supply	0.6	0.3	1.2	1.1
ESS Power Conversion	101.1	0.6	67.5	0.7

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our revenue from the sales of application-specific computing server power supplies increased by 77.7% from RMB94.8 million for the three months ended March 31, 2025 to RMB168.5 million for the same period in 2026, primarily due to (i) an increase in sales volume from 78.5 thousand units for the three months ended March 31, 2025 to 121.1 thousand units for the same period in 2026, primarily attributable to our securing and fulfilling substantial, high-volume orders from key customers, which was driven by the expanding downstream demand in digital asset mining, and (ii) an increase in average selling price from RMB1.2 thousand per unit for the three months ended March 31, 2025 to RMB1.4 thousand per unit for the same period in 2026, driven by an increase in sales of advanced products with high specifications, such as higher power output of up to 10 kW, increased conversion efficiency and greater power density.

AI Computing Server Power Supply

Our revenue from the sales of AI computing server power supplies increased significantly from RMB0.2 million for the three months ended March 31, 2025 to RMB1.4 million for the same period in 2026, primarily due to (i) an increase in average selling price from RMB0.3 thousand per unit for the three months ended March 31, 2025 to RMB1.1 thousand per unit for the same period in 2026, as we delivered customized products with higher performance at higher prices, and (ii) an increase in sales volume from 0.6 thousand units for the three months ended March 31, 2025 to 1.2 thousand units for the same period in 2026, driven by the acquisition of new customers.

ESS Power Conversion

Our revenue from sales of ESS power conversion products decreased by 29.4% from RMB63.9 million for the three months ended March 31, 2025 to RMB45.1 million for the same period in 2026. This decline was primarily driven by a decrease in sales volume from 101.1 thousand units for the three months ended March 31, 2025 to 67.5 thousand units for the same period in 2026, driven by reduced restocking by our key customers and softer downstream end-market demand, partially offset by a slight increase of average selling price from RMB0.6 thousand per unit for the three months ended March 31, 2025 to RMB0.7 thousand per unit for the same period in 2026, as a result of a change in product mix towards products with higher power output.

Cost of Sales

	Three months ended March 31,		
	2025	2026	% Change
	(in thousands, except for percentages)		
Cost of raw materials	113,906	151,580	33.1
Cost of labor	11,250	8,479	(24.6)
Overhead	4,142	15,702	279.1
Total	**129,298**	**175,761**	**35.9**

Our cost of sales increased by 35.9% from RMB129.3 million for the three months ended March 31, 2025 to RMB175.8 million for the same period in 2026, primarily due to (i) a 33.1% increase in cost of raw materials and (ii) a 279.1% increase in overhead, which mainly included depreciation and amortization, OEM service fees and utilities, as a result of the growth of our business and expanded production scale, partially offset by a 24.6% decrease in cost of labor, due to improvements in production efficiency, mainly driven by greater use of automated equipment and lean manufacturing practices.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

Our gross profit increased by 32.3% from RMB29.6 million for the three months ended March 31, 2025 to RMB39.2 million for the same period in 2026, primarily due to our robust revenue growth.

	Three months ended March 31,			
	2025		2026	
	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin
	RMB	*%*	*RMB*	*%*
	(in thousands, except for percentages)			
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	21,350	22.5	33,241	19.7
AI Computing Server Power Supply	(200)	(126.6)	545	40.4
ESS Power Conversion	8,486	13.3	5,437	12.0
Total/Overall	**29,636**	**18.6**	**39,223**	**18.2**

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our gross profit from application-specific computing server power supplies increased by 55.7% from RMB21.4 million for the three months ended March 31, 2025 to RMB33.2 million for the same period in 2026, primarily due to a 77.7% increase in revenue from the sale of application-specific computing server power supply, partially offset by a decrease in gross profit margin from 22.5% for the three months ended March 31, 2025 to 19.7% for the same period in 2026, mainly because we reduced the selling prices of certain products for key customers during the three months ended March 31, 2026 to further enhance our price competitiveness and strengthen our relationship with these key customers.

AI Computing Server Power Supply

We changed from a gross loss of RMB0.2 million for the three months ended March 31, 2025 to a gross profit of RMB0.5 million for the same period in 2026, primarily due to (i) a 754.4% increase in revenue from the sale of AI computing server power supply and (ii) a shift from a gross loss margin of 126.6% for the three months ended March 31, 2025 to a gross profit margin of 40.4% for the same period in 2026, mainly attributable to (a) a shift in product mix towards customized products with higher performance at higher prices and (b) decreased per-unit fixed costs as a result of the increase in sales volume. The gross loss margin for the three months ended March 31, 2025 was mainly attributable to higher fixed costs per unit as a result of lower sales volume as certain new products remained in their initial stages.

ESS Power Conversion

Our gross profit from ESS power conversion products decreased by 35.9% from RMB8.5 million for the three months ended March 31, 2025 to RMB5.4 million for the same period in 2026, primarily due to (i) a 29.4% decrease in revenue from the sale of ESS power conversion products and (ii) a decrease in gross profit margin from 13.3% for the three months ended March 31, 2025 to 12.0% for the same period in 2026, primarily due to higher fixed costs per unit as a result of lower sales volume.

Other Income, Expenses, Gains and Losses, Net

We recorded other income, expenses and gains, net of RMB3.5 million for the three months ended March 31, 2025 and a net negative amount of RMB6.4 million for the same period in 2026, primarily due to an increase of RMB7.9 million in net foreign exchange losses.

Selling and Marketing Expenses

	Three months ended March 31,		
	2025	2026	% Change
	(in thousands, except for percentages)		
Selling and distribution expenses	1,876	2,586	37.8
as % of total revenue	*1.2*	*1.2*	

Our selling and marketing expenses increased by 37.8% from RMB1.9 million for the three months ended March 31, 2025 to RMB2.6 million for the same period in 2026, primarily due to an increase of RMB0.4 million in staff costs attributable to the increase in the number of sales and marketing employees and the average salary, which is in line with our business growth. Our selling and marketing expenses as a percentage of our total revenue remained stable at 1.2% for the three months ended March 31, 2025 and the same period in 2026.

Administrative expenses

	Three months ended March 31,		
	2025	2026	% Change
	(in thousands, except for percentages)		
Administrative expenses	4,824	5,698	18.1
as % of total revenue	*3.0*	*2.7*	

Our administrative expenses increased by 18.1% from RMB4.8 million for the three months ended March 31, 2025 to RMB5.7 million for the same period in 2026, primarily due to (i) an increase of RMB0.4 million in office expenses, attributable to expenditures on office software purchase, and (ii) an increase of RMB0.3 million in consulting services fee, reflecting a higher demand for IP management services, partially offset by a decrease of RMB0.5 million in staff costs, mainly due to optimized compensation structure. Our administrative expenses as a percentage of our total revenue decreased as we benefited from improved economies of scale and management efficiency.

Research and Development Expenses

	Three months ended March 31,		
	2025	2026	% Change
	(in thousands, except for percentages)		
Research and development expenses	16,743	28,501	70.2
as % of total revenue	*10.5*	*13.3*	

Our research and development expenses increased by 70.2% from RMB16.7 million for the three months ended March 31, 2025 to RMB28.5 million for the same period in 2026, primarily due to (i) an increase of RMB8.9 million in staff costs, attributable to increased R&D personnel and an increase in average compensation, reflecting our expansion in R&D efforts to develop a wide range of advanced products across businesses and (ii) an increase of RMB1.1 million in depreciation and amortization, mainly related to research equipment used by research and development employees. Our research and development expenses as a percentage of our total revenue increased, reflecting our continued investment in R&D capabilities to support future product development and revenue growth.

Finance Income

Our finance income increased by 42.6% from RMB0.8 million for the three months ended March 31, 2025 to RMB1.1 million for the same period in 2026, due to an increase of RMB0.3 million in bank interest income.

Finance Costs

Our finance costs decreased by 64.1% from RMB1.1 million for the three months ended March 31, 2025 to RMB0.4 million for the same period in 2026, primarily due to a decrease of RMB0.8 million in finance costs on redemption liabilities.

Income Tax Credit (Expenses)

Our income tax credit increased by 233.5% from RMB1.0 million for the three months ended March 31, 2025 to RMB3.4 million for the same period in 2026, due to an increase of RMB4.2 million in deferred tax.

(Loss) Profit for the Period

As a result of the foregoing, we recorded profit for the period of RMB7.0 million and net profit margin of 4.4% for the three months ended March 31, 2025 and loss for the period of RMB5.3 million and net loss margin of 2.5% for the same period in 2026.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by 87.9% from RMB555.9 million in 2024 to RMB1,044.6 million in 2025, as we recorded revenue growth across all our business lines.

	Year ended December 31,		
	2024	2025	% Change
	(in thousands, except for percentages)		
Computing Server Power Supply			
Application-Specific Computing Server Power Supply	402,023	718,911	78.8
AI Computing Server Power Supply	1,668	7,432	345.6
ESS Power Conversion	152,055	318,253	109.3
Others	138	—	—
Total	**555,884**	**1,044,596**	**87.9**

Sales Volume and Average Selling Prices

	Years ended December 31,			
	2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price
	(Thousand Unit)	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	340.3	1.2	464.1	1.5
AI Computing Server Power Supply	1.4	1.2	3.9	1.9
ESS Power Conversion	268.4	0.6	543.6	0.6

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our revenue from the sales of application-specific computing server power supplies increased by 78.8% from RMB402.0 million in 2024 to RMB718.9 million in 2025, primarily due to (i) an increase in sales volume from 340.3 thousand units in 2024 to 464.1 thousand units in 2025, as a result of our acquisition of new customers and an increase in orders from our existing customers, particularly Shenzhen MicroBT Group and Customer G. This momentum was primarily driven by an increase in downstream overseas demand for blockchain-related computing servers, supported by our strong product performance and expanded production capacity, and (ii) an increase in average selling price from RMB1.2 thousand per unit in 2024 to RMB1.5 thousand per unit in 2025 driven by a change in product mix which in turn was the result of an increase in sales of advanced products with high specifications, such as higher power output, conversion efficiency, power density and advanced liquid-cooled technology, as advances in computing chips increased per-server computing power and power demand, while system-level energy and space efficiency requirements continued to increase. For industry-wide drivers for such increase in demand, see *"Industry Overview — The Global and Chinese Mainland High-Performance Computing Server Power Supply Industry — Market Drivers and Future Trends of High-Performance Computing Server Power Supply Industry"*.

AI Computing Server Power Supply

Our revenue from the sales of AI computing server power supplies increased by 345.6% from RMB1.7 million in 2024 to RMB7.4 million in 2025. In the fourth quarter of 2024, as our AI computing server power supply products matured and gained market acceptance, we began to deliver certain customized products with high performance at higher prices, as opposed to previous pricing strategy to gain recognition. This resulted in increases in sales volume from 1.4 thousand units in 2024 to 3.9 thousand units in 2025, and average selling price from RMB1.2 thousand per unit in 2024 to RMB1.9 thousand per unit in 2025.

ESS Power Conversion

Our revenue from sales of ESS power conversion products increased by 109.3% from RMB152.1 million in 2024 to RMB318.3 million in 2025, primarily due to an increase in sales volume from 268.4 thousand units in 2024 to 543.6 thousand units in 2025, primarily driven by our expanded sales to Hello Tech. Following the launch of its new portable energy storage products in 2025, Hello Tech scaled its procurement from us to satisfy growing overseas customer demand.

Others

Our revenue from sales of other products decreased from RMB0.1 million in 2024 to nil in 2025, primarily due to the suspension of processing services.

Cost of Sales

	Year ended December 31,		
	2024	2025	% Change
	(in thousands, except for percentages)		
Cost of raw materials	390,457	697,718	78.7
Cost of labor	23,050	44,148	91.5
Overhead	20,354	66,124	224.9
Total	**433,861**	**807,990**	**86.2**

Our cost of sales increased by 86.2% from RMB433.9 million in 2024 to RMB808.0 million in 2025, primarily due to (i) a 78.7% increase in cost of raw materials, (ii) a 91.5% increase in cost of labor and (iii) a 224.9% increase in overhead. Such increases mainly reflect the growth of our business and expanded production scale.

Gross Profit and Gross Profit Margin

Our gross profit increased by 93.9% from RMB122.0 million in 2024 to RMB236.6 million in 2025, primarily due to an improved product mix, as well as effective cost controls in raw materials and production process optimization.

	Year ended December 31,			
	2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(in thousands, except for percentages)			
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	112,074	27.9	191,067	26.6
AI Computing Server Power Supply	779	46.7	3,545	47.7
ESS Power Conversion	9,115	6.0	41,994	13.2
Others	55	39.9	—	—
Total/Overall	**122,023**	**22.0**	**236,606**	**22.7**

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our gross profit from application-specific computing server power supplies increased by 70.5% from RMB112.1 million in 2024 to RMB191.1 million in 2025, primarily due to a 78.8% increase in revenue from the sale of application-specific computing server power supply, partially offset by a decrease in gross profit margin from 27.9% in 2024 to 26.6% in 2025, mainly because we reduced the selling prices of certain products for key customers since the fourth quarter of 2025 to further enhance our price competitiveness and strengthen our relationship with these key customers.

AI Computing Server Power Supply

Our gross profit from AI computing server power supplies significantly increased from RMB0.8 million in 2024 to RMB3.5 million in 2025, primarily due to (i) a 345.6% increase in revenue from the sale of AI computing server power supply and (ii) an increase in gross profit margin from 46.7% in 2024 to 47.7% in 2025, as we started to deliver certain customized AI computing server power supply products at higher prices in the fourth quarter of 2024.

ESS Power Conversion

Our gross profit from ESS power conversion products increased by 360.7% from RMB9.1 million in 2024 to RMB42.0 million in 2025, primarily due to (i) a 109.3% increase in revenue from the sale of ESS power conversion products and (ii) an increase in gross profit margin from 6.0% in 2024 to 13.2% in 2025, mainly due to product design optimization that reduced cost.

Others

We recorded a gross profit from others of RMB55 thousand and a gross profit margin of 39.9% in 2024. In 2025, the gross profit from others is recorded as nil, primarily due to the suspension of processing services.

Other Income, Expenses, Gains and Losses, Net

Our other income, expenses, gains and losses, net increased by 10.7% from RMB12.9 million in 2024 to RMB14.2 million in 2025, primarily due to (i) an increase in VAT refund for software products amounting to RMB4.7 million and (ii) an increase of RMB5.4 million in government grants, partially offset by the change from a net foreign exchange gain of RMB0.5 million in 2024 to a net foreign exchange loss of RMB5.0 million in 2025.

Selling and Marketing Expenses

	Year ended December 31,		
	2024	2025	% Change
	(in thousands, except for percentages)		
Selling and distribution expenses	6,749	7,065	4.7
as % of total revenue	*1.2*	*0.7*	

Our selling and marketing expenses increased by 4.7% from RMB6.7 million in 2024 to RMB7.1 million in 2025, primarily due to an increase of RMB0.6 million in advertising and promotion expenses attributable to increased product promotion initiatives, including exhibition participation and promotional brochure production. Our selling and marketing expenses as a percentage of our total revenue decreased due to higher brand recognition and improved sales efficiency, which reduced marginal cost of acquiring new customers amid revenue growth.

Administrative Expenses

	Year ended December 31,		
	2024	2025	% Change
	(in thousands, except for percentages)		
Administrative expenses	14,815	30,071	103.0
as % of total revenue	*2.7*	*2.9*	

Our administrative expenses increased by 103.0% from RMB14.8 million in 2024 to RMB30.1 million in 2025, primarily due to (i) an increase of RMB9.9 million in staff costs, attributable to an increase in the number of administrative staff, (ii) an increase of RMB1.1 million in office expenses, attributable to expenditures on office software purchase and (iii) an increase of RMB0.4 million in travel expenses, in line with our business growth. Our administrative expenses as a percentage of our total revenue decreased as we benefited from improved economies of scale and management efficiency.

Research and Development Expenses

	Year ended December 31,		
	2024	2025	% Change
	(in thousands, except for percentages)		
Research and development expenses	63,231	83,273	31.7
as % of total revenue	*11.4*	*8.0*	

Our research and development expenses increased by 31.7% from RMB63.2 million in 2024 to RMB83.3 million in 2025, primarily due to (i) an increase of RMB13.7 million in staff costs, attributable to increased R&D personnel and an increase in average compensation, reflecting our expansion in R&D efforts to develop a wide range of advanced products across business lines and (ii) an increase of RMB3.0 million in material expenses, attributable to the expansion in R&D projects, in line with our business growth. Our research and development expenses as a percentage of our total revenue decreased as we were able to leverage our R&D efficiency to drive revenue growth.

Finance Income

Our finance income increased by 213.3% from RMB1.3 million in 2024 to RMB4.1 million in 2025, due to an increase of RMB2.8 million in bank interest income on bank deposit.

Finance Costs

Our finance costs increased by 1.2% from RMB4.2 million in 2024 to RMB4.3 million in 2025, primarily due to (i) an increase of RMB0.6 million in finance costs arising from bank borrowings and (ii) an increase of RMB0.1 million in finance costs arising from discounting notes receivables at FVTOCI, partially offset by a decrease of RMB0.7 million in finance costs arising from redemption liabilities.

Income Tax Credit (Expenses)

We recorded income tax credit of RMB0.3 million in 2024 and income tax expense of RMB7.6 million in 2025, primarily due to deferred income tax expense.

Profit for the Year

As a result of the foregoing, our profit for the period increased by 145.3% from RMB39.6 million in 2024 to RMB97.1 million in 2025, and our net profit margin increased from 7.1% in 2024 to 9.3% in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by 112.8% from RMB261.2 million in 2023 to RMB555.9 million in 2024, primarily due to the overall growth of market demand and our collaboration with leading customers which strengthened our global market recognition.

	Year ended December 31,		
	2023	2024	% Change
	(in thousands, except for percentages)		
Computing Server Power Supply			
Application-Specific Computing Server Power Supply	250,359	402,023	60.6
AI Computing Server Power Supply	63	1,668	2,547.6
ESS Power Conversion	10,723	152,055	1,318.0
Others	44	138	213.6
Total	**261,189**	**555,884**	**112.8**

Sales Volume and Average Selling Prices

	Years ended December 31,			
	2023		2024	
	Sales volume	Average selling price	Sales volume	Average selling price
	(Thousand Unit)	*(RMB'000 /unit)*	*(Thousand Unit)*	*(RMB'000 /unit)*
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	258.6	1.0	340.3	1.2
AI Computing Server Power Supply	0.2	0.3	1.4	1.2
ESS Power Conversion	9.6	1.1	268.4	0.6

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our revenue from the sales of application-specific computing server power supplies increased by 60.6% from RMB250.4 million in 2023 to RMB402.0 million in 2024, due to (i) an increase in sales volume from 258.6 thousand units in 2023 to 340.3 thousand units in 2024, as a result of a sustained growth in downstream demand, particularly expanded sales to Shenzhen MicroBT Group amid strong overseas demand for blockchain-related computing servers. It was further supported by our increased penetration with our major customers, specifically Customer F and Customer G, which transitioned from small-scale trial procurement in 2023 to large-scale commercial delivery in 2024, and (ii) an increase in average selling price from RMB1.0 thousand per unit in 2023 to RMB1.2 thousand per unit in 2024, primarily as a result of a change in product mix, whereby we successfully launched and expanded the sales of advanced products with higher power output that carries higher average selling prices.

AI Computing Server Power Supply

Our revenue from the sales of AI computing server power supplies increased significantly from RMB63 thousand in 2023 to RMB1.7 million in 2024. In the fourth quarter of 2024, as our AI computing server power supply products matured and gained recognition, we began to deliver certain customized high-performance products at higher prices and larger scale. As a result, sales volume increased from 0.2 thousand units in 2023 to 1.4 thousand units in 2024, while average selling price increased from RMB0.3 thousand per unit to RMB1.2 thousand per unit over the same periods.

ESS Power Conversion

Our revenue from the sales of ESS power conversion products increased significantly from RMB10.7 million in 2023 to RMB152.1 million in 2024, primarily due to an increase in sales volume from 9.6 thousand units in 2023 to 268.4 thousand units in 2024, primarily as a result of our successful commercialization and production scale-up of ESS power conversion products. Following a small-scale trial in 2023, we expanded manufacturing in 2024 to meet Hello Tech's increased order volumes. This was partially offset by a decrease in average selling price from RMB1.1 thousand per unit in 2023 to RMB0.6 thousand per unit in 2024, primarily as a result of the shift in product mix in response to customer demand for lower-power and more compact products that have lower prices. In contrast, the products we sold in 2023 were primarily customized products with high prices in small batches.

Others

Our revenue from the sales of other products increased by 213.6% from RMB44 thousand in 2023 to RMB0.1 million in 2024, primarily due to our efforts to increase capacity utilization and strengthen operational efficiency.

Cost of Sales

	Year ended December 31,		
	2023	2024	% Change
	(in thousands, except for percentages)		
Cost of raw materials	179,683	390,457	117.3
Cost of labor	12,798	23,050	80.1
Overhead	9,558	20,354	113.0
Total	**202,039**	**433,861**	**114.7**

Our cost of sales increased by 114.7% from RMB202.0 million in 2023 to RMB433.9 million in 2024, primarily due to (i) a 117.3% increase in cost of raw materials, (ii) a 113.0% increase in overhead and (iii) a 80.1% increase in cost of labor, largely in line with our revenue growth. Such increases mainly reflect the growth of our business and expanded production scale.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

Our gross profit increased by 106.3% from RMB59.2 million in 2023 to RMB122.0 million in 2024, in line with our increase in revenue.

	Years ended December 31,			
	2023		2024	
	Gross Profit/(Loss)	Gross Profit/(Loss) Margin	Gross Profit	Gross Profit Margin
	(in thousands, except for percentages)			
Computing Server Power Supply				
Application-Specific Computing Server Power Supply	54,601	21.8	112,074	27.9
AI Computing Server Power Supply	(5)	(7.9)	779	46.7
ESS Power Conversion	4,522	42.2	9,115	6.0
Others	32	72.7	55	39.9
Total/Overall	**59,150**	**22.6**	**122,023**	**22.0**

Computing Server Power Supply

Application-Specific Computing Server Power Supply

Our gross profit from application-specific computing server power supplies increased by 105.3% from RMB54.6 million in 2023 to RMB112.1 million in 2024, primarily due to (i) a 60.6% increase in revenue from the sales of application-specific computing server power supply and (ii) an increase in gross profit margin from 21.8% in 2023 to 27.9% in 2024, mainly attributable to a change in product mix towards advanced products with higher margins and the ramp-up of production, which lowered per unit fixed costs.

AI Computing Server Power Supply

We recorded a gross profit of RMB0.8 million from AI computing server power supplies in 2024, compared with a gross loss of RMB5 thousand in 2023. As we began to deliver certain customized high-performance products at higher prices in the fourth quarter of 2024, we recorded a gross profit margin of 46.7% in 2024, a significant improvement from a gross loss margin of 7.9%. This, combined with a significant increase in revenue from our sales of AI computing server power supplies in 2024, resulted in the gross profit in 2024.

ESS Power Conversion

Our gross profit from ESS power conversion increased by 101.6% from RMB4.5 million in 2023 to RMB9.1 million in 2024, primarily due to a significant increase in revenue from the sales of ESS power conversion products. This effect was partially offset by a decrease in gross profit margin from 42.2% in 2023 to 6.0% in 2024, mainly attributable to (i) the larger revenue contribution from sales of lower-power and more compact products that have lower prices in response to customer demand, and (ii) the fact that the products we sold in 2023 were primarily customized products with high prices in small batches.

Others

Our gross profit from others increased by 71.9% from RMB32 thousand in 2023 to RMB55 thousand in 2024, primarily due to the expansion of processing services.

Other Income, Expenses, Gains and Losses, Net

Our other income, expenses, gains and losses, net increased by 55.0% from RMB8.3 million in 2023 to RMB12.9 million in 2024, primarily due to (i) an increase of RMB3.0 million in VAT refund for software products and (ii) an increase of RMB3.0 million in extra-deduction of input value-added tax.

Selling and Marketing Expenses

	Year ended December 31,		
	2023	2024	% Change
	(in thousands, except for percentages)		
Selling and distribution expenses	4,735	6,749	42.5
as % of total revenue	*1.8*	*1.2*	

Our selling and marketing expenses increased by 42.5% from RMB4.7 million in 2023 to RMB6.7 million in 2024, primarily due to (i) an increase of RMB1.1 million in staff costs attributable to the increase in the number of sales and marketing employees and the average salary, which is in line with our business growth, (ii) an increase of RMB0.5 million in travel expenses attributable to our increase in selling and marketing activities, and (iii) an increase of RMB0.2 million in depreciation and amortization, mainly related to office equipment and software used by selling and marketing employees. Our selling and marketing expenses as a percentage of our total revenue decreased given our higher brand recognition and improved sales efficiency, which reduced marginal cost of acquiring new customers amid revenue growth.

Administrative Expenses

	Year ended December 31,		
	2023	2024	% Change
	(in thousands, except for percentages)		
Administrative expenses	13,643	14,815	8.6
as % of total revenue	*5.2*	*2.7*	

Our administrative expenses increased by 8.6% from RMB13.6 million in 2023 to RMB14.8 million in 2024, primarily due to (i) an increase of RMB0.5 million in depreciation and amortization, mainly related to office equipment and software used by administrative employees, (ii) an increase of RMB0.4 million in consulting services and fees primarily related to our financing activities, and (iii) an increase of RMB0.3 million in office expenses primarily for office software procurement, in line with our business growth. Our administrative expenses as a percentage of our total revenue decreased as our management efficiency improved.

Research and Development Expenses

	Year ended December 31,		
	2023	2024	% Change
	(in thousands, except for percentages)		
Research and development expenses	42,258	63,231	49.6
as % of total revenue	*16.2*	*11.4*	

Our research and development expenses increased by 49.6% from RMB42.3 million in 2023 to RMB63.2 million in 2024, primarily due to an increase of RMB19.0 million in staff costs primarily attributable to the increase in the number of research and development employees and the average salary, which reflects our expansion in R&D efforts to develop a wide range of advanced products across business lines. Our research and development expenses as a percentage of our total revenue decreased as we leveraged our previous R&D results and benefited from strong economies of scale.

Finance Income

Our finance income increased by 470.3% from RMB0.2 million in 2023 to RMB1.3 million in 2024, due to an increase of RMB1.1 million in bank interest income.

Finance Costs

Our finance costs increased by 8.7% from RMB3.9 million in 2023 to RMB4.2 million in 2024, primarily due to an increase of RMB0.3 million in bank borrowings.

Income Tax Credit (Expense)

Our income tax credit (expense) decreased by 88.7% from income tax credit of RMB3.1 million in 2023 to income tax credit of RMB0.3 million in 2024, primarily due to deferred income tax expense.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 834.6% from RMB4.2 million in 2023 to RMB39.6 million in 2024, and our net profit margin increased from 1.6% in 2023 to 7.1% in 2024.

SELECTED BALANCE SHEET ITEMS

Inventories

Our inventories include raw materials, work in progress and finished goods. The table below sets forth the breakdown of our inventories as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
Raw materials	34,434	74,305	99,846	113,691
Work-in-progress	5,921	20,945	12,909	10,149
Finished goods	5,106	8,275	53,600	38,387
Total	**45,461**	**103,525**	**166,355**	**162,227**

Our inventories increased from RMB45.5 million as of December 31, 2023 to RMB103.5 million as of December 31, 2024, primarily due to (i) an increase in raw materials from RMB34.4 million as of December 31, 2023 to RMB74.3 million as of December 31, 2024, (ii) an increase in work-in-progress from RMB5.9 million as of December 31, 2023 to RMB20.9 million as of December 31, 2024 and (iii) an increase in finished goods from RMB5.1 million as of December 31, 2023 to RMB8.3 million as of December 31, 2024, reflecting our expansion in raw material procurement, production and storage in line with our increase in sales volume and our business growth.

Our inventories increased from RMB103.5 million as of December 31, 2024 to RMB166.4 million as of December 31, 2025, primarily due to (i) an increase in finished goods from RMB8.3 million as of December 31, 2024 to RMB53.6 million as of December 31, 2025, and (ii) an increase in raw materials from RMB74.3 million as of December 31, 2024 to RMB99.8 million as of December 31, 2025,

reflecting our expansion in raw material procurement and production in line with increase in sales volume and our business growth, partially offset by a decrease in work-in-progress from RMB20.9 million as of December 31, 2024 to RMB12.9 million as of December 31, 2025.

Our inventories slightly decreased from RMB166.4 million as of December 31, 2025 to RMB162.2 million as of March 31, 2026, primarily due to (i) a decrease in finished goods from RMB53.6 million as of December 31, 2025 to RMB38.4 million as of March 31, 2026 and (ii) a decrease in work-in-progress from RMB12.9 million as of December 31, 2025 to RMB10.1 million as of March 31, 2026, partially offset by an increase in raw materials from RMB99.8 million as of December 31, 2025 to RMB113.7 million as of March 31, 2026.

The table below sets forth an aging analysis of our inventories as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
0 to 179 days	31,753	91,461	139,461	120,138
180 days to 359 days	8,492	8,333	20,432	28,628
360 days to 719 days	5,216	2,878	4,815	12,392
720 days to 1,079 days	—	853	1,647	1,069
Total	**45,461**	**103,525**	**166,355**	**162,227**

The table below sets forth the turnover days of our inventories for the year/period indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Inventory turnover days[(1)]	87.7	62.7	61.0	84.1

Note:

(1) Inventory turnover days for each year/period equals the average of the beginning and ending balances of inventory for that period divided by cost of sales for that year/period and multiplied by 365 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

From 2023 to 2025, our inventory turnover days continued to decrease, as we optimized our inventory management. In the three months ended March 31, 2026, inventory turnover days increased to 84.1 days, primarily due to our advance stockpiling during the period to hedge against the risk of raw material price fluctuations.

As of May 31, 2026, 56.3% of our total inventories as of March 31, 2026, or RMB91.3 million, were utilized or sold.

Trade and Notes Receivables

Trade and notes receivables mainly arise from sales of our products on credit. We periodically conduct credit evaluations of customers who trade on credit. We usually grant credit periods ranging between one to four months to our customers, depending on their operating situations, financial condition and expected transaction volume.

The table below sets forth the breakdown of our trade and notes receivables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
Trade receivables from				
— third parties	10,914	87,333	162,143	249,553
— related parties	17,496	29,321	—	—
Subtotal	28,410	116,654	162,143	249,553
Less: impairment loss allowance	(300)	(1,156)	(5,106)	(6,536)
Trade receivables, net	28,110	115,498	157,037	243,017
Notes receivables, gross and net	—	25,641	353	70
Total	**28,110**	**141,139**	**157,390**	**243,087**

Our trade and notes receivables increased from RMB28.1 million as of December 31, 2023 to RMB141.1 million as of December 31, 2024. Such increase was primarily due to our increase in revenue and a substantial increase in demand from customer, to whom we granted more favorable credit terms considering the significant sales volume. Our trade and notes receivables increased to RMB157.4 million as of December 31, 2025 and further increased to RMB243.1 million as of March 31, 2026, in line with our revenue growth.

The table below sets forth an aging analysis of our trade receivables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
0 to 180 days	27,301	112,823	155,269	228,414
Over 181 days	809	2,675	1,768	14,603
Total	**28,110**	**115,498**	**157,037**	**243,017**

For further details, see Note 19 to "*Appendix I – Accountants' Report*" and Note 13 to "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*".

The table below sets forth the turnover days of our trade and notes receivables for the year/period indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade and notes receivables turnover days[(1)]	21.9	55.6	52.2	83.8

Note:

(1) Trade and notes receivables turnover days for each year/period equals the average of the beginning and ending balances of trade and notes receivables for that year/period divided by revenue for that year/period and multiplied by 365 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

Our trade and notes receivables turnover days increased from 21.9 days in 2023 to 55.6 days in 2024, primarily attributable to increased sales of products, driven by a substantial increase in customer demand, to whom we granted more favorable credit terms in light of the significant sales volume. Our trade and notes receivables turnover days slightly decreased from 55.6 days in 2024 to 52.2 days in 2025 because we enhanced our payment collection controls, which included strengthening collection efforts on existing receivables. Our trade and notes receivables turnover days increased to 83.8 days for the three months ended March 31, 2026, primarily due to the extension of our credit terms for core customers with long-term relationship with us.

As of May 31, 2026, 40.4% of our total trade receivables as of March 31, 2026, or RMB100.9 million, were settled.

Trade and Notes Payables

Our trade and notes payables primarily represent outstanding amounts owed to third parties.

The table below sets forth the breakdown of our trade and notes payables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
Trade payables	36,294	171,423	278,680	196,488
Notes payables	51,212	84,881	206,927	224,162
Total	**87,506**	**256,304**	**485,607**	**420,650**

Our trade and notes payables increased by 192.9% from RMB87.5 million as of December 31, 2023 to RMB256.3 million as of December 31, 2024, and further increased by 89.5% to RMB485.6 million as of December 31, 2025, as a result of increased purchases and our efforts in obtaining more favorable credit terms leveraging our increasing scale, in line with our business expansion. Our trade and notes payables decreased by 13.4% from RMB485.6 million as of December 31, 2025 to RMB420.7 million as of March 31, 2026, as a result of the redemption of maturing bills and settlement of supplier payments.

The table below sets forth the breakdown of the aging analysis of the trade payables.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
Within 90 days	35,973	170,174	257,315	195,353
Over 90 days	321	1,249	21,365	1,135
Total	**36,294**	**171,423**	**278,680**	**196,488**

The table below sets forth the turnover days for the trade and notes payables for each year indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade and notes payables turnover days[(1)]	126.0	144.6	167.6	232.0

Note:

(1) Trade and notes payables turnover days for each year/period equals the average of the beginning and ending balances of trade and notes payables for that year/period divided by cost of sales for that year/period and multiplied by 365 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

Our trade and notes payables turnover days increased from 126.0 days in 2023 to 144.6 days in 2024 and further increased to 167.6 days in 2025, and 232.0 days for the three months ended March 31, 2026, primarily due to our long-standing business relationships with our upstream suppliers, which enabled us to obtain more favorable credit terms.

As of May 31, 2026, 61.2% of our trade payables outstanding as of March 31, 2026, or RMB120.3 million, were settled.

Restricted Bank Deposits

We had restricted bank deposits of RMB20.2 million, RMB27.5 million, RMB107.4 million and RMB78.0 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively, primarily related to margin deposits for bank acceptance notes, which will be released upon settlement.

Financial Assets at FVTPL

Our financial assets at FVTPL primarily include unlisted financial products. The table below sets forth the breakdown of our other current assets as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(in RMB thousands)			
				(unaudited)
Unlisted financial products	42,615	10,652	35,755	6,558
Total	**42,615**	**10,652**	**35,755**	**6,558**

Our financial assets at FVTPL decreased from RMB42.6 million as of December 31, 2023 to RMB10.7 million as of December 31, 2024, primarily due to the strategic reallocation of cash flows to prioritize operating activities. Our financial assets at FVTPL increased from RMB10.7 million as of December 31, 2024 to RMB35.8 million as of December 31, 2025, primarily due to the allocation of surplus funds to short-term wealth management products following overall capital planning. Our financial assets at FVTPL decreased from RMB35.8 million as of December 31, 2025 to RMB6.6 million as of March 31, 2026, primarily due to the redemption of certain wealth management products upon maturity.

We have adopted a prudent treasury management and investment policy with the primary objective of preserving capital, maintaining liquidity and managing financial risks. This framework is governed by internal control policies implemented by our finance department. Our management and finance department have broad experience in financial and investment administration, and all transactions are subject to rigorous internal authorization. Specifically, our Board of Directors is responsible for the overall oversight of our investments, including the periodic review and approval of our annual investment strategies, while individual transactions are executed by our senior management within authorized operational parameters. Following the **[REDACTED]**, our investments in such financial assets will be conducted in compliance with the applicable requirements under Chapter 14 of the Listing Rules.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we financed our operations primarily through a combination of cash generated from operating activities and financing activities. As of March 31, 2026, we had cash and cash equivalents of RMB240.9 million. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of cash generated from operations and net **[REDACTED]** from the **[REDACTED]**.

Taking into account the net **[REDACTED]** from the **[REDACTED]** and cash generated from our operating activities available to us, our Directors believe that we have sufficient working capital to meet our present and future cash requirements for at least the next 12 months from the date of publication of this Document.

Cash Flows

The table below sets forth our cash flows for each year/period indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
	(in RMB thousands)			*(unaudited)*
Operating cash flows before movements in working capital	21,887	74,027	160,374	13,181
Changes in working capital	52,922	78,641	229,038	(92,942)
Enterprise income tax paid	(288)	(1,570)	—	(5)
Net cash generated from/(used in) operating activities	74,521	151,098	389,412	(79,766)
Net cash used in investing activities	(92,996)	(109,668)	(241,645)	(40,671)
Net cash generated from/(used in) financing activities	17,751	4,615	142,956	(5,182)
Net (decrease)/increase in cash and cash equivalents	**(724)**	**46,045**	**290,723**	**(125,619)**
Cash and cash equivalents at beginning of the year	37,415	36,691	82,736	371,831
Effect of changes in exchange rates	—	—	(1,628)	(5,349)
Cash and cash equivalents at end of the year/period	**36,691**	**82,736**	**371,831**	**240,863**

Operating Activities

For the three months ended March 31, 2026, we had net cash used in operating activities of RMB79.8 million. We incurred loss before tax of RMB8.7 million, adjusted for items mainly including non-operating and non-cash items, primarily comprising (a) net unrealized foreign exchange loss of RMB9.6 million, (b) depreciation of property, plant and equipment of RMB5.0 million and (c) share-based payment expenses of RMB3.6 million. The amount was further affected by changes in working capital, including (a) increase in trade, notes, other receivables and prepayments of RMB110.4 million, (b) increase in trade, notes and other payables of RMB14.2 million and (c) a decrease in inventories of RMB2.9 million.

In 2025, we had net cash generated from operating activities of RMB389.4 million. We generated profit before tax of the year of RMB104.7 million, adjusted for items mainly including non-operating and non-cash items, primarily comprising (a) depreciation of property, plant and equipment of RMB17.2 million, (b) changes in the carrying amount of redemption liabilities of RMB11.5 million and (c) allowances for inventories of RMB10.6 million. The amount was further affected by changes in working capital, including (a) an increase in trade, notes and other payables of RMB355.7 million, (b) an increase in inventories of RMB73.4 million and (c) an increase in trade, notes, other receivables and prepayments of RMB57.6 million.

In 2024, we had net cash generated from operating activities of RMB151.1 million. We generated profit before tax of the year of RMB39.3 million, adjusted for items mainly including non-operating and non-cash items, primarily comprising (a) depreciation of property, plant and equipment of RMB11.1 million, (b) changes in the carrying amount of redemption liabilities of RMB7.0 million and (c) depreciation of right-of-use assets of RMB5.1 million. The amount was further affected by changes in working capital, including (a) an increase in trade, notes and other payables of RMB266.0 million, (b) an increase in trade, notes, other receivables and prepayments of RMB116.0 million and (c) an increase in inventories of RMB62.5 million.

In 2023, we had net cash generated from operating activities of RMB74.5 million. We generated profit before tax of the year of RMB1.1 million, adjusted for items mainly including non-operating and non-cash items comprising (a) depreciation of property, plant and equipment of RMB6.0 million, (b) depreciation of right-of-use assets of RMB4.7 million and (c) finance costs of RMB3.9 million. The amount was further affected by changes in working capital, including (a) an increase in trade, notes and other payables of RMB65.6 million, (b) an increase in trade, notes, other receivables and prepayments of RMB23.4 million and (c) an increase in contract liabilities of RMB7.0 million.

Investing Activities

For the three months ended March 31, 2026, we had net cash used in investing activities of RMB40.7 million, primarily consisting of (i) placement of restricted bank deposits of RMB65.0 million, (ii) purchase of financial assets at FVTPL of RMB63.1 million and (iii) purchase of and deposits paid for acquisitions of property, plant and equipment of RMB10.4 million, partially offset by (i) proceeds from disposal of financial assets at FVTPL of RMB92.3 million and (ii) withdrawal of restricted bank deposits of RMB4.1 million.

In 2025, we had net cash used in investing activities of RMB241.6 million, primarily consisting of (i) placement of restricted bank deposits of RMB234.4 million, (ii) purchase of financial assets at FVTPL of RMB72.0 million and (iii) purchase of and deposits paid for acquisition of property, plant and equipment of RMB30.4 million, partially offset by (i) proceeds from disposal of financial assets at FVTPL of RMB47.5 million and (ii) withdrawal of restricted bank deposits of RMB32.9 million.

In 2024, we had net cash used in investing activities of RMB109.7 million, primarily consisting of (i) placement of restricted bank deposits of RMB126.0 million, (ii) purchase of and deposits paid for acquisition of property, plant and equipment of RMB34.8 million, and (iii) purchase of financial assets at FVTPL of RMB90.0 million, partially offset by (i) proceeds on disposal of financial assets at FVTPL of RMB122.6 million and (ii) withdrawal of restricted bank deposits of RMB26.8 million.

In 2023, we had net cash used in investing activities of RMB93.0 million, primarily consisting of (i) purchase of financial assets at FVTPL of RMB78.0 million, (ii) placement of restricted bank deposits of RMB42.1 million and (iii) purchase of and deposits paid for acquisition of property, plant and equipment of RMB20.7 million, partially offset by (i) proceeds on disposal of financial assets at FVTPL of RMB47.0 million and (ii) withdrawal of restricted bank deposits of RMB1.8 million.

Financing Activities

For the three months ended March 31, 2026, we had net cash used in financing activities of RMB5.2 million, primarily consisting of (i) payment of issue costs of RMB2.9 million, (ii) repayment of bank borrowings of RMB1.1 million and (iii) payments of lease liabilities of RMB0.8 million.

In 2025, we had net cash from financing activities of RMB143.0 million, primarily consisting of (i) proceeds from capital contributions from investors of the company of RMB91.0 million, (ii) new bank borrowings raised of RMB49.5 million, partially offset by (i) repayment of bank borrowings of RMB15.7 million and (ii) payments of lease liabilities of RMB2.9 million.

In 2024, we had net cash from financing activities of RMB4.6 million, primarily consisting of (i) new bank borrowings raised of RMB16.5 million, partially offset by (i) repayment of bank borrowings of RMB5.8 million and (ii) payments of lease liabilities of RMB5.2 million.

In 2023, we had net cash from financing activities of RMB17.8 million, primarily consisting of (i) proceeds from issuance of financial instruments with redemption rights of RMB20.0 million and (ii) new bank borrowings raised of RMB5.0 million, partially offset by (i) payments of lease liabilities of RMB4.5 million and (ii) repayment of bank borrowings of RMB2.0 million.

Net Current Assets

The table below sets forth our current assets and liabilities as of the dates indicated.

	As of December 31,			As of March 31,	As of May 31,
	2023	2024	2025	2026	2026
			(in RMB thousands)		
				(unaudited)	*(unaudited)*
Current assets:					
Inventories	45,461	103,525	166,355	162,227	188,511
Trade and notes receivables	28,110	141,139	157,390	243,087	264,464
Other receivables and prepayments	3,641	5,626	47,895	70,439	87,679
Financial assets at FVTOCI	—	13,790	—	—	—
Income tax recoverable	23	151	151	5	—
Financial assets at fair value through profit or loss ("**FVTPL**")	42,615	10,652	35,755	6,558	76,195
Restricted bank deposits	20,213	27,510	107,429	78,042	71,382
Cash and cash equivalents	36,691	82,736	371,831	240,863	45,270
Total current assets	**176,754**	**385,129**	**886,806**	**801,221**	**733,502**

	As of December 31,			As of March 31,	As of May 31,
	2023	2024	2025	2026	2026
			(in RMB thousands)		
				(unaudited)	*(unaudited)*
Current liabilities:					
Trade and notes payables	87,506	256,304	485,607	420,650	354,300
Other payables	17,395	25,510	40,252	33,677	32,102
Contract liabilities	13,035	7,903	8,574	8,941	10,621
Tax payable	1,442	—	3,153	4,984	—
Bank borrowings	5,000	15,700	49,500	48,400	28,900
Lease liabilities	3,763	5,156	5,600	5,632	5,632
Redemption liabilities	9,202	16,169	—	—	—
Total current liabilities	**137,343**	**326,742**	**592,686**	**522,284**	**431,555**
Net current assets	**39,411**	**58,387**	**294,120**	**278,937**	**301,947**

Comparison between May 31, 2026 and March 31, 2026

Our net current assets increased from RMB278.9 million as of March 31, 2026 to RMB301.9 million as of May 31, 2026, primarily due to (i) an increase in financial assets at fair value through profit or loss from RMB6.6 million as of March 31, 2026 to RMB76.2 million as of May 31, 2026, (ii) a decrease in trade and notes payables from RMB420.7 million as of March 31, 2026 to RMB354.3 million as of May 31, 2026, (iii) an increase in inventories from RMB162.2 million as of March 31, 2026 to RMB188.5 million as of May 31, 2026, and (iv) an increase in trade and notes receivables from RMB243.1 million as of March 31, 2026 to RMB264.5 million as of May 31, 2026, partially offset by a decrease in cash and cash equivalents from RMB240.9 million as of March 31, 2026 to RMB45.3 million as of May 31, 2026.

Comparison between March 31, 2026 and December 31, 2025

Our net current assets decreased from RMB294.1 million as of December 31, 2025 to RMB278.9 million as of March 31, 2026, primarily due to (i) a decrease in cash and cash equivalents from RMB371.8 million as of December 31, 2025 to RMB240.9 million as of March 31, 2026, (ii) a decrease in restricted bank deposits from RMB107.4 million as of December 31, 2025 to RMB78.0 million as of March 31, 2026 and (iii) a decrease in financial assets at fair value through profit or loss from RMB35.8 million as of December 31, 2025 to RMB6.6 million as of March 31, 2026, partially offset by (i) an increase in trade and notes receivables from RMB157.4 million as of December 31, 2025 to RMB243.1 million as of March 31, 2026, (ii) a decrease in trade and notes payables from RMB485.6 million as of December 31, 2025 to RMB420.7 million as of March 31, 2026, and (iii) an increase in other receivables and prepayments from RMB47.9 million as of December 31, 2025 to RMB70.4 million as of March 31, 2026.

Comparison between December 31, 2025 and December 31, 2024

Our net current assets increased from RMB58.4 million as of December 31, 2024 to RMB294.1 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents from RMB82.7 million as of December 31, 2024 to RMB371.8 million as of December 31, 2025, (ii) an increase in restricted bank deposits from RMB27.5 million as of December 31, 2024 to RMB107.4 million as of December 31, 2025, (iii) an increase in inventories from RMB103.5 million as of December 31, 2024 to RMB166.4 million as of December 31, 2025 and (iv) an increase in other receivables and prepayments from RMB5.6 million as of December 31, 2024 to RMB47.9 million as of December 31, 2025, partially offset by an increase in trade and notes payables from RMB256.3 million as of December 31, 2024 to RMB485.6 million as of December 31, 2025.

Comparison between December 31, 2024 and December 31, 2023

Our net current assets increased from RMB39.4 million as of December 31, 2023 to RMB58.4 million as of December 31, 2024, primarily due to (i) an increase in trade and notes receivables from RMB28.1 million as of December 31, 2023 to RMB141.1 million as of December 31, 2024, (ii) an increase in inventories from RMB45.5 million as of December 31, 2023 to RMB103.5 million as of December 31, 2024, and (iii) an increase in cash and cash equivalents from RMB36.7 million as of December 31, 2023 to RMB82.7 million as of December 31, 2024, partially offset by an increase in trade and notes payables from RMB87.5 million as of December 31, 2023 to RMB256.3 million as of December 31, 2024.

INDEBTEDNESS

The table below sets forth the indebtedness as of the dates indicated.

	As of December 31,			As of March 31,	As of May 31,
	2023	2024	2025	2026	2026
			(in RMB thousands)		
				(unaudited)	*(unaudited)*
Current					
Borrowings	5,000	15,700	49,500	48,400	28,900
Lease liabilities	3,763	5,156	5,600	5,632	5,632
Redemption liabilities	9,202	16,169	—	—	—
Subtotal	17,965	37,025	55,100	54,032	34,532
Non-current					
Lease liabilities	9,600	6,587	7,906	7,854	7,411
Redemption liabilities	76,405	79,690	—	—	—
Subtotal	86,005	86,277	7,906	7,854	7,411
Total	**103,970**	**123,302**	**63,006**	**61,886**	**41,943**

Bank Borrowings

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had bank borrowings of RMB5.0 million, RMB15.7 million, RMB49.5 million and RMB48.4 million, respectively. As of May 31, 2026, we had bank borrowings of RMB28.9 million. The table below sets forth the categories of our bank borrowings as of the dates indicated.

	As of December 31,			As of March 31,	As of May 31,
	2023	2024	2025	2026	2026
			(in RMB thousands)		
				(unaudited)	*(unaudited)*
Bank loans, fixed-rate	5,000	15,700	49,500	48,400	28,900
Analyzed as					
Secured and guaranteed	—	4,000	—	—	—
Secured and unguaranteed	3,000	—	20,000	20,000	—
Unsecured and guaranteed	2,000	11,700	—	—	—
Unsecured and unguaranteed	—	—	29,500	28,400	28,900
Total	**5,000**	**15,700**	**49,500**	**48,400**	**28,900**

During the Track Record Period, our borrowings were obtained from policy banks and commercial banks, with the effective interest rates ranging from 2.21% to 3.85% per annum. Our bank borrowings agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. For details, see Note 26 to "*Appendix I — Accountants' Report*" and Note 16 to "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*".

Certain bank borrowings of the Company were guaranteed by related parties, and such guarantees were subsequently released upon settlement of the relevant borrowings. See Note 37(a) to "*Appendix I — Accountants' Report*".

As of May 31, 2026, we had banking facilities of RMB273.9 million, of which RMB141.0 million remained unutilized.

Lease Liabilities

Our lease liabilities, including current and non-current portions, were primarily in relation to lease of office buildings and production plants.

The balance of our lease liabilities, including both current and non-current portions, decreased from RMB13.4 million as of December 31, 2023 to RMB11.7 million as of December 31, 2024, primarily due to rental payments made during the lease term. The balance of our lease liabilities, including both current and non-current portions, increased from RMB11.7 million as of December 31, 2024 to RMB13.5 million as of December 31, 2025. The balance of our lease liabilities, including current and non-current portions, remained stable at RMB13.5 million as of March 31, 2026, and decreased to RMB13.0 million as of May 31, 2026 primarily due to the payment of lease liabilities.

Amounts Due to/from Related Parties

As of December 31, 2023 and 2024, amount due from related parties, which was trade in nature, was RMB17.5 million and RMB29.3 million, respectively. The relevant related party, Shenzhen MicroBT Group, ceased to be identified as a related party of the Group as defined by IAS 24 from December 12, 2025 onwards.

As of December 31, 2023, 2024 and 2025 and March 31, 2026, amount due from related parties, which was non-trade in nature, was nil, RMB130 thousand, RMB178 thousand and RMB48 thousand, respectively. Amount due to directors of the Company was RMB34 thousand, RMB62 thousand, RMB16 thousand and RMB1.2 million, respectively. All of these amounts are non-trade related, unsecured, interest free and repayable on demand and the balance will be fully settled before the **[REDACTED]**. For details, see Note 19 and Note 24 of "*Appendix I — Accountants' Report*", and Note 13 and Note 22 of "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*".

CONTINGENT LIABILITIES

As of May 31, 2026, we did not have any material contingent liabilities. During the Track Record Period and up to the Latest Practicable Date, save as disclosed above, we did not have any bank and other loans, or any issued and outstanding or agreed to be issued loan capital, bank overdrafts, borrowings or similar indebtedness, liabilities under acceptances (other than ordinary trade notes), acceptance credits, debentures, mortgages, charges, hire purchase commitments or finance lease commitments, guarantees or other material contingent liabilities.

Our Directors confirm that there has not been any material change in our indebtedness since May 31, 2026 and up to the Latest Practicable Date. Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we did not have any material defaults or breaches of covenants in repayment of indebtedness.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital Expenditure

The table below sets forth the capital expenditure for the periods indicated.

	Year ended December 31,						Three months ended March 31,	
	2023		2024		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)							
							(unaudited)	
Purchase of and deposits paid for acquisition of property, plant and equipment	20,680	92.3	34,839	99.6	30,445	97.7	10,375	99.7
Purchase of intangible assets	1,721	7.7	123	0.4	725	2.3	35	0.3
Total	**22,401**	**100.0**	**34,962**	**100.0**	**31,170**	**100.0**	**10,410**	**100.0**

During the Track Record Period, our capital expenditure was primarily for purchase of and deposits paid for acquisition of property, plant and equipment.

We plan to continue capital expenditures to support our business growth and expansion strategy. See "*Future Plans and Use of* **[REDACTED]** — *Use of* **[REDACTED]**". We intend to fund these expenditures with available financial resources, including cash generated from operations, net **[REDACTED]** from the **[REDACTED]**, and potential future equity or debt financing.

Capital Commitments

The table below sets forth the capital commitments as of the dates indicated.

	As of December 31,						Three months ended March 31,	
	2023		2024		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except for percentages)							
							(unaudited)	
Capital expenditure in respect of acquisition of property, plant and equipment and intangible assets contracted for but not provided in the Historical Financial Information	3,359	100.0	12,948	100.0	22,605	100.0	22,556	100.0
Total	**3,359**	**100.0**	**12,948**	**100.0**	**22,605**	**100.0**	**22,556**	**100.0**

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for each year/period indicated.

	Year ended/as of December 31,			Three months ended March 31,
	2023	2024	2025	2026
Gross profit margin[(1)]	22.6	22.0	22.7	18.2
Net profit/(loss) margin[(2)]	1.6	7.1	9.3	(2.5)
Gearing ratio[(3)]	43.2	28.5	12.9	12.7
Return on assets[(4)]	2.2	11.3	13.4	(0.6)
Return on equity[(5)]	41.5	118.7	44.4	(1.4)

Notes:

(1) Gross profit margin is calculated as gross profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.

(2) Net profit/(loss) margin is calculated as net profit for the year/period divided by revenue for the corresponding year/period and multiplied by 100%.

(3) Gearing ratio is calculated based on the borrowings as of the end of the relevant year/period divided by the total equity as of the end of the relevant year/period and multiplied by 100%.

(4) Return on assets is calculated based on net profit for the year/period divided by the average total assets as of the beginning and end of the year/period.

(5) Return on equity is calculated based on the total profit/(loss) for the relevant year/period divided by the average balance of total equity as of the beginning and end of the year/period and multiplied by 100%. Return on equity in 2025 was affected by the reversal of redemption liabilities to equity as of September 30, 2025 and the Series B Pre-**[REDACTED]** Investment completed on September 30, 2025, which resulted in a significant increase in total equity at that date.

TRANSACTIONS WITH SHENZHEN MICROBT GROUP

During the Track Record Period, Shenzhen MicroBT Group and its subsidiaries ("**Shenzhen MicroBT Group**") was a related party of ours as defined by IAS24 until December 2025. It is both a shareholder of the Company and a major customer of our Group. See Note 37(a) to "*Appendix I — Accountants' Report*" for our transactions with Shenzhen MicroBT Group during the Track Record Period. We have maintained a strategic and mutually beneficial relationship with Shenzhen MicroBT Group. We cooperate with Shenzhen MicroBT Group in various areas, primarily including sales of application-specific computing server power supply products and sales of ESS power conversion products. In 2023, 2024, 2025 and three months ended March 31, 2026, from our transaction with Shenzhen MicroBT Group, we generated revenues of RMB234.9 million, RMB284.3 million, RMB230.0 million and RMB19.3 million, representing approximately 89.9%, 51.1%, 22.0% and 9.0% of our revenues for the respective periods. For more details, see *"Business — Sales and Marketing — Our Relationship with Shenzhen MicroBT Group"*.

Going forward, we will continue to engage in various types of transactions with Shenzhen MicroBT Group. Our Directors believe that the related party transactions were carried out on an arm's length basis and will not distort our results during the Track Record Period or make such results not reflective of our future performance.

DISCLOSURE ABOUT FINANCIAL RISK

The main risks arising from our financial instruments are currency risk, interest rate risk, credit risk and liquidity risk. See Note 36 to "*Appendix I — Accountants' Report*".

Currency Risk

The Group and the Company have foreign currency transactions, including sales, which expose the Group to foreign currency risk. Certain of the Group's and the Company's bank balances and trade receivables are denominated in currencies other than the functional currency of us and expose to such foreign currency risk.

Interest Rate Risk

We are exposed to fair value interest rate risk in relation to fixed-rate cash and cash equivalents, bank borrowings, lease liabilities and redemption liabilities. We are also exposed to cash flow interest rate risk in relation to floating-rate restricted bank deposits and cash and cash equivalents. We manage our interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook.

Credit Risk

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to us. We consider all elements of credit risk exposure such as counterparty default risk and sector risk for risk management purposes.

Our maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of each reporting period in relation to each class of recognized financial assets is the carrying amount of those assets stated in the consolidated statements of financial position.

Liquidity Risk

Our management monitor and maintain levels of cash and cash equivalents deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows. To manage our liquidity risk, we monitor and maintain a level of cash and bank balances and unused banking facilities deemed adequate by management to finance our operations and mitigate the effects of fluctuations in cash flows.

Capital Risk Management

We manage our capital to ensure that our entities will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. Our overall strategy remains unchanged.

Our capital structure consists of net debt, which includes bank borrowings, lease liabilities and redemption liabilities disclosed in Notes 26, 27 and 28 to "*Appendix I — Accountants' Report*" and Note 16 to "*Appendix IA — Financial Information for the Three Months Ended 31 March 2026*", respectively, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising paid-in capital and various reserves.

Our management reviews the capital structure from time to time. As a part of this review, our management considers the cost of capital and the risks associated with its capital. Based on recommendations of our management, we will balance our overall capital structure through the issue of new shares, new debts or the redemption of existing debts.

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into, nor do we expect to enter into, any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of manufacturing partners. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging or research and development services with us.

DIVIDEND POLICY

Upon completion of the **[REDACTED]**, we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. Any proposed distribution of dividends shall be formulated by our Board and will be subject to approval by our Shareholders. A decision to declare or to pay any dividends in the future, and the amount of any dividend, will depend upon a number of factors, including our earnings and financial condition, operating requirements, capital requirements, business prospects, statutory, regulatory and contractual restrictions on our declaration and payment of dividends, and any other factors that our Directors may consider important.

There is no assurance that dividends of any amount will be declared or be distributed in any year. As of the Latest Practicable Date, we did not have any dividend policy. Regulations in the PRC currently permit payment of dividends of a PRC company only out of distributable profits, which refer to after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that it is required to make, as determined in accordance with its articles of association and the accounting standards and regulations in Chinese mainland.

DISTRIBUTABLE RESERVE

As of March 31, 2026, we did not have any distributable reserves.

DISCLOSURE REQUIRED UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to Rules 13.19 of the Listing Rules.

UNAUDITED [REDACTED] FINANCIAL INFORMATION

For details, see "*Appendix II — Unaudited* **[REDACTED]** *Financial Information*".

[REDACTED] EXPENSES

[REDACTED] expenses represent [professional fees, **[REDACTED]** commission and fees incurred in connection with the **[REDACTED]** and the **[REDACTED]**]. Our **[REDACTED]** expenses are estimated to be approximately HK$**[REDACTED]** (including **[REDACTED]** commission) accounting for **[REDACTED]**% of the gross **[REDACTED]** of the **[REDACTED]**, assuming that an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the mid-point of the **[REDACTED]** range stated in this document and the **[REDACTED]** is not exercised). Among our **[REDACTED]** expenses, approximately HK$**[REDACTED]** is directly attributable to the issuance of H Shares and will be charged to equity upon completion of the **[REDACTED]**, and approximately HK$**[REDACTED]** has been or will be charged to our consolidated statement of comprehensive income. The **[REDACTED]** expenses we incurred in the Track Record Period and expect to incur would consist of approximately HK$**[REDACTED]** **[REDACTED]** related expenses and fees (including **[REDACTED]** commissions, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), approximately HK$**[REDACTED]** non-**[REDACTED]**-related expenses and fees including fees for the Sole Sponsor, legal advisors and reporting accountant and approximately HK$**[REDACTED]** for other non-**[REDACTED]**-related fees and expenses.

The **[REDACTED]** expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE AND RECENT DEVELOPMENTS

Our Directors confirmed that, as of the date of this document, there has been no material adverse change in our financial position since March 31, 2026, and there has been no event since March 31, 2026 that would materially affect the information as set out in the Accountants' Report in Appendix I and "Condensed Consolidated Statement of Changes in Equity" in "Appendix IA — Financial Information for the Three Months Ended 31 March 2026" to this document.