SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to [**REDACTED**] in the [**REDACTED**].

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

We are a global online fashion and lifestyle company serving approximately 273 million active customers in approximately 160 markets in 2025. We have reimagined the pursuit of fashion by offering a large, inclusive selection of constantly refreshed products that satisfy consumers' diverse needs, with great value for money. We help people embrace trendy lifestyles and express their individuality.

We have pioneered a proprietary operating model, Large-scale Automated Test and Reorder (LATR), which is the ultimate solution for resolving the industry's longstanding trilemma. This model enables us to achieve an optimal balance among product selection variety, design refreshment speed and inventory management efficiency. We have a global network of partners. As we make our supply chain more agile, strong and resilient, we empower our partners to thrive and grow together with us.

Our commitment to sustainable and responsible growth is woven into the fabric of our business model. By calibrating supply to demand in real time, we minimise our inventory waste to drive not only industry sustainability, but also our own profitability. We believe in doing well by doing good.

Our achievements so far include:

Leadership **Largest** Online Fashion Destination Globally[1]	Reach **273 million** Active Customers[2] in 2025 (21.2% 2023-2025 CAGR)	Selection **2 million+** Apparel styles[3] as of 31 December 2025
Scale **US$41.8 billion** Net Revenues in 2025	Growth **14.2%** 2023-2025 Net Revenues CAGR	Profitability **US$2,064 million** Net Income in 2025

Notes:

1. In terms of apparel and footwear retail sales value in 2025.

2. The term "active customers" for a given period refers to customer accounts that placed one or more orders on our apps or websites in that period, including orders of products of our own brands and products on our marketplace.

3. Refers to apparel products sold through our first-party model, where each apparel style refers to a distinct product variation, characterised by specific attributes such as design or colour. For example, t-shirts of the same design offered in three different colours would constitute three separate styles. Our first-party model refers to a selling model where we sell products to consumers, while our marketplace refers to a selling model where we facilitate sales of products by third-party sellers to customers through our online marketplace.

HOW WE GOT HERE

The pursuit of fashion is universal. We set out to make fashion more accessible and affordable. To make this possible, we started with an online direct-to-consumer business model. Over the years, we have built a proprietary infrastructure to drive the growth of our fashion brands. This infrastructure was purpose-built to enable LATR, which is underpinned by an end-to-end intelligent supply chain and an agile global fulfilment network. We believe these innovations are integral to broadening access to fashion.

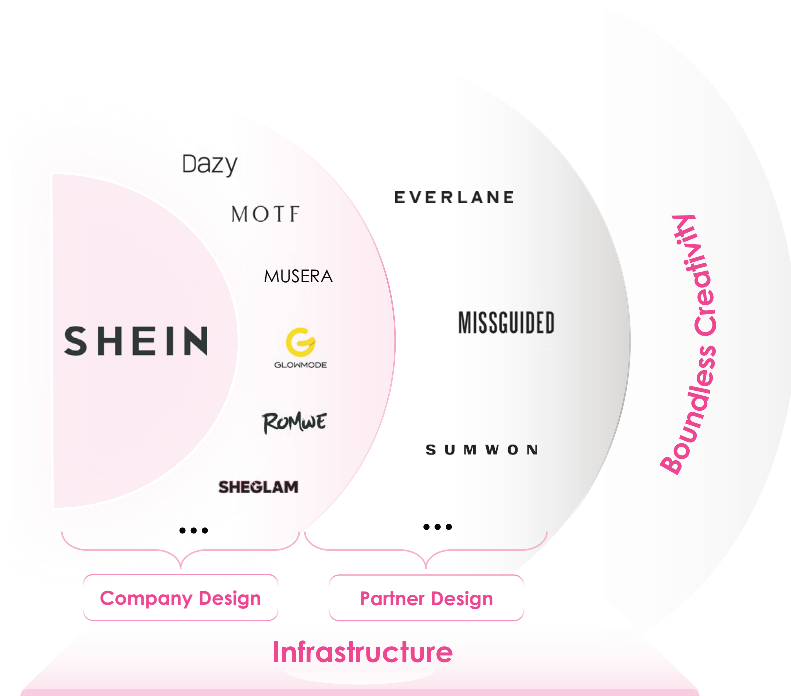
LATR enables us to quickly iterate and deliver products that delight our customers. It entails testing new products by launching them in small initial batches of approximately 100 to 200 items, evaluating customer feedback in real time, and restocking products that are in demand in as few as five days. The test and reorder strategy is not novel, but it is highly challenging to implement it at scale with cost efficiency. Leveraging our end-to-end intelligent supply chain that maximises efficiency and capacity utilisation, we deploy test and reorder at unprecedented scale to a large number of products. LATR structurally minimises production costs and keeps our inventory levels low while reducing wastage, allowing us to pass on savings to our customers. This is how we offer customers a vast and constantly refreshed fashion selection with great value for money. LATR also thrives with our global fulfilment network. With our strategic inventory placement and smart freight routing, we optimise inventory turnover, fulfilment speed and efficiency.

WHERE WE ARE GOING

We put our customers front and centre.

We started our journey under our flagship brand, SHEIN, and have expanded to a portfolio of our own brands to cover more price points, distinctive styles and broadened categories. As we aspire to enrich our fashion selection, we have developed close partnerships with many brands and designers through the SHEIN Xcelerator Programme and empower their profitable growth with our infrastructure. Some brands carry strong brand appeal and customer mindshare, yet operationally face challenges and supply chain bottlenecks. Others are smaller, early-stage players with ambitious brand visions, but lack the expertise and resources to scale up effectively. Enabled by our proprietary infrastructure, we allow more brands and designers to unleash their full potential and transform boundless creativity into reality with speed and certainty.

We believe we are uniquely positioned to empower the next generation of fashion brands, which is instrumental to our mission to make fashion accessible to all.



HOW WE ARE DIFFERENT

Better for Customers

We help people around the world access fashion, embrace trendy lifestyle and celebrate their individuality.

Our wide selection of offerings helps everyone in our diverse customer base feel seen, included and valued.

Wide selection of constantly refreshed, affordable offerings. Our vast product selection consisted of over 2 million apparel styles as of 31 March 2026, and our customers were able to discover an average of approximately 4,700 new apparel styles each day during the three months ended 31 March 2026 through our first-party model. In addition to apparel, we have added new product categories to our offerings, which now include footwear, accessories, beauty, home, and lifestyle products. By connecting long-tail demand with supply, we address our customers' diverse and evolving needs.

Experiences that customers enjoy. We have developed bonds with our customers. Within the fashion industry, we are an early adopter of leveraging online communities and influencers to engage customers. We complement our online engagement with offline activities such as marketing events, fashion shows, pop-ups and showrooms to strengthen our connection with customers. Our inclusive product selection makes it possible for people to enjoy the beauty of fashion.

Strong customer satisfaction and engagement. We have established an engaged, vibrant and global online community. Our customers have generally been staying with us for longer and shopping across more categories. Our active customers increased from approximately 186 million in 2023 to approximately 273 million in 2025 at a CAGR of 21.2%, and increased from approximately 241 million in the twelve months ended 31 March 2025 to approximately 281 million in the twelve months ended 31 March 2026. Annual customer order frequency remained broadly stable at 3.8, 4.0, 4.0, 4.0 and 3.9 for the years ended 31 December 2023, 2024 and 2025 and the twelve months ended 31 March 2025 and 2026, respectively. These metrics are a testament to our strong customer loyalty and engagement. We believe we are only in the early innings of unlocking our potential.

Better for Supply Chain Partners

We bring together a diverse group of supply chain partners globally. These include over 7,500 contract manufacturers in 2025 as well as large numbers of merchants, independent designers and other suppliers. Most of our partners are SMEs. See "Business — Supply Chain Management" in this document for further information on our supply chain network, system and management.

Deep technology integration enables win-win. We empower our suppliers with our proprietary technology solutions to solve traditional industry pain points in capacity utilisation and workflow management. Our intelligent supply chain management system automatically allocates orders to suitable suppliers, based on expertise, price and capacity, amongst other factors. Deep technology integration with suppliers fosters transparency, production efficiency, visibility and flexibility, and enables repeat orders, cost savings and reduced inventory and waste. Benefitting from the significant order volume afforded by our scale and customer reach, our suppliers typically enjoy more predictable order flow, improved asset utilisation and higher returns on investment, even with small batch production.

Empowering supply chain partners through our proprietary infrastructure. We allow supply chain partners of all types to focus on the tasks that they excel at, and add value by bridging the gaps along the value chain. We turn designs into real products for independent designers, streamline operations and improve working capital management for suppliers, and provide marketing and logistics support for merchants. In 2021, we launched the SHEIN X programme, which aimed to empower individual designers and artists. Over the years, we have continued to explore ways to evolve and expand this programme. In October 2025, we officially upgraded and expanded the SHEIN X programme to the SHEIN Xcelerator Programme, which aims to supercharge the growth of more brands. Through this initiative, we provide brands with a suite of differentiated supply chain services and an established global sales platform so that they can achieve lower design risk, reduced inventory risk, and faster time to market. The SHEIN Xcelerator Programme supports brands of different sizes, incubating new brands and revitalising existing ones through flexible collaboration models. The brands within the Xcelerator Programme are able to reach meaningful annualised sales milestones much faster than other leading global Direct-to-Consumer brands, with a significantly healthier financial profile. For example, one of the brands in the Xcelerator

Programme increased sales by approximately 15 times in its second year with the programme, while improving operating margin by over 30 percentage points during the same period. This brand also saw its inventory turnover days decrease by approximately two-thirds. The provision of brand enablement services is also driving better profitability for us, with brand enablement operating margin approximately twice as high as our group operating margin. As we empower more partners of all sizes to thrive, our partner base becomes increasingly efficient, flexible and resilient, which in turn enriches the selection for our customers and fuels our growth.

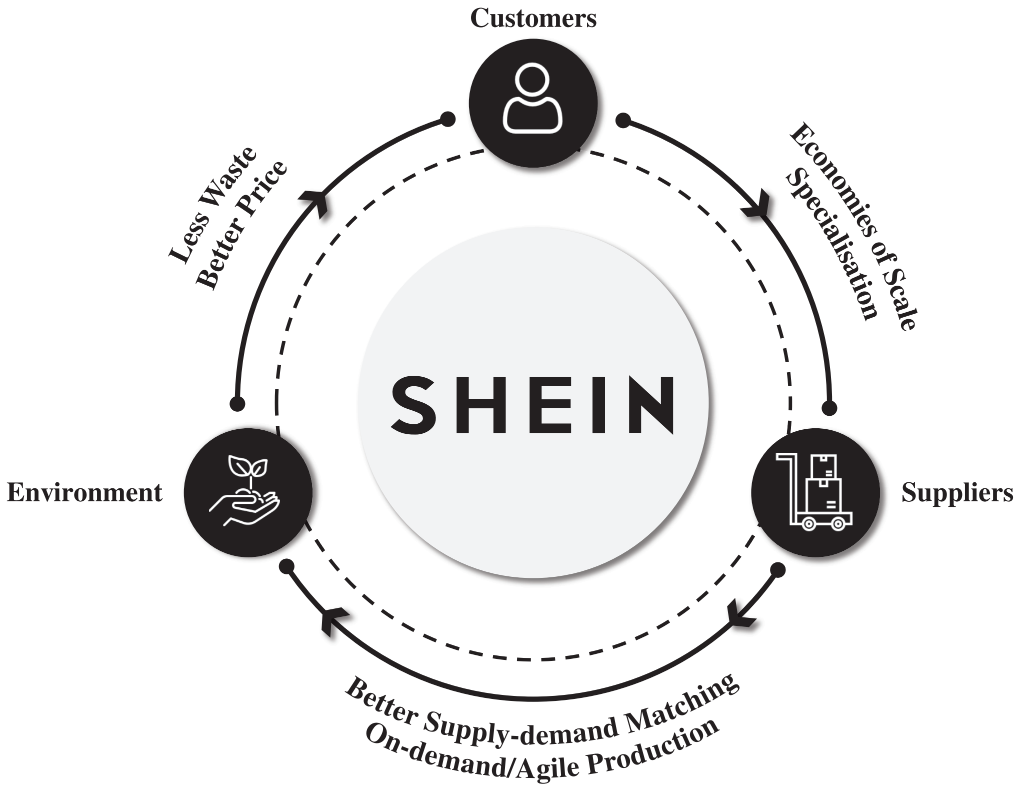
Better for the Environment

We are committed to minimising our impact on the planet we all share. The evoluSHEIN roadmap is our enterprise-wide sustainability strategy to drive our environmental and social impact initiatives focusing on people, planet and process. We believe that we can grow our business while promoting sustainable and responsible growth. We have made some progress in our sustainability journey, and will continue to refine our practices and address the challenges faced by our industry.

Innovative operating model minimises waste. We have pioneered LATR, a technology-enabled, demand-driven operating model that features small-batch production. Underpinned by an end-to-end intelligent supply chain and an agile global fulfilment network, this model allows us to minimise overproduction, reduce inventory waste and deliver quality products to consumers around the world. This in turn helps us reduce our environmental impact and pass on savings to consumers.

Initiatives across the value chain. We actively seek ways to create positive environmental impact across the value chain, from pre-consumption to post-consumption, covering responsible design, material sourcing, manufacturing, circularity programmes and decarbonisation goals.

Equitable empowerment. We respect and embrace individuality across cultures, identities and body types through our inclusive product offerings. We promote inclusive growth by creating business opportunities for SMEs, as well as minority and women entrepreneurs. We strive to improve the lives of our employees, supply chain partners and communities.



OUR MARKET OPPORTUNITIES

We started our business by serving fashion-conscious consumers, particularly young women, offering them a wide selection of fashion items. What people wear goes beyond fulfilling their basic needs — it is a reflection of their cultures and identities. The growth in the global economy and consumption expenditure has propelled the global fashion market, encompassing apparel, footwear and accessories, into a massive market worth US$1.7 trillion in 2025, which is expected to further increase to US$2.0 trillion in 2030. This market is highly competitive, and we primarily compete with both global fashion retailers and, to a lesser extent, e-commerce platforms with fashion offerings.

The fashion industry is shifting from offline to online, driven by digital innovation and a shift in consumer preferences towards online shopping that was accelerated by the COVID-19 pandemic. Empowered by technology and agile supply chains, digital-first fashion players are offering curated shopping experiences that drive engagement and loyalty. The online fashion market grew from US$522 billion in 2021 to US$606 billion in 2025, and is expected to further increase to US$792 billion in 2030. This growth is driven by an increase in online penetration rate, which rose from 33.4% in 2021 to 34.9% in 2025 and is expected to further increase to 38.7% in 2030. Leveraging our leadership in the global fashion market, we have successfully expanded into other categories such as home & living, beauty & personal care and appliances & electronics products, amongst others.

For a detailed discussion about our market opportunities, see "Industry Overview" elsewhere in this document.

OUR COMPETITIVE STRENGTHS

We believe that the following strengths differentiate us from our peers and contribute to our competitive advantage versus our peers: (i) global scale and success, (ii) value propositions that drive strong customer satisfaction and engagement, (iii) our proprietary LATR operating model, underpinned by our end-to-end intelligent supply chain and an agile global fulfilment network, (iv) thriving network of supply chain partners, and (v) founder-led team and enduring culture driving innovation and growth.

OUR GROWTH STRATEGIES

We are pursuing the following strategies to capture the tremendous growth opportunities that we see: (i) attract new customers and increase customer engagement, (ii) further expand category and product offerings, (iii) continue our commitment to advancing sustainability and social impact, (iv) create more opportunities for designers and brands, (v) further strengthen our supply chain and fulfilment infrastructure, and (vi) continue to invest in talent and technology.

KEY OPERATING AND FINANCIAL METRICS

The table below sets out certain key financial metrics for the periods indicated.

	For the Years Ended 31 December						For the Three Months Ended 31 March			
	2023		2024		2025		2025		2026	
							(unaudited)			
	US$	*%*	*US$*	*%*	*US$*	*%*	*US$*	*%*	*US$*	*%*
	(in millions, except for percentages)									
Total net revenues	**32,103**	**100.0**	**38,748**	**100.0**	**41,847**	**100.0**	**8,952**	**100.0**	**9,052**	**100.0**
Net revenues by type:										
Product revenues	31,235	97.3	35,351	91.2	37,107	88.7	7,765	86.7	7,757	85.7
Service revenues	868	2.7	3,397	8.8	4,740	11.3	1,187	13.3	1,295	14.3
Net revenues by region:										
United States	9,454	29.4	10,464	27.0	10,101	24.1	2,380	26.6	2,040	22.5
Europe	10,214	31.8	13,603	35.1	14,802	35.4	2,843	31.7	2,908	32.1
Rest of the world	12,435	38.8	14,681	37.9	16,944	40.5	3,729	41.7	4,104	45.4
Net revenues by category:										
Apparel	22,080	68.8	25,068	64.7	26,707	63.8	5,548	62.0	5,562	61.4
Others	10,023	31.2	13,680	35.3	15,140	36.2	3,404	38.0	3,490	38.6
Net income/(loss)	**2,789**		**3,365**		**2,064**		**395**		**(99)**	

Following the removal of the U.S. *de minimis* exemption and the EU's EUR 150 customs duty exemption for low-value consignments, we adopted formal customs clearance procedures and a framework of price increases, localised inventory and fulfilment, and enhanced trade compliance in the U.S., with similar measures expected in the EU. Since May 2025, the removal of the U.S. *de minimis* exemption has had an adverse impact on our sales in the U.S. and the overall growth of our net revenues, and has contributed to an increase in our fulfilment expenses as a percentage of net revenues, although we have since observed signs of normalisation in consumer purchasing behaviour and sales trends in the U.S. In the EU, products purchased from us or through our marketplace and shipped to Europe that previously relied on the EUR 150 exemption are subject to increased costs, which may have a material adverse effect on our business, financial condition and results of operations, as we generated approximately one-third of our net revenues from Europe in 2025 and for the three months ended 31 March 2026. Although it remains too early to fully assess, it is possible that trends in the EU could be generally in line with or exceed the impact observed in the U.S. after the removal of the U.S. *de minimis* exemption. For more details, see "Summary — Recent Developments and No Material Adverse Change — Tariff Update" and "Risk Factors — B. Risks Related to International Trade and Taxation."

The tables below set out certain key operating metrics for the periods indicated.

	For the Years Ended 31 December			For the Twelve Months Ended 31 March	
	2023	2024	2025	2025	2026
Active customers (millions)	186	230	273	241	281
Customer order frequency	3.8	4.0	4.0	4.0	3.9
Total orders (millions)	715	919	1,078	970	1,090
Fulfilment expenses per order (US$)	18.9	18.3	17.7	17.7	17.9

For the years ended 31 December 2023, 2024 and 2025, we saw an increase in each of the number of active customers and total orders as our business continued to grow. Meanwhile, fulfilment expense per order decreased during this period due to a combination of factors, including enhancements in warehouse automation and process standardisation, delivery route optimisation, and improvements in operational efficiency. For the twelve months ended 31 March 2025 and 2026, we recorded an increase in the number of active customers and total orders as our business continued to grow. Meanwhile, fulfilment expense per order increased slightly during this period primarily due to the impact of evolving tariff and customs duty policies since 2025. See "Summary — Recent Developments and No Material Adverse Change — Tariff Update".

WEIGHTED VOTING RIGHTS AND RANKING

Our Company is applying for [**REDACTED**] pursuant to Rule 8A.06(2). Our Company has adopted a weighted voting rights structure and will maintain this weighted voting rights structure following the completion of the [**REDACTED**]. Under this structure, our Company's share capital will comprise Class A Shares and Class B Shares. Each Class A Share will entitle the holder to exercise ten votes, and each Class B Share will entitle the holder to exercise one vote, on any resolution tabled at our Company's general meetings, except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote.

Immediately upon the completion of [**REDACTED**] (assuming the Assumptions), the WVR Beneficiaries will be Mr. Sky Yangtian Xu, Ms. Molly Miao Miao, Ms. Maggie Xiaoqing Gu and Mr. Tony Xiaoqing Ren, whose respective shareholdings and voting rights with respect to shareholder resolutions relating to matters other than the Reserved Matters will be as follows:

(i) Mr. Sky Yangtian Xu will beneficially own [**REDACTED**] Class A Shares and [**REDACTED**] Class B Shares, representing approximately [**REDACTED**]% voting rights in the Company;

(ii) Ms. Molly Miao Miao will beneficially own [**REDACTED**] Class A Shares and [**REDACTED**] Class B Shares, representing approximately [**REDACTED**]% voting rights in the Company;

(iii) Ms. Maggie Xiaoqing Gu will beneficially own [**REDACTED**] Class A Shares and [**REDACTED**] Class B Shares, representing approximately [**REDACTED**]% voting rights in the Company; and

(iv) Mr. Tony Xiaoqing Ren will beneficially own [**REDACTED**] Class A Shares and [**REDACTED**] Class B Shares, representing approximately [**REDACTED**]% voting rights in the Company.

The WVR Beneficiaries will hold these Class A Shares through holding vehicles. For further details, see "Share Capital — Weighted Voting Rights Structure."

OUR INNOVATIONS

We believe that our success is attributable to our innovative business model and technologies, which differentiate us from our peers. We were one of the earliest adopters of an online direct-to-consumer business model, which we have deployed at unprecedented scale. Under this model, we use our own apps and websites to offer a large selection of constantly refreshed company-branded products manufactured by our contract manufacturers. These products are then delivered directly to consumers across the world. To make this possible, we have pioneered LATR, a unique operating model that is underpinned by an end-to-end intelligent supply chain and an agile global fulfilment network. This model fully integrates and empowers our supply chain partners using proprietary technologies and tailored value-add. It also enables us to quickly iterate and deliver products that delight our customers and enables our supply chain partners to thrive.

Our transforming LATR

We have leveraged our end-to-end intelligent supply chain and agile global fulfilment network to pioneer LATR, a highly scalable operating model that features on-demand, small-batch production. Highly nimble and responsive to market demand, LATR enables us to resolve the industry's longstanding trilemma, achieving large selection, rapid design refreshment and efficient inventory management at the same time, which has historically not been possible for traditional retailers.

LATR entails testing new products by launching them in small initial batches of approximately 100 to 200 items, and then evaluating customer feedback in real time. If a product sells well, we order more of it. This process of testing and re-ordering is highly automated, and we apply the model at scale to a vast number of different new products.

LATR enables us to economically and rapidly address shifting consumer preferences at scale. By using a small initial production batch, we can quickly launch a large number of new products with minimal upfront commitment, inventory risk, and resource waste. If a product sells well, we can rapidly scale up its production to meet consumer demand. We can rapidly launch small initial batches, and restock products that are in demand in as few as five days.

The test and reorder strategy is highly challenging to implement at scale with cost efficiency. By successfully doing so, we have differentiated ourselves from our peers. With more than 2 million apparel styles as of 31 December 2025 and 31 March 2026, our product selection is among the largest in the industry. This selection is also refreshed faster, as we uniquely are able to restock products in as few as five days. Additionally, LATR enables us to operate highly efficiently. Our unsold inventory percentage is in the low single digits, and our inventory turnover days were just 36 days in 2025.

Our LATR operating model is built on two foundational infrastructure pillars: our end-to-end intelligent supply chain that maximises efficiency and capacity utilisation and our agile global fulfilment network that optimises inventory turnover and fulfilment speed.

Our end-to-end intelligent supply chain

Our end-to-end intelligent supply chain is one of the pillars of our LATR operating model. This is unique because it digitalises and integrates every step of the full supply chain, and intelligentises trend identification and merchandise planning, design and development, order allocation and production optimisation, demand insights and user interactions, smart routing and fulfilment, and customer feedback. This is differentiated from traditional fashion retailers and e-commerce platforms, which only focus on a few elements of the supply chain. Traditional fashion retailers typically focus only on merchandise planning and design, while e-commerce platforms typically focus only on sales and fulfilment.

Our supply chain is intentionally built for continual and intelligent optimisation. This begins with end-to-end integration, which allows for full visibility across the supply chain, supporting actionable, data-driven decisions together with automatic order allocation and process monitoring. Building on this foundation, our predictive intelligence generates granular, personalised demand signals and enables real-time forecasting and reordering. This allows us to dynamically orchestrate the entire supply chain and facilitate intelligent resource allocation and optimised capacity and inventory management. We strive to achieve a full-stack AI uplift that supercharges operational efficiency across every layer of the supply chain.

As a result, our end-to-end intelligent supply chain is differentiated by being able to pool, coordinate, and integrate supply chain partners across the entirety of the value chain to maximise transparency and efficiency. This allows us to more effectively deliver the latest in-demand products while minimising inventory risks and waste.

Our agile global fulfilment network

Complementing our end-to-end intelligent supply chain, our agile and efficient global fulfilment network extends our reach across the world's principal consumer markets, spanning North and South America, Europe, the Middle East, Africa, South and Southeast Asia, and Oceania. Our network is built on a distributed footprint of supply chain and fulfilment locations anchored by a central logistics hub in China. This network delivers global fulfilment reach, an optimised freight mix and flexible assortment dispatch, enabling us to route and deliver products efficiently across the globe. Taken together, these capabilities allow us to serve a broad and geographically diverse customer base with agility and cost efficiency.

Our innovative technologies

We are focused on using technology to empower fashion. We have developed a proprietary technological ecosystem that empowers us to implement our unique LATR operating model. LATR is technologically demanding because it requires the full digitalisation of the supply chain to realise a very high level of operating efficiency and precise matching of supply and demand.

Our technological ecosystem is a vast and complex system of custom, proprietary software designed to make our end-to-end intelligent supply chain, agile global fulfilment network and LATR possible. We own and operate a significant number of independently developed software systems that collectively form a proprietary technological ecosystem. In addition, we provide suppliers with a set of cloud-based software solutions that helps them manage all steps of the production process, including receiving orders, production, quality assurance, and shipping. This software is provided to suppliers for free, and enables suppliers who have limited technology capabilities to manage their production processes digitally, providing effective workflow management solutions that help solve the issue of inefficient process management. Additionally, our cloud-based software solutions enable suppliers to be fully digitally integrated with our supply chain. This allows us to automatically and intelligently allocate orders to suppliers based on expertise, price, capacity and other factors, helping suppliers maximise capacity utilisation. End-to-end digital integration with our intelligent supply chain also means suppliers benefit from our predictive insights into what products are, or are likely to be, popular with customers. By having visibility into demand, suppliers experience less working capital volatility, as they can maintain a "just right" level of inventory stock.

RISK FACTORS

We believe that there are certain risks involved in our operations, many of which are beyond our control. These risks include, among others, the following:

- We have grown rapidly since our inception, and there is no assurance that our growth will continue. In particular, we recorded a net loss of US$99 million for the three months ended 31 March 2026, and there is no assurance that we will achieve or maintain profitability in the future.

- If we are unable to acquire, retain and serve customers effectively, our business, financial condition and results of operations may be materially and adversely affected.

- Escalation of tensions in international relations and the resulting changes in international trade policies may affect our product sales to the global markets and have an adverse impact on our business, financial condition and results of operations.

- The modification or removal of the *de minimis* or other similar exemptions from import duties, or the increase of tariffs, value-added taxes or other duties, may materially and adversely affect our business and financial condition.

- We face intense competition and may fail to compete effectively with our competitors in attracting customers and suppliers, in which case our business and growth prospects may be materially and adversely affected.

- Failure to comply with tax and customs laws and regulations in our multi-jurisdictional operations may subject us to government investigations, fines, injunctions and other penalties, which may have a material adverse effect on our business, financial condition and results of operations.

- Government regulation of the internet and e-commerce globally is evolving, and unfavourable changes or failure by us to comply with the applicable regulations could hinder our ability to market and sell our products and subject us to legal liabilities and reputational damage.

- Our multi-jurisdictional operations and the regulatory environment of those jurisdictions may subject us to significant compliance obligations and costs and heightened risks of non-compliance.

- In expanding our business and operations into new markets, we may face challenges arising from local market conditions, competitive landscape and regulations and policies, as well as other risks inherent in operating global businesses, all of which may hinder our ability to continue to expand and grow our business.

- The new products or new product categories that we introduce may fail to meet evolving customer preferences and may expose us to additional legal and other challenges and risks.

- Negative publicity associated with our brand, business partners or industry may reduce the value and attractiveness of our brand and products, which would have a material adverse impact on our business, financial condition and results of operations.

- If we are unable to identify fashion trends or react to changing consumer preferences in a timely manner, our product offerings may become less attractive to consumers, and our business, financial condition and results of operations may be materially and adversely affected as a result.

- Our business is affected by fluctuations in consumer spending as a result of changes in economic conditions.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial statements for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this document, including the related notes. Our consolidated financial statements are prepared in accordance with IFRS.

Summary of Our Consolidated Results of Operations

The following table sets forth a summary of our consolidated results of operations in absolute amount and as a percentage of our total net revenues for the periods indicated.

	For the Years Ended 31 December						For the Three Months Ended 31 March			
	2023		2024		2025		2025		2026	
							(unaudited)			
	US$	*%*	*US$*	*%*	*US$*	*%*	*US$*	*%*	*US$*	*%*
	(in millions, except for percentages)									
Net revenues	**32,103**	**100.0**	**38,748**	**100.0**	**41,847**	**100.0**	**8,952**	**100.0**	**9,052**	**100.0**
Operating expenses:										
Cost of sales(1)	(12,777)	(39.8)	(15,249)	(39.4)	(13,433)	(32.1)	(3,339)	(37.3)	(2,679)	(29.6)
Fulfilment expenses(2)	(13,501)	(42.1)	(16,847)	(43.5)	(19,072)	(45.6)	(3,831)	(42.8)	(4,322)	(47.7)
Marketing expenses(2)	(3,453)	(10.8)	(4,159)	(10.7)	(6,191)	(14.8)	(1,088)	(12.2)	(1,430)	(15.8)
Technology and content expenses(2)	(668)	(2.1)	(849)	(2.2)	(896)	(2.1)	(220)	(2.5)	(241)	(2.7)
General and administrative expenses(2)	(328)	(1.0)	(678)	(1.7)	(548)	(1.3)	(126)	(1.4)	(122)	(1.3)
Total operating expenses	**(30,727)**	**(95.7)**	**(37,782)**	**(97.5)**	**(40,140)**	**(95.9)**	**(8,604)**	**(96.1)**	**(8,794)**	**(97.1)**

	For the Years Ended 31 December						For the Three Months Ended 31 March			
	2023		2024		2025		2025		2026	
							(unaudited)			
	US$	%	US$	%	US$	%	US$	%	US$	%
	(in millions, except for percentages)									
Operating income	**1,376**	**4.3**	**966**	**2.5**	**1,707**	**4.1**	**348**	**3.9**	**258**	**2.9**
Fair value changes of convertible redeemable preferred shares	1,231	3.8	2,431	6.3	328	0.8	–	–	(328)	(3.6)
Share of income/(losses) from associates	(36)	(0.1)	(171)	(0.4)	3	0.0	(21)	(0.2)	(16)	(0.2)
Interest income	472	1.5	597	1.5	621	1.5	135	1.5	150	1.7
Exchange gain/(loss)	(34)	(0.1)	(55)	(0.1)	(95)	(0.2)	47	0.5	(72)	(0.8)
Others, net	(14)	(0.0)	1	0.0	(50)	(0.1)	(14)	(0.2)	(12)	(0.1)
Income/(loss) before income taxes	**2,995**	**9.3**	**3,769**	**9.7**	**2,514**	**6.0**	**495**	**5.5**	**(20)**	**(0.2)**
Income tax expense	(206)	(0.6)	(404)	(1.0)	(450)	(1.1)	(100)	(1.1)	(79)	(0.9)
Net income/(loss)	**2,789**	**8.7**	**3,365**	**8.7**	**2,064**	**4.9**	**395**	**4.4**	**(99)**	**(1.1)**

Notes:

(1) Includes inventory written down and loss on inventory obsolescence of US$121 million, US$199 million and US$185 million for the years ended 31 December 2023, 2024 and 2025, respectively, and US$53 million and US$47 million for the three months ended 31 March 2025 and 2026, respectively.

(2) Share-based compensation expenses were allocated as follows:

	For the Years Ended 31 December			For the Three Months Ended 31 March	
	2023	2024	2025	2025	2026
				(unaudited)	
	US$	US$	US$	US$	US$
			(in millions)		
Fulfilment expenses	15	17	28	7	9
Marketing expenses	9	17	16	4	5
Technology and content expenses	12	14	13	3	4
General and administrative expenses	13	23	28	8	8
Total	**49**	**71**	**85**	**22**	**26**

Our net income increased from US$2,789 million in 2023 to US$3,365 million in 2024, which was mainly attributable to (i) an increase in our net revenues, primarily due to the increase in total orders as a result of our success in driving better customer engagement; (ii) an increase in fair value changes of convertible redeemable preferred shares in 2024, mainly due to changes in the valuation of our Company; and (iii) a decrease in our cost of sales as a percentage of net revenues in 2024, reflecting a greater contribution from service revenues and cost optimisation efforts.

Despite an increase of US$0.7 billion in our operating income in 2025, our net income decreased from US$3,365 million in 2024 to US$2,064 million in 2025, which was mainly attributable to a decrease in fair value changes of convertible redeemable preferred shares from US$2.4 billion in 2024 to US$0.3 billion in 2025 due to changes in the valuation of our Company.

We recorded a net loss of US$99 million in the three months ended 31 March 2026, compared to net income of US$395 million in the three months ended 31 March 2025, which was mainly attributable to fair value losses on our convertible redeemable preferred shares of US$328 million in the three months ended 31 March 2026.

Summary of Our Consolidated Statements of Financial Position

The following table sets forth the components of our current assets and liabilities as at the dates indicated:

	As of 31 December			**As of 31 March**
	2023	**2024**	**2025**	**2026**
	US$	*US$*	*US$*	*US$*
		(in millions)		
Current assets				
Cash and cash equivalents and restricted cash	3,931	3,390	5,031	4,873
Short-term investments	6,265	8,086	9,723	9,929
Receivables and prepayments	1,096	1,783	1,252	1,577
Inventories	1,637	1,500	1,261	1,384
Other current assets	88	127	326	383
Total current assets	**13,017**	**14,886**	**17,593**	**18,146**
Current liabilities				
Accounts payable	2,749	2,935	3,019	3,234
Accrued expenses and other current liabilities	1,958	2,814	3,268	4,134
Contract liabilities	694	770	789	1,016
Income tax payable	707	771	933	972
Convertible redeemable preferred shares, current portion	–	–	18,048	17,294
Total current liabilities	**6,108**	**7,290**	**26,057**	**26,650**
Total assets	**14,818**	**17,321**	**20,033**	**20,609**
Total liabilities	27,329	26,418	26,930	27,567
Total shareholders' deficit	(12,511)	(9,097)	(6,897)	(6,958)
Total liabilities and shareholders' equity	**14,818**	**17,321**	**20,033**	**20,609**
Net current assets/ (liabilities)	**6,909**	**7,596**	**(8,464)**	**(8,504)**

We had net current assets as of 31 December 2023 and 2024, and recorded net current liabilities as of 31 December 2025 and 31 March 2026. The increase in net current assets from 31 December 2023 and further to 31 December 2024 was primarily due to an increase in short-term investments as we purchased more short-term investments with the cash generated from our growing business. The change from net current assets as of 31 December 2024 to net current liabilities as of 31 December 2025 was primarily because we recorded the current portion of convertible redeemable preferred shares as of 31 December 2025, mainly attributable to the reclassification of convertible redeemable preferred shares from non-current liabilities to current liabilities. The increase in net current liabilities from 31 December 2025 to 31 March 2026 was primarily due to an increase in accrued expenses and other current liabilities. Upon the [**REDACTED**], the convertible redeemable preferred shares will be reclassified from liabilities to equity, which will result in a net current asset position and a net asset position.

Our shareholders' deficit decreased from US$12,511 million as of 31 December 2023 to US$9,097 million as of 31 December 2024 and further to US$6,897 million as of 31 December 2025, primarily attributable to our net income generated in the relevant years. Our shareholders' deficit slightly increased from US$6,897 million as of 31 December 2025 to US$6,958 million as of 31 March 2026, primarily attributable to the net loss of US$99 million recorded during this period, which was mainly driven by fair value losses on convertible redeemable preferred shares of US$328 million.

The following table sets forth the breakdown of our non-current assets and non-current liabilities as at the dates indicated:

	As of 31 December			As of 31 March
	2023	**2024**	**2025**	**2026**
	US$	*US$*	*US$*	*US$*
		(in millions)		
Non-current assets				
Property and equipment	396	551	619	634
Right of use assets	497	959	1,105	1,122
Intangible assets	40	39	38	38
Non-current restricted cash	78	34	32	29
Deferred tax assets	81	94	102	103
Investments in associates	470	251	266	246
Investments at fair value through profit or loss	82	169	158	163
Long-term time deposits	–	211	–	–
Other non-current assets	157	127	120	128

	As of 31 December			As of 31 March
	2023	2024	2025	2026
	US$	*US$*	*US$*	*US$*
		(in millions)		
Non-current liabilities				
Convertible redeemable preferred shares, non-current portion	20,807	18,376	–	–
Deferred tax liabilities	1	7	5	5
Lease liabilities	407	744	868	891
Other long-term liabilities	6	1	–*	21

* Less than US$1 million

Summary of Our Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods presented:

	For the Years Ended 31 December			For the Three Months Ended 31 March	
	2023	2024	2025	2025	2026
				(unaudited)	
	US$	*US$*	*US$*	*US$*	*US$*
			(in millions)		
Selected Consolidated Statements of Cash Flow Data:					
Net cash generated from operating activities	1,757	1,405	2,838	1,058	392
Net cash used in investing activities	(4,168)	(1,820)	(1,066)	(310)	(122)
Net cash generated from/(used in) financing activities	1,599	(206)	(284)	(66)	(429)
Effect of exchange rate changes on cash and cash equivalents	36	32	88	(6)	(9)
Net (decrease)/increase in cash and cash equivalents	(776)	(589)	1,576	676	(168)
Cash and cash equivalents at beginning of the year/period	4,270	3,494	2,905	2,905	4,481
Cash and cash equivalents at end of the year/period	3,494	2,905	4,481	3,581	4,313

During the Track Record Period and up to the Latest Practicable Date, our primary sources of liquidity have been cash flows from operations and proceeds from equity financings. Cash and cash equivalents consist of cash on hand, demand deposits and highly liquid investments with original maturity of three months or less that are unrestricted from withdrawal or use. Restricted cash mainly represents security deposits held in designated bank accounts for issuance of bank acceptance and letter of guarantee for logistics services and for warehouse leases. Short-term investments consist primarily of fixed-term deposits that are offered by high credit rating international banks with maturity dates ranging from three months to one year. The substantial majority of our customers pay for goods in advance, which, coupled with our asset-light business model, allows us to maintain good operating cash flow.

The cash resources we consider in cash management include, but are not limited to, cash and cash equivalents, restricted cash, short-term investments, and long-term time deposits. As of 31 December 2023, 2024 and 2025 and 31 March 2026, the aggregate amounts of our cash resources were US$10,274 million, US$11,721 million, US$14,786 million and US$14,831 million, respectively.

Our Directors are of the view that, taking into account the financial resources available to us, including cash and cash equivalents, our available banking facilities, cash flows from operating activities and [**REDACTED**] from the [**REDACTED**], we have sufficient working capital for at least 12 months from the date of this document.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the periods indicated:

	For the Years Ended 31 December			For the Three Months Ended 31 March	
	2023	**2024**	**2025**	**2025**	**2026**
				(unaudited)	
Net revenues growth .	41.1%	20.7%	8.0%	N/A	1.1%
Operating margin(1) . .	4.3%	2.5%	4.1%	3.9%	2.9%
Net margin(2)	8.7%	8.7%	4.9%	4.4%	(1.1)%

Notes:

(1) Calculated using operating income divided by net revenues for the year/period.

(2) Calculated using net income/loss divided by net revenues for the year/period.

[**REDACTED**]

[REDACTED] EXPENSES

Our [**REDACTED**] expenses mainly include [**REDACTED**] fees of HK$[**REDACTED**] and professional fees paid to legal, accounting and other advisors of HK$[**REDACTED**], HK$[**REDACTED**] and HK$[**REDACTED**], respectively, for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**]. Assuming full payment of the [**REDACTED**], the estimated total [**REDACTED**] expenses (based on the mid-point of the [**REDACTED**] and assuming that the [**REDACTED**] is not exercised) for the [**REDACTED**] are approximately HK$[**REDACTED**], accounting for approximately [**REDACTED**]% of our gross [**REDACTED**]. An estimated amount of HK$[**REDACTED**] for our [**REDACTED**] expenses, accounting for approximately [**REDACTED**]% of our gross [**REDACTED**], has been and is expected to be expensed through the statement of profit or loss and the remaining amount of HK$[**REDACTED**] is expected to be recognised directly as a deduction from equity upon the [**REDACTED**]. HK$[**REDACTED**] of such expenses has been recognised and charged during the Track Record Period.

USE OF [REDACTED]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] of between HK$[**REDACTED**] and HK$[**REDACTED**] per [**REDACTED**]), we estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**] and other estimated expenses paid and payable by us in connection with the [**REDACTED**] and assuming that the [**REDACTED**] is not exercised. In line with our strategies, we intend to use our [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts as follows: (i) approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used to enhance our technological capabilities; (ii) approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used to enhance brand awareness and strengthen global presence; (iii) approximately [**REDACTED**]% of the net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used in our initiatives to promote corporate responsibility; and (iv) the balance, approximately HK$[**REDACTED**], is expected to be used for general corporate purposes.

See the section headed "Future Plans and Use of [**REDACTED**]" in this document for further information relating to our future plans and use of [**REDACTED**] from the [**REDACTED**], including the adjustment on the allocation of the net [**REDACTED**] in the event that the final [**REDACTED**] is set to be above or below the mid-point of the [**REDACTED**].

OUR CONTROLLING SHAREHOLDERS

Immediately after the completion of the [**REDACTED**] (assuming the Assumptions), Mr. Sky Yangtian Xu, our Founder, executive Director and Chief Executive Officer, will be interested in and will control, through his intermediaries, an aggregate of [**REDACTED**] Class A Shares and [**REDACTED**] Class B Shares, representing approximately [**REDACTED**]% of our issued Shares, and will be entitled to exercise approximately [**REDACTED**]% of the voting rights of our issued Shares in general meetings (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote).

Mr. Sky Yangtian Xu holds his interests in the Company through Apex Sight Holdings Limited which is wholly-owned and controlled by XYT Holdings Limited, and Mr. Sky Yangtian Xu is the sole director of Apex Sight Holdings Limited. XYT Holdings Limited is a British Virgin Islands company, with a trust established pursuant to the laws of the Cayman Islands being its sole shareholder and an entity appointed by the trustee serving as its sole director. Mr. Sky Yangtian Xu is the settlor of this trust, and he and his family members are the beneficiaries of this trust. Therefore, Mr. Sky Yangtian Xu, Apex Sight Holdings Limited and XYT Holdings Limited will constitute the Controlling Shareholders of our Company after the [**REDACTED**].

For further details, see "Relationship with the Controlling Shareholders."

PRE-[REDACTED] INVESTORS

We received multiple series of equity financing from our Pre-[**REDACTED**] Investors to support our expanding business operations. See "History, Reorganisation and Corporate Structure — Pre-[**REDACTED**] Investments" for details.

[**REDACTED**]

DIVIDEND POLICY

We intend to adopt, before the [**REDACTED**], a dividend policy pursuant to which we target to declare and distribute dividends on an annual basis after the [**REDACTED**] in an amount not less than 50% of our net profit generated in a fiscal year after deducting any significant capital expenditures or as otherwise authorized by the Board.

Our Board has absolute discretion on whether to declare and distribute dividends, subject to Cayman Islands laws and the Articles of Association. Even after the adoption of the above dividend policy, the decision on whether to declare dividends and the exact amount of any such distributions in any year will be based upon our Company's operations and earnings, cash flow, financial condition, general business conditions and strategies, capital requirements, future business prospects, statutory and contractual restrictions applying to the payment of dividends and other factors that our Board may consider relevant, and will be subject to adjustment and determination by the Board and compliance with applicable laws and regulations. In addition, our Shareholders in general meeting may declare dividends, but no dividend may be declared in excess of the amount recommended by our Board. In either case, all dividends are subject to certain restrictions under Cayman Islands law, namely that we may only pay dividends out of profits or share premium, and provided always that in no circumstances may a dividend be paid if this would result in us being unable to pay our debts as they fall due in the ordinary course of business. As advised by our legal adviser as to Cayman Islands law, the financial position of accumulated losses does not necessarily prohibit a Cayman Islands company from declaring and paying dividends, as dividends may be declared and paid out of the share premium account notwithstanding the company's profitability.

During the Track Record Period, no dividends were paid or declared by us. See "Risk Factors — J. Risks Related to Our Class B Shares and the [**REDACTED**] — We cannot assure you that we will declare and distribute any amount of dividends in the future, and the return on your [**REDACTED**] in our Class B Shares will likely depend on [**REDACTED**] of our Class B Shares."

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Tariff Update

Since early 2025, U.S. President Trump has implemented significant changes to U.S. trade policy with China. Amongst other things, the *de minimis* exemption was terminated for imports from China, effective on 2 May 2025. Shipments under US$800 from China and delivered to the United States (except for shipments sent through the international postal network which are subject to a specific duty) are no longer entitled to tariff exemptions and are subject to tariffs based on product categories. Shipments from China via the international postal network became subject to a 54% ad valorem tax or, alternatively, a flat fee of US$100 per postal item. On 30 July 2025, President Trump signed another executive order suspending the *de minimis* exemption for imports from all countries (except for shipments sent through the international postal network which are subject to a specific duty), which took effect on 29 August 2025. The suspension was reaffirmed by an executive order signed by President Trump on 20 February 2026, which confirmed its continued effectiveness following the U.S. Supreme Court's recent ruling on tariffs. These developments significantly affect cross-border retailers. In addition, President Trump has sought to impose additional tariffs on Chinese imports. Initially, 145% additional tariffs were imposed on Chinese imports, which were later suspended, and 30% additional tariffs were applied instead. In November 2025, China and the United States reached an agreement that extended the suspension through 10 November 2026 and lowered the applicable additional tariffs by 10%. The removal of the U.S. *de minimis* exemption and the increased tariffs subject us to a significantly higher level of duties and taxes in the U.S. market. Currently, the China-origin products purchased from us or through our marketplace and shipped to the United States have become subject to tax rates ranging from 10% to 87.5% (increased from 0-62.5% during the Track Record Period prior to the removal of the *de minimis* exemption and the Trump Administration's recent imposition of additional tariffs). In February 2026, the U.S. Supreme Court struck down certain sweeping tariffs imposed by the Trump administration. As of the date of this document, there remains uncertainty regarding the implementation of the court decision and the future trajectory of U.S. tariffs. In response to the increased duties and taxes, we are pursuing a wide range of options, including increasing our prices in the U.S. market to offset a portion of the increased costs. While our pricing is dynamic and subject to fluctuations, we expect to pass on the majority of the increased costs under our cost-plus pricing strategy, which sets the final price of our products by adding a markup to the total cost of production and distribution. Since May 2025, we have begun passing on the majority of the additional tariff costs by increasing our prices in the U.S. market. We are also adjusting our import and export practices as necessary. For example, for products previously eligible for the *de minimis* exemption, we have transitioned from a simple customs entry process for *de minimis* packages to a customs clearance process that requires more extensive documentation and procedures. Amongst other things, we have adopted necessary protocols for the formal entry process to ensure compliance with the more stringent documentation and other procedural requirements. Since May 2025, we observed a negative impact on our net revenues from the U.S. market in the remainder of 2025. Our global net revenues increased in the second half of 2025 compared to the same period of 2024.

On 20 February 2026, the U.S. Supreme Court issued a ruling invalidating certain tariff measures imposed pursuant to the IEEPA. On 20 April 2026, U.S. Customs and Border Protection ("**CBP**"), launched the Consolidated Administration and Processing of Entries ("**CAPE**") portal and related refund process, which enable eligible entities to submit refund claims for IEEPA tariffs previously paid. CAPE was implemented through a phased development approach.

In addition, in February 2026, the EU formally approved a regulation that terminated the EUR 150 customs duty exemption for low-value consignments, which became effective on 1 July 2026. Under the new framework, a flat-rate customs duty of EUR 3 is initially levied on each distinct item category contained in consignments valued at or below EUR 150. Furthermore, an additional EU-wide administrative handling fee is scheduled to take effect in the second half of 2026. These measures will increase the relevant costs and expenses associated with the sales in the EU. Similar to the U.S. market, we expect to pursue a wide range of options in response to the developments in the EU, including increasing our prices to offset a portion of the increased costs. Our Directors are of the view that there might be a short-term adverse impact on our sales volume in Europe as we increase prices to offset a portion of the increased costs, while the long-term impact remains too early to fully assess. Based on the due diligence conducted by the Joint Sponsors, including, among other things, discussions with the management of the Company to understand that the wide range of options in response to the developments in the EU, nothing has come to the Joint Sponsors' attention that would cause them to cast reasonable doubt on the Directors' view above.

See "Risk Factors — B. Risks Related to International Trade and Taxation — Tariffs and International Trade Policy — The modification or removal of the *de minimis* or other similar exemptions from import duties, or the increase of tariffs, value-added taxes or other duties, may materially and adversely affect our business and financial condition."

Iran War

The recent Iran war has affected consumer demand in the Middle East market, disrupted key shipping routes including through the Strait of Hormuz, increased oil prices and freight costs, and caused delays and disruptions in global supply chains, which has affected our business by reducing market demand for our products, increasing logistics expenses and material costs, and extending delivery times to certain markets.

Specifically, we experienced a year-over-year decline in business activity in the Middle East, particularly during the initial few months, which is expected to result in a low single-digit percentage point impact on our net revenues in 2026. In addition, international crude oil prices increased significantly during this period, resulting in upward pressure on our logistics and freight expenses, which is mitigated by our long-term agreements to secure air-freight capacity. Our Directors are of the view that the Iran war has not had and is not currently expected to have a material adverse impact on our overall business operations and financial performance over the long term. Based on the due diligence conducted by the Joint Sponsors, including, among other things, discussions with the management of the Company to understand that the decline in business activity in the Middle East has a relatively limited impact on the Company's performance, as well as taking into account the Company's long-term cooperation with its logistics suppliers, nothing has come to the Joint Sponsors' attention that would cause them to cast reasonable doubt on the Directors' view above.

Our net revenues, operating income and net income in 2026 may be adversely affected by the foregoing developments in Europe and the Middle East, including increased custom duties, taxes and related fees, potential pricing pressure, reduced regional demand and higher logistics, freight and material costs.

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, other than as disclosed in this document, up to the date of this document, there have been no material adverse changes in our financial, operational, or trading position or prospects since 31 March 2026, which is the end date of the periods reported on in the Accountants' Report set out in Appendix I to this document, and there is no event since 31 March 2026 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.