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

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

OVERVIEW

Who We Are

We are a globalized solar-plus-storage products manufacturer, committed to delivering comprehensive PV and energy storage products that provide clean and sustainable energy to users worldwide. In particular, according to Frost & Sullivan, we are the world’s largest supplier of residential energy storage inverters in terms of revenue in 2025. Our new energy business – centered on energy storage inverters, energy storage batteries and PV inverters – is our core and primary growth segment. We complement this with our long-standing environment management appliance, where we primarily supply dehumidifiers, solar air conditioners and heat exchangers. This strategically diversified product portfolio allows us to achieve business growth and resilience.

Driven by the global shift toward new energy, we meet evolving market needs by offering a complete suite of products tailored for a wide range scenarios spanning residential and commercial and industrial (“C&I”) application. Our diversified and versatile product portfolio has enabled us to expand to more than 150 countries and regions in six continents.

Our Market Opportunities

We operate at the forefront of a changing global energy landscape with increasing demand for reliable energy storage products and solutions. We identified residential energy storage as a compelling market opportunity and, in 2018, we entered this high-growth market and launched an energy storage inverter that seamlessly combines multiple electricity sources. We believe our early entry has created a sustainable first-mover advantage in a market that has been experiencing rapid expansion.

Through keen insight, we have identified and penetrated high-potential markets worldwide that are characterized by high electricity costs, grid instability and limited access to reliable power infrastructure. For example, in 2018, we became one of the first Chinese manufacturers to launch split-phase energy storage inverters in North America, for which we had secured a UL certification, a widely recognized certification in North America. In 2019, recognizing the acute power shortages in South Africa, we launched low-voltage residential storage products for the South African market and subsequently replicated this successful business model in other international markets as well. Our disciplined, research-driven geographic expansion has allowed us to achieve exponential growth in our overseas business.

Our market leadership is grounded in sustained technological iterations. Our residential energy storage inverters mainly adopt a low-voltage, high-current architecture that delivers superior performance in expandability, reliability and maintainability. Through continuous optimization of system topology, advanced materials, low-internal-resistance components and innovative thermal management, we have developed products that can deliver superior performance. Our inverters integrate technological innovations and practical capabilities that deliver tangible benefits to customers, including seamless diesel generator integration for power continuity, multi-unit parallel connection for flexible capacity expansion, efficient on-grid and off-grid switching for system stability and multi-brand battery compatibility that avoids vendor

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lock-in. This combination of technical performance and practical functionality has cemented our leadership in the residential energy storage sector.

We are actively expanding into diverse application scenarios while continuously enhancing our product portfolio. Building on our success as a leader in residential energy storage, we are now capturing significant opportunities in the growing C&I market. In addition, we maximize the synergies between our inverters and energy storage batteries to deliver integrated energy storage products that offer customers greater configuration flexibility and modular compatibility, increasing customer stickiness among those seeking comprehensive, end-to-end energy products and solutions.

We have achieved comparable growth during this period, becoming the world’s largest provider of residential energy storage inverters by revenue in 2025. We believe that our keen consumer insight, rapid and demand-shaping responsiveness, global channel and after-sales capabilities, cost optimization and highly effective execution position us to capture substantial market growth opportunities and establish new growth engines in the diversified new energy industry.

Our Business

We have strategically focused our efforts on the new energy sector, positioning ourselves as a comprehensive provider of integrated solar and energy storage products. Core products in our new energy business are energy storage inverters, energy storage batteries and PV inverters. Complementing our new energy business offerings, our environment management appliances segment – which includes dehumidifiers, solar air conditioners and heat exchangers – has consistently delivered strong performance for our business. Supported by our intelligent cloud platform for unified device management and analytics, we operate a diversified business that captures synergies between new energy products and environment management appliances.

OUR PRODUCT OFFERINGS

Our product portfolio comprises two main product categories: new energy products and environment management appliances. Our rich and in-depth product offerings across these two complementary product segments enable us to serve customers across multiple industries and geographic markets. Our new energy products – energy storage inverters, energy storage batteries and PV inverters – position us at the forefront of the global shift toward new energy, capturing high-growth opportunities as solar-plus-storage products and solutions become increasingly popular for distributed solar applications worldwide. Our environment management appliances provide stable performance for our business and demonstrating our operational excellence in mature, competitive consumer and industrial markets.

OUR COMPETITIVE STRENGTHS

We believe the following strengths position us well to capitalize on future industry opportunities and achieve sustained growth:

- Leading provider of solar-plus-storage products;
- Outstanding product performance setting industry standards and shaping market trends;
- Efficient R&D and In-house Technological Capabilities;
- Global sales network with integrated marketing, brand expansion, and deep localization;
- Manufacturing expertise delivering enhanced cost control and quality management capabilities; and

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- Visionary management team and talent team.

OUR STRATEGIES

We plan to pursue the following strategies:

- Invest in R&D to strengthen core competitive barriers;
- Optimize cost and efficiency through global manufacturing footprint;
- Deepen channel development to build a resilient global sales network;
- Expand product portfolio to strengthen our differentiated competitive moat; and
- Advance AI and digital capabilities to enhance product value and customer experience.

RESEARCH AND DEVELOPMENT

Our research and development strategy emphasizes continuous performance improvement, rapid product iteration and customer-centric innovation that addresses real-world application challenges across diverse markets and operating environments. We focus our R&D investments on advancing power electronics technologies that improve efficiency and reliability. We develop sophisticated control algorithms that optimize system performance, expanding product power ranges to address different market segments from residential to C&I applications globally. Our R&D process prioritizes practical, cost-effective implementations that deliver tangible customer value.

Our research and development capabilities are built on accumulated industry expertise, which enable us to independently develop critical technologies that differentiate our products in competitive markets. We also use product a lifecycle management (“PLM”) system to manage our R&D process, which enables multi-organization collaborative R&D and design management.

Our current research and development initiatives focus on next-generation technologies that will enhance product performance, reduce costs and open market opportunities across our product portfolio, including transition to silicon carbide technology, high-power industrial and commercial product development, and solid-state transformers.

Our technological advantages are driven by substantial investments in R&D infrastructure and talent. We have established four research and development centers strategically located in different cities to support our different product lines. We have built a research team through the establishment of postdoctoral research stations and targeted talent recruitment initiatives. And we made substantial investment in research and development during the Track Record Period.

OUR ESG INITIATIVES

We believe that sustainable value creation requires balancing the interests of all stakeholders. We are committed to the principles of “innovation” “coordination,” “green development,” “openness” and “sharing”. As we pursue technological advancement and market expansion, we remain committed to generating returns for shareholders, supporting our employees and fulfilling our social responsibilities, with the ultimate goal of creating shared value for all stakeholders.

SALES, DISTRIBUTION AND MARKETING

We deliver our products and solutions across the world through various sales channels tailored to the distinct characteristics of our product categories: (i) our new energy products – energy storage inverters, energy storage batteries and PV inverters – are distributed primarily through a global network of independent specialized distributors spread across over 150 countries and regions; (ii) our environment management appliances (excluding heat exchangers) are sold through a combination of e-commerce platforms, OEM and ODM arrangements and

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appliance distributors; and (iii) our heat exchangers sold under a direct sales model, supplied directly to air conditioning manufacturers in China. See “Business – Sales, Distribution and Marketing” for more details.

OUR CUSTOMERS AND SUPPLIERS

We offer our products and services globally. Our new energy products ultimately serve residential homeowners and C&I enterprises seeking solar-plus-storage solutions. Our environment management appliances serve residential consumers seeking moisture control and air quality solutions, as well as commercial customers including offices, retail spaces, warehouses and industrial facilities requiring dehumidification for various applications. Our heat exchangers are sold to air conditioning manufacturers in China, who incorporate our components into residential and commercial air conditioning systems. In 2023, 2024 and 2025 and the four months ended April 30, 2026, revenue contributed from our five largest customers in each year/period during the Track Record Period amounted to RMB3,980.5 million, RMB4,688.5 million, RMB3,904.4 million and RMB1,468.4 million, respectively, accounting for 53.2%, 41.8%, 31.9% and 23.8% of our total revenue, respectively, for the same years/periods, while the largest customer contributed RMB1,452.6 million, RMB1,954.8 million, RMB1,742.5 million and RMB618.1 million, respectively, accounting for 19.4%, 17.4%, 14.3% and 10.0% of our total revenue, respectively, for the same years/periods. During the Track Record Period, we generally granted a credit term of 60 to 90 days to our customers. See “Business – Our Customers” for more details.

We have developed and maintained relationships with various suppliers for our different business segments. These partners provide us with core components for our products. Their advanced technologies and reliable production capabilities enable us to ensure consistent product quality and meet the evolving needs of our customers. We work closely with our suppliers to ensure timely availability and delivery of materials. Our well-established global network of component sources enables us to maintain competitive pricing and offer a reliable supply chain for our customers. In 2023, 2024 and 2025 and the four months ended April 30, 2026, our purchases from our five largest suppliers in each year/period during the Track Record Period amounted to RMB1,612.2 million, RMB2,760.9 million, RMB2,345.5 million and RMB1,736.8 million, respectively, accounting for 38.1%, 39.6%, 32.3% and 37.5% of our total purchase, respectively, for the same years/periods, while our purchase from the largest supplier amounted to RMB1,111.1 million, RMB1,645.6 million, RMB759.4 million and RMB802.0 million, respectively, accounting for 26.3%, 23.6%, 10.5% and 17.3% of our total purchases, respectively, for the same years/periods. During the Track Record Period, our suppliers generally granted us a credit term of 30 to 90 days. See “Business – Our Suppliers” for more details.

PRODUCTION

We have developed a manufacturing framework that strategically integrates global and domestic resources primarily through in-house production. We primarily utilize our in-house facilities to handle production processes from design to final production. These help ensure both quality and security, with carefully crafted workflows to meet specific needs of major customers.

Our manufacturing model is meticulously designed to meet the diverse requirements of our product portfolio. Our production base integrates a variety of advanced manufacturing technologies and innovative equipment. Depending on the product type, our production processes incorporate a range of advanced workflows.

Our manufacturing operations management (“MOM”) system enables coordinated multi-plant manufacturing management, covering warehouse management (warehouse management system, including inbound/outbound, racking and bin locations), production planning, quality checking, equipment and automated guided vehicles (“AGV”) management,

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product tracing and intelligent logistics, together with data analysis and utilization to support real-time, transparent and controllable manufacturing execution.

As of the Latest Practicable Date, we had seven production bases, with four operating production plants in Zhejiang Province, two production bases under construction in Zhejiang and one production base under construction in Malaysia. Our international presence enables us to efficiently serve customers in our target markets worldwide. We have also adopted intelligent manufacturing technologies and automation equipment to enhance our manufacturing efficiency and maintain our competitiveness.

COMPETITION

The new energy industry is highly competitive, with global production largely centered in Chinese mainland while a growing number of manufacturers are also establishing facilities in Southeast Asia to enhance supply chain resilience. The market remains fragmented, with many players across segments. To maintain and grow our business, we must continue to meet our customers’ requirements and deliver differentiated, high-performance products that meet their evolving needs. If we are unable to keep pace with such advancements or fail to differentiate our products in terms of quality or cost, we risk losing market share to our competitors. See “Industry Overview” for details relating to our competitive landscape.

RISK FACTORS

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors.” You should read that section in its entirety carefully before you decide to invest in our Shares. Some of the major risks we face include: (i) Our growth depends on the development of the markets served by our customers, and we may be unable to match production with customer demand, which could adversely affect our operating results and business prospects. (ii) We face competition and expect competition to increase in the future. If we fail to compete effectively, our revenue growth and results of operations will be materially and adversely affected. (iii) The markets for our products and solutions are evolving, and changing market conditions, such as introduction of new technologies, or changes in customer preferences may negatively affect demand for our products and solutions. If we fail to properly anticipate or respond to changing market conditions, our business prospects and results of operations will suffer. (iv) We are exposed to risks associated with our global presence and will continue to be subject to such risks when we further expand our business overseas. (v) Our financial results are affected by fluctuations in foreign currency exchange rates. (vi) Our growth depends on the growth and development of the markets served by our customers. (vii) We have been investing, and intend to continue to invest, heavily in our R&D but such investments may not yield the results we expect. (viii) Fluctuations in prices of raw materials may disrupt our supply chain and affect our selling prices, which could affect our business, financial condition and results of operations. (ix) Any significant disruption in the supply of raw materials could adversely impact our business, financial condition and operating results. (x) If we fail to acquire new customers or retain existing customers, our business, financial condition and results of operations may be materially and adversely affected.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to various legal or administrative proceedings arising in the ordinary course of our business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. See “Risk Factors – Legal proceedings and claims could have a material adverse effect on our business, results of operations, or financial condition” in this document. During the Track Record Period and up to the Latest Practicable Date, there had been no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on

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business, financial condition and results of operations. During the Track Record Period and up to the Latest Practicable Date, as advised by our legal advisors in jurisdictions which contributed to more than 5% of revenue in any year during the Track Record Period, namely the PRC, Germany, Pakistan, India and South Africa and jurisdictions which we have material trading and manufacturing activities, namely the PRC, Germany, Pakistan, India and South Africa, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

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

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(unaudited)									
	(RMB in thousands, except for percentage)									
Revenue	7,479,706	100.0	11,206,468	100.0	12,223,743	100.0	3,531,395	100.0	6,180,411	100.0
Cost of sales	(4,550,692)	(60.8)	(6,877,711)	(61.4)	(7,574,913)	(62.0)	(2,253,025)	(63.8)	(3,762,967)	(60.9)
Gross profit	2,929,014	39.2	4,328,757	38.6	4,648,830	38.0	1,278,370	(36.2)	2,417,444	39.1
Other income	292,600	3.9	325,217	2.9	397,175	3.2	122,945	(3.5)	134,644	2.2
Other gains and other losses, net	(73,245)	(1.0)	92,132	0.8	9,855	0.1	106,910	(3.0)	(139,820)	(2.3)
Selling expenses	(234,626)	(3.1)	(287,729)	(2.6)	(343,847)	(2.8)	(112,884)	(3.2)	(154,190)	(2.5)
Research and development costs	(436,402)	(5.8)	(548,899)	(4.9)	(562,096)	(4.6)	(182,393)	(5.2)	(222,861)	(3.6)
Administrative expenses	(298,757)	(4.1)	(381,476)	(3.4)	(445,932)	(3.6)	(121,439)	(3.4)	(165,525)	(2.7)
Impairment loss on financial assets, net	(9,625)	(0.1)	(83,854)	(0.7)	(10,704)	(0.1)	(23,836)	(0.7)	(19,720)	(0.3)
Finance costs	(72,665)	(1.0)	(43,579)	(0.4)	(57,696)	(0.5)	(14,719)	(0.4)	(16,351)	(0.3)
Profit before tax	2,096,294	28.0	3,400,569	30.3	3,635,585	29.7	1,052,954	(29.8)	1,833,621	29.7
Income tax expenses	(305,308)	(4.1)	(440,222)	(3.9)	(466,931)	(3.8)	(129,386)	(3.7)	(223,726)	(3.6)
Profit for the year/period	1,790,986	23.9	2,960,347	26.4	3,168,654	25.9	923,568	26.2	1,609,895	26.1

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	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount (unaudited)	%	Amount	%
(RMB in thousands, except for percentage)										
Other comprehensive income:										
Item that may be reclassified subsequently to profit or loss										
– Exchange differences on translation of foreign operations	(23)	0.0	(151)	0.0	6,916	0.1	429	0.0	6,471	0.1
Total comprehensive income for the year/period	<u>1,790,963</u>	<u>23.9</u>	<u>2,960,196</u>	<u>26.4</u>	<u>3,175,570</u>	<u>26.0</u>	<u>923,997</u>	<u>26.2</u>	<u>1,616,366</u>	<u>26.2</u>

Revenue by Geographic Location

During the Track Record Period, we have maintained a well-established international presence, with revenue contributions from overseas markets of 58.0%, 70.9% and 79.7%, 72.8% and 87.6% of our total revenue in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

The following table sets out a breakdown of our revenue by geographical location, in an absolute amount and as a percentage of our total revenue, for the years/periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount (unaudited)	%	Amount	%
(RMB in thousands, except for percentage)										
Chinese mainland	3,141,802	42.0	3,259,319	29.1	2,476,016	20.3	962,045	27.2	765,068	12.4
Overseas	4,337,904	58.0	7,947,149	70.9	9,747,727	79.7	2,569,350	72.8	5,415,343	87.6
– Europe	1,397,205	18.7	4,011,652	35.8	4,003,697	32.7	678,187	19.2	2,797,536	45.3
– Africa	1,440,727	19.3	606,039	5.4	1,138,536	9.3	360,314	10.2	576,754	9.3
– Asia (excluding Chinese mainland)	902,711	12.1	2,340,296	20.9	3,459,939	28.3	1,225,194	34.7	1,551,159	25.1
– North America	203,522	2.7	445,755	4.0	580,839	4.7	204,760	5.8	207,289	3.3
– South America	359,416	4.8	480,121	4.3	288,026	2.4	69,856	2.0	78,536	1.3
– Oceania	34,323	0.4	63,286	0.5	276,690	2.3	31,039	0.9	204,069	3.3
	<u>7,479,706</u>	<u>100.0</u>	<u>11,206,468</u>	<u>100.0</u>	<u>12,223,743</u>	<u>100.0</u>	<u>3,531,395</u>	<u>100.0</u>	<u>6,180,411</u>	<u>100.0</u>

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. In the year of 2023, 2024, 2025, and the four months ended April 30, 2025 and 2026, we had gross profit of RMB2,929.0 million, RMB4,328.8 million, RMB4,648.8 million, RMB1,278.4 million and

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RMB2,417.4 million, respectively. During the same years/periods, our gross profit margin was 39.2%, 38.6%, 38.0%, 36.2% and 39.1%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by product line, in which all items arose from the ordinary and usual course of our business.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(unaudited)									
	(RMB in thousands, except for percentage)									
New Energy Business	2,580,775	48.6	3,671,059	45.8	4,238,133	41.6	1,120,072	41.6	2,316,938	39.9
– Energy storage inverters	1,926,829	55.0	2,270,536	51.8	2,665,955	51.1	703,720	50.9	1,337,199	51.1
– Energy storage batteries	297,534	33.7	1,012,365	41.3	1,218,979	31.8	303,007	33.3	856,582	31.1
– PV inverters	354,231	39.0	380,501	33.5	338,278	32.1	100,090	28.7	99,613	30.2
– Inverter accessories and others ⁽¹⁾	2,181	10.8	7,657	17.8	14,921	19.4	13,255	25.6	23,544	23.8
Environment Management										
Appliances Business	392,151	18.4	641,531	20.4	394,028	19.6	153,018	18.6	91,755	25.4
– Dehumidifiers	235,893	33.5	333,741	34.4	239,319	29.7	75,759	31.4	54,590	28.2
– Solar air conditioners	17,226	26.0	65,780	31.6	76,676	31.8	30,314	31.3	35,445	27.1
– Heat exchangers	131,902	9.8	236,844	12.1	72,256	7.7	45,682	9.5	(1,694)	(6.7)
– Others ⁽²⁾	7,130	32.8	5,166	43.6	5,777	27.0	1,263	18.7	3,414	31.3
Others ⁽³⁾	6,383	21.8	31,397	69.7	28,422	74.9	13,170	91.6	13,671	76.5
Write down of inventories	(50,295)	–	(15,230)	–	(11,753)	–	(7,890)	–	(4,920)	–
Total	2,929,014	39.2	4,328,757	38.6	4,648,830	38.0	1,278,370	36.2	2,417,444	39.1

Notes:

- (1) Others primarily included PV related engineering construction services.
- (2) Primarily included sale of auxiliary products such as variable frequency water pumps.
- (3) Primarily included sales of waste including copper and aluminum.

Profit for the Year/Period

Our profit for the year increased by 65.3% from RMB1,791.0 million in 2023 to RMB2,960.3 million in 2024, and further increased to RMB3,168.7 million in 2025. Our profit for the year increased by 74.3% from RMB923.6 million in the four months ended April 30, 2025 to RMB1,609.9 million in the four months ended April 30, 2026. The increases were driven by the increase in total revenue, which was attributable to the overall growth of the shipment volume of our new energy products, mainly due to the increasing demand of global PV and energy storage market and our economies of scale. In particular, the European market demand for PV and energy storage products has been driven by elevated electricity prices and the regional conflict in Eastern Europe, while emerging markets in Asia have demonstrated increasing demand for our energy storage products, driven by growing investment in and demand for energy infrastructure construction in these regions. In addition, we have effectively leveraged the integrated marketing synergies between our inverters and energy storage batteries, which collectively drove sales growth. Furthermore, we have enhanced research and development efforts, accelerated product iteration cycles, and better managed cost optimization through technology upgrades.

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Discussion on Key Items of Consolidated Statements of Financial Position

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our audited consolidated financial statements included in Appendix I to this document.

	As of December 31,			As of
	2023	2024	2025	April 30,
	(RMB in thousands)			2026
Total current assets	7,932,008	10,814,777	14,749,100	17,700,498
Total non-current assets	2,885,377	4,299,644	5,157,672	5,768,003
Total assets	10,817,385	15,114,421	19,906,772	23,468,501
Total current liabilities	5,170,030	5,510,273	9,249,964	12,681,912
Total non-current liabilities	415,921	149,432	327,483	394,046
Total liabilities	5,585,951	5,659,705	9,577,447	13,075,958
Net assets	5,231,434	9,454,716	10,329,325	10,392,543
Share capital	430,081	645,291	908,684	909,352
Reserves	4,801,353	8,808,854	9,402,184	9,465,968
Non-controlling interests	–	571	18,457	17,223
Total equity	5,231,434	9,454,716	10,329,325	10,392,543
Total liabilities and equity	10,817,385	15,114,421	19,906,772	23,468,501

For a detailed discussion of our current assets and current liabilities during the Track Record Period, see “Financial Information – Discussion on Key Items of Consolidated Statements of Financial Position”.

Our net asset increased from RMB5,231.4 million as of December 31, 2023 to RMB9,454.7 million as of December 31, 2024, primarily due to total comprehensive income of RMB2,960.2 million, share allotment of RMB1,991.8 million, and share issued upon exercise of share options of RMB606.9 million, partially offset by dividend declared of RMB1,677.5 million.

Our net asset increased from RMB9,454.7 million as of December 31, 2024 to RMB10,329.3 million as of December 31, 2025, primarily due to total comprehensive income of RMB3,175.6 million and share issued upon exercise of share options of RMB305.1 million, partially offset by dividend declared of RMB2,683.4 million.

Our net asset increased from RMB10,329.3 million as of December 31, 2025 to RMB10,392.5 million as of April 30, 2026, due to total comprehensive income of RMB1,616.4 million and share issued upon exercise of share options of RMB37.8 million, partially offset by dividend declared of RMB1,636.8 million.

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Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flow for the years/periods indicated:

	Year ended December 31,			Four months ended April 30,	Four months ended April 30,
	2023	2024	2025	2025	2026
				(unaudited)	
	(RMB in thousands)				
Net cash generated from operating activities	2,080,970	3,366,659	3,986,268	494,408	2,267,046
Net cash used in investing activities	(1,724,214)	(1,805,401)	(176,939)	(1,586,145)	(2,264,506)
Net cash generated from/(used in) financing activities	(177,883)	(660,080)	(1,811,849)	1,076,124	322,168
Net increase/(decrease) in cash and cash equivalents	178,873	901,178	1,997,480	(15,613)	324,708
Cash and cash equivalents at beginning of the year/period	2,175,754	2,444,564	3,357,675	3,357,675	5,395,121
Exchange differences on translating cash flows of foreign operations	89,937	11,933	39,966	100,780	(104,714)
Cash and cash equivalents at end of the year/period	2,444,564	3,357,675	5,395,121	3,442,842	5,615,115

Key Financial Ratios

The following table sets forth our key financial ratios as of the date or for the years/periods indicated:

	As of/For the year ended December 31,			As of/For the four months ended April 30,
	2023	2024	2025	2026
Gross profit margin ⁽¹⁾	39.2%	38.6%	38.0%	39.1%
Net profit margin ⁽²⁾	23.9%	26.4%	25.9%	26.1%
Current ratio ⁽³⁾	1.5	2.0	1.6	1.4
Debt-to-asset ⁽⁴⁾	51.6%	37.5%	48.1%	55.7%

Notes:

- (1) Gross profit margin is calculated using gross profit divided by revenues for the year/period and multiplied by 100%.
- (2) Net profit margin is calculated using profit for the year/period divided by revenues for the year/period and multiplied by 100%.
- (3) Current ratio is calculated using current assets divided by current liabilities as of the end of the year/period.

SUMMARY

- (4) Debt to asset ratio is calculated using total liabilities divided by total assets as of the end of the year/period and multiplied by 100%.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Zhang Hejun is entitled to exercise an aggregate of approximately 60.26% of the voting rights at the general meetings of our Company through Shares held directly by him and Shares held by Aisirui Investment, Hengli Venture Investment, Ms. Lu Yazhu (Mr. Zhang Hejun’s wife), and Depai Venture Investment.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Zhang Hejun will be directly and indirectly entitled to exercise an aggregate [REDACTED]% of the voting rights at the general meetings of our Company. Therefore, Mr. Zhang Hejun, Aisirui Investment, Hengli Venture Investment, Ms. Lu Yazhu and Depai Venture Investment will constitute a group of Controlling Shareholders of our Company after the [REDACTED]. See “Relationship with Our Controlling Shareholders” for further details.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

Since April 2021, our Company has been listed on the main board of the Shanghai Stock Exchange. As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shanghai Stock Exchange. According to confirmation from the PRC Legal Advisor, during the Track Record Period and as of the Latest Practicable Date, our Company has not been subject to any material administrative penalties or regulatory actions imposed by PRC securities regulatory authorities. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cast doubt on our Directors’ confirmation with regard to the compliance record of our Company on the Shanghai Stock Exchange.

Our Company is seeking a [REDACTED] of its H Shares on the Stock Exchange in order to provide additional capital for the development and expansion of our Company’s business, to strengthen our Company’s working capital and to further raise our business profile and global presence. For further details of our future plans, see “Future Plans and Use of [REDACTED]”.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SUMMARY

[REDACTED]

- (1) [REDACTED]
- (2) [REDACTED]
- (3) [REDACTED]

[REDACTED]

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] million, after deducting [REDACTED] commissions, fees and estimated expenses payable by us in connection with the [REDACTED], assuming no [REDACTED] is exercised and an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the midpoint of the indicative [REDACTED] range stated in this Document. In line with our strategies, we intend to use the net [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- (a) approximately [REDACTED]%, or approximately HK\$[REDACTED] million, of the net [REDACTED] will be allocated over the next five years for enhancing our R&D capabilities, aiming to drive technological innovation and iteration.
- (b) approximately [REDACTED]%, or approximately HK\$[REDACTED] million, of the net [REDACTED] will be allocated over the next five years for construction of our production base and warehouse to expand our overall production capacity and enhance our in-house warehousing capabilities.
- (c) approximately [REDACTED]%, or approximately HK\$[REDACTED] million, of the net [REDACTED] will be allocated over the next five years for enhancement of global marketing and service network layout to drive expansion of our global customer base and business coverage.
- (d) approximately [REDACTED]%, or approximately HK\$[REDACTED] million, of the net [REDACTED] will be allocated as a supplement to the working capital and other general corporate purposes, providing us with sufficient financial flexibility to address ongoing operational needs, explore strategic growth initiatives, and maintain stability in unforeseen circumstances.

SUMMARY

To the extent that our net [REDACTED] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash available on hands, bank loans and other borrowings.

The above allocation of the net [REDACTED] will be adjusted on a pro-rata basis in the event that the [REDACTED] is fixed below or above the [REDACTED] of the [REDACTED]. For further details, please refer to the section headed “Future Plans and Use of [REDACTED]” in this Document.

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] will be approximately RMB[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the indicative [REDACTED] range) and no exercise of the [REDACTED]), representing [REDACTED]% of the gross [REDACTED] (based on the mid-point of our [REDACTED] for the [REDACTED] and assuming that the [REDACTED] is not exercised) of the [REDACTED], and [REDACTED] has been charged to our consolidated statements of profit or loss during the Track Record Period. We expect to incur [REDACTED] of RMB[REDACTED] million, of which RMB[REDACTED] million is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and RMB[REDACTED] million is expected to be recognized as a [REDACTED] in equity directly upon the [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our [REDACTED] are composed of (i) [REDACTED] commission of RMB[REDACTED] million, and (ii) non-[REDACTED] related expenses of RMB[REDACTED] million, which consist of fees and expenses of legal advisors and Reporting Accountant of RMB[REDACTED] million and other fees and expenses of RMB[REDACTED] million.

DIVIDENDS

Dividend distribution to our Shareholders is recognized as a liability in the period in which the dividends are approved by our Shareholders or Directors, as appropriate. During the Track record Period, we declared and paid final dividends in respect of the previous year/period of RMB903.2 million and RMB1,679.7 million in 2024 and 2025, respectively. We also declared and paid interim dividend of RMB774.3 million and RMB1,003.7 million during the year ended December 31, 2024 and 2025, respectively. We proposed dividend of RMB1,636.8 million for the year ended December 31, 2025, which was subsequently approved by the Annual General Meeting of the Company on April 30, 2026. As of the Latest Practicable Date, all declared dividends have been fully settled, and there are no outstanding dividend payments pending.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. We currently do not have any formal dividend policy or fixed dividend pay-out ratio. According to the PRC Company Law (《中華人民共和國公司法》), the No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies (2023 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2023年修訂)》), and our Articles of Association, to the extent that normal production and operation funding requirements are satisfied, the accumulated profits distributed in cash by the Company each year/period shall be no less than 10% of the average annual distributable profits realized for the year/period.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our business operations have remained stable after the Track Record Period and up to the date of this document as there were no material changes to our business model and the general economic and regulatory environment in which we operate.

SUMMARY

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial or trading position or prospects since April 30, 2026, being the end date of the periods reported in Appendix I to this document, and there is no event since April 30, 2026 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this document.