

SUMMARY

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 this document in its entirety 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 forth in the section headed “Risk Factors” in this Document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a commodity trading service provider and trader in China. We source and distribute over 294 physical commodities, spanning ferrous metals and steelmaking raw materials, chemicals, non-ferrous metals and other commodities. According to Frost & Sullivan, we were:

- the fifth largest commodity trading service provider and trader in China by trading volume and sales revenue in 2025, with respective market shares of 0.9% and 0.8%;
- the fourth largest steel trading service provider and trader in China by trading volume and sales revenue in 2025, each with a market share of 2.4%, as well as the second largest steel export trading service provider and trader in China by trading volume in 2025 with a market share of 5.1%; and
- the second largest iron ore trading service provider and trader in China by trading volume and sales revenue in 2025, each with a market share of 2.9%.

We serve customers’ needs across the trading lifecycle while enhancing our profitability. We provide commodities that meet customers’ timing, quality and specification requirements, supported by flexible pricing arrangements aligned with customers’ operational needs. Our trading is typically offered alongside end-to-end supply chain services, and we further provide tailored consulting services to help customers enhance operations. Beyond serving customers, we continue to expand our reach across the value chain through strategic investments and collaborations, deepening upstream supply access, strengthening downstream coverage, and capturing opportunities across industry cycles.

We have established a global business footprint. As of the Latest Practicable Date, we had subsidiaries and offices in 17 countries and regions and conducted trading activities in over 80 countries and regions during the Track Record Period, facilitating large-scale, recurring and efficient trade flows. This broad reach enables us to capture opportunities across geographies, commodity types and economic cycles and strengthen supply security.

Through our relentless efforts, we are highly recognized by customers and widely acclaimed in the market. Our major accomplishments include:

China’s Top Five Commodity Trading Service Provider and Trader ⁽¹⁾	Trading Volume 403.7 Million Tons ⁽²⁾	Business Footprints Spanning Over 80 Countries and Regions ⁽²⁾
Approximately 20,000 Customers ⁽³⁾	CIEC	17 Overseas Subsidiaries and Offices ⁽⁴⁾
Largest Number of Exchange-Certified Factory Warehouses ⁽⁵⁾	Multiple Industry Recognitions ⁽⁶⁾	ROE 16.4% ⁽⁷⁾

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Notes:

- (1) By trading volume in 2025, according to Frost & Sullivan.
- (2) During the Track Record Period.
- (3) In any given period during the Track Record Period.
- (4) As of the Latest Practicable Date.
- (5) According to Frost & Sullivan.
- (6) (i) We ranked among the top three in the *Top 100 Chinese Steel Trading Enterprises* for eight times from 2016 to 2024; (ii) we have been included as one of the pilot enterprises under the SASAC’s *Double-Hundred Action* reform program; (iii) we serve as the chairing organization of the China Iron and Steel Circulation Association; and (iv) we serve as the executive vice chairman member and the secretary-general unit of the Hangzhou Bulk Commodity Investment, Trading and Trade Industry Alliance.
- (7) In 2025.

Trading Commodities

We primarily source and distribute the following commodities:

Ferrous metals and steelmaking raw materials	A comprehensive range of ferrous metals and steelmaking raw materials, covering substantially all of the entire industry chain from upstream steelmaking raw materials to downstream finished ferrous products, including iron ore, coal, hot-rolled coil, rebar, specialty steel, and stainless steel products.
Chemicals	Multiple types of chemicals, including olefins, arene, polyester, rubber, pulp, and liquefied petroleum gas. Specifically, recognizing the opportunities arising from the global energy transition, we have expanded our commodity portfolio to include new energy materials-related commodities, such as lithium carbonate and industrial silicon.
Non-ferrous metals	A wide range of non-ferrous metals, primarily including copper, aluminum, zinc and nickel.

Business Drivers

During the Track Record Period, our business growth was primarily driven by the continued expansion of our trading scale, the deepening of our research and customer service capabilities and the extension of our trading activities along relevant industry value chains. These drivers are mutually reinforcing, as our expanding trading scale strengthens our research and customer service capabilities, which enable us to extend our trading activities and capture additional trading opportunities, thereby further increasing our trading scale.

We expect the continued interaction and synergies among our trading scale, differentiated capabilities and business expansion to continue to support the growth of our business and enable us to replicate our success across commodity types. This is evidenced by the continued expansion of our commodity coverage and trading volume. The number of commodity types we traded increased from 234 in 2023 to over 285 in 2025, and we traded over 294 commodity types in the five months ended May 31, 2026. Our total trading volume increased at a CAGR of 21.3% from 96.3 million tons in 2023 to 141.7 million tons in 2025, and remained stable at 54.0 million tons in both the five months ended May 31, 2025 and 2026.

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In addition, we have expanded from conducting trading activities primarily in China to engaging in import and export trading and establishing localized operations in overseas markets. The continued expansion of our geographic coverage is driven by both the further development of our business in China and the expansion of our overseas operations. In China, we seek to deepen our relationships with existing suppliers and customers, extend our coverage along relevant industry value chains and capture additional trading opportunities by leveraging our established trading network, market knowledge and service capabilities. Overseas, the uneven geographic distribution of commodity production and demand, together with differences in supply and demand dynamics and prices across regional markets, creates opportunities for cross-border and localized trading. We seek to capture these opportunities by connecting supply and demand between China and overseas markets through import and export trading and by strengthening our local presence and execution capabilities in key overseas markets through subsidiaries, offices and investments. We expect the continued development of our global network to broaden our sourcing and distribution channels, facilitate cross-regional resource allocation and collaboration, and support the continued growth of our business.

Trading Strategies

We have developed various trading strategies in our daily commodity trading activities, including (i) customer-driven basis trading, (ii) customer-driven non-basis trading, (iii) profit-driven basis trading, and (iv) unilateral spot trading. We generated substantially all of our revenue from commodity trading through one or a combination of these trading strategies during the Track Record Period. We determine the appropriate trading strategies and dynamically adjust such methods based on market conditions and commodity price movements. See “Business — Our Business — Trading Strategies” for more details.

Pricing Arrangements

We provide two pricing models to customers, namely fixed-price arrangements and floating-price arrangements. Under a fixed-price arrangement, we agree with our customers on a fixed price for a specified quantity and type of commodity as set out in the relevant contract. Under a floating-price arrangement, we agree with our customers on a pricing mechanism under which the final price consists of (i) a floating base price and (ii) an agreed premium, for a specified quantity and type of commodity as set out in the relevant contract. The contract clearly specifies that the floating base price will be determined at a later time within an agreed pricing window, which sets out the latest time by which pricing must be completed. See “Business — Our Business — Pricing Arrangements” for more details.

Risk Management

We have developed a comprehensive risk management framework embedded throughout our trading activities, including credit risk management, logistics risk management, price risk management. Specifically, we manage spot price risk primarily at two levels by (i) establishing risk thresholds for each trading team in respect of their trading activities, which limit the trading volume that each trading team may undertake, and continuously monitoring compliance with such risk thresholds, and (ii) conducting hedging activities within the approved risk thresholds, which primarily include the use of futures contracts for basis trading and foreign exchange forward contracts to manage foreign exchange risks associated with certain foreign currency-denominated transactions. See “Business — Risk Management — Price Risk Management — Hedging” for more details.

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OUR CUSTOMERS AND SUPPLIERS

Our customers primarily consist of trading companies and companies across a wide range of industries, including industrial manufacturers and construction companies. In 2023, 2024, 2025 and the five months ended May 31, 2026, revenue generated from our five largest customers in each period during the Track Record Period amounted to RMB20,854.0 million, RMB23,348.5 million, RMB26,465.4 million and RMB12,959.0 million, respectively, accounting for 8.3%, 8.6%, 9.8% and 11.7% of our total revenue in the same periods, respectively. Revenue from our largest customer in each period of the Track Record Period accounted for 2.1%, 2.4%, 3.1% and 4.9% of our total revenue, respectively. See “Business — Sales and Distribution Network — Major Customers” for details.

Our suppliers primarily comprise large steel mills, mining companies, coking plants, chemical manufacturers and major commodity trading companies. In 2023, 2024, 2025 and the five months ended May 31, 2026, purchases from our five largest suppliers in each period during the Track Record Period amounted to RMB32,703.8 million, RMB36,723.3 million and RMB39,568.1 million and RMB17,795.9 million, respectively, representing 10.8%, 10.1%, 10.6% and 13.0% of our total purchases, respectively. In addition, purchases from our largest supplier in each period during the Track Record Period accounted for 3.1%, 2.2%, 2.3% and 3.7% of our total purchases in 2023, 2024, 2025 and the five months ended May 31, 2026, respectively. See “Business — Our Suppliers — Major Suppliers” for details.

COMPETITION

We operate in highly competitive and rapidly evolving markets. Our ability to maintain and expand market share depends on our capacity to compete effectively with these industry players.

The competitive landscape is shaped by a variety of factors, including pricing policy, logistics and warehousing capabilities, industry research capabilities, customer base, sales networks, and overall economic conditions. If we fail to stay ahead of industry developments or differentiate ourselves, our market share may be negatively impacted. See “Industry Overview” for details.

We believe that our trading scale, research-driven strategy, trading and service capabilities, and global supplier and customer network provide us with a competitive edge, enabling us to serve a broad customer base, distinguish ourselves from competitors, and secure long-term growth.

OUR STRENGTHS

We attribute our success to and distinguish ourselves by the following key competitive strengths: (i) globalized operations with established supplier and customer networks; (ii) distinguished industry research capabilities; (iii) integrated service capabilities; (iv) disciplined and effective risk management; and (v) a management team driving sustained growth. See “Business — Our Strengths” for details.

OUR STRATEGIES

We will continue to pursue the following strategies to further expand our business: (i) enhance the core competitiveness and profitability; (ii) build a self-reinforcing flywheel between trading and strategic investments; and (iii) accelerate global expansion and strengthen localized overseas operations. See “Business — Our Strategies” for details.

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RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. Some of the major risks we face include: (i) our businesses and operations are capital intensive, and any failure to maintain sufficient capital resources and liquidity could materially and adversely affect our business, results of operations, financial condition and growth prospects; (ii) our trading activities involve holding inventories of commodities, and any failure to effectively manage the associated inventory risks could materially and adversely affect our business, results of operations and financial condition; (iii) we depend on certain key personnel and our ability to attract and retain key personnel for our operations; (iv) we are exposed to foreign currency exchange fluctuations; and (v) we face intense competition in our industry. See “Risk Factors” for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of consolidated financial information should be read together with the consolidated financial information to the Accountants’ Report in Appendix I to this document, including the accompanying notes and the information set out in “Financial Information” in this document.

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

The following table sets forth a summary of our results of operations in absolute amounts and as percentages of our revenue for the periods indicated:

	Year Ended December 31,						Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Revenue	252,132,435	100.0	270,629,944	100.0	270,479,007	100.0	109,458,806	100.0	110,492,986	100.0
Cost of sales	(249,948,109)	(99.1)	(268,730,800)	(99.3)	(268,757,519)	(99.4)	(109,350,725)	(99.9)	(108,365,303)	(98.1)
Gross profit	2,184,326	0.9	1,899,144	0.7	1,721,488	0.6	108,081	0.1	2,127,683	1.9
Other income and gains	1,687,132	0.7	2,512,687	0.9	3,039,757	1.1	2,213,961	2.0	473,329	0.4
Selling and distribution costs	(957,052)	(0.4)	(1,015,383)	(0.4)	(763,567)	(0.3)	(264,369)	(0.2)	(250,029)	(0.2)
Administrative expenses	(663,004)	(0.3)	(662,810)	(0.2)	(723,990)	(0.3)	(298,687)	(0.3)	(325,780)	(0.3)
Other expenses	(41,078)	(0.0)	(341,777)	(0.1)	(611,087)	(0.2)	(812,257)	(0.7)	(932,394)	(0.8)
Finance costs	(934,933)	(0.4)	(937,486)	(0.3)	(753,638)	(0.3)	(333,460)	(0.3)	(351,155)	(0.3)
Impairment losses under expected credit loss model, net of reversal	71,255	0.0	143,168	0.1	(159,671)	(0.1)	4,193	0.0	(54,396)	(0.0)
Share of profits of associates	80,337	0.0	64,440	0.0	52,814	0.0	18,462	0.0	46,334	0.0
Profit before tax	1,426,983	0.6	1,661,983	0.6	1,802,106	0.7	635,924	0.6	733,592	0.7
Income tax	(394,660)	(0.2)	(230,965)	(0.1)	(367,535)	(0.1)	(111,535)	(0.1)	(179,482)	(0.2)
Profit for the year/period	1,032,323	0.4	1,431,018	0.5	1,434,571	0.6	524,389	0.5	554,110	0.5

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Revenue

During the Track Record Period, we generated substantially all of our revenue from commodity trading. See “Financial Information — Review of Historical Results of Operations — Revenue” for more breakdowns and details. The following table sets forth a breakdown of our total revenue by business segment and commodity type, in absolute amounts and as percentages of our total revenue, for the periods indicated:

	Year Ended December 31,						Five Months Ended May 31,					
	2023		2024		2025		2025		2026			
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%		
							(Unaudited)					
Commodity trading												
Ferrous metals and steelmaking raw materials												
– Steel	98,989,966	39.3	91,003,590	33.6	104,098,850	38.5	43,807,055	40.0	42,271,161	38.4		
– Iron ore . . .	31,195,313	12.4	28,399,804	10.5	35,276,025	13.0	12,445,614	11.4	16,586,325	15.0		
– Other raw materials . .	1,995,919	0.7	4,327,308	1.6	8,452,963	3.2	3,397,728	3.1	5,673,155	5.1		
Subtotal	132,181,198	52.4	123,730,702	45.7	147,827,838	54.7	59,650,397	54.5	64,530,641	58.5		
Chemicals												
– Polyester . .	17,299,495	6.9	29,336,453	10.8	30,040,218	11.1	11,127,454	10.2	10,204,950	9.2		
– Aromatics . .	26,151,061	10.4	39,689,486	14.7	28,383,218	10.5	13,312,936	12.2	12,038,309	10.9		
– Rubber . . .	7,198,506	2.9	12,193,850	4.5	11,744,676	4.3	5,481,295	5.0	3,668,497	3.3		
– Other chemical products . .	22,883,156	9.0	29,421,834	10.9	31,144,203	11.5	12,320,276	11.2	13,623,181	12.3		
Subtotal	73,532,218	29.2	110,641,623	40.9	101,312,315	37.4	42,241,961	38.6	39,534,937	35.7		
Non-ferrous metals	37,238,412	14.8	30,724,508	11.4	15,648,842	5.8	5,575,175	5.1	4,374,297	4.0		
Other commodities ⁽¹⁾ .	7,530,156	2.9	4,691,956	1.7	5,034,453	1.9	1,760,631	1.6	1,802,599	1.6		
Subtotal	250,481,984	99.3	269,788,789	99.7	269,823,448	99.8	109,228,164	99.8	110,242,474	99.8		
Others ⁽²⁾	1,650,451	0.7	841,155	0.3	655,559	0.2	230,642	0.2	250,512	0.2		
Total	252,132,435	100.0	270,629,944	100.0	270,479,007	100.0	109,458,806	100.0	110,492,986	100.0		

Notes:

- (1) Other commodities primarily include agricultural products such as sugar and cotton.
- (2) Others primarily include gross profit from logistics and leasing services.

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Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin by business segments and commodity types for the periods indicated:

	Year Ended December 31,						Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	Gross profit/(loss)	Gross profit/(loss) margin	Gross profit/(loss)	Gross profit/(loss) margin	Gross profit/(loss)	Gross profit/(loss) margin	Gross profit/(loss)	Gross profit/(loss) margin	Gross profit/(loss)	Gross profit/(loss) margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
	(Unaudited)									
Commodity trading										
Ferrous metals and steelmaking raw materials										
– Steel	1,223,060	1.2	829,005	0.9	1,060,234	1.0	547,812	1.3	397,331	0.9
– Iron ore	681,383	2.2	66,716	0.2	716,249	2.0	60,574	0.5	(50,856)	(0.3)
– Other raw materials . . .	(134,126)	(6.7)	(367,027)	(8.5)	31,359	0.4	(286,429)	(8.4)	546,846	9.6
Subtotal/Overall	1,770,317	1.3	528,694	0.4	1,807,842	1.2	321,957	0.5	893,321	1.4
Chemicals										
– Polyester . . .	(43,034)	(0.2)	89,728	0.3	160,001	0.5	230,659	2.1	127,101	1.2
– Aromatics . . .	110,005	0.4	391,964	1.0	140,693	0.5	130,420	1.0	(96,784)	(0.8)
– Rubber	(26,939)	(0.4)	534,449	4.4	(371,901)	(3.2)	(125,925)	(2.3)	254,516	6.9
– Other chemical products . . .	(211,018)	(0.9)	17,809	0.1	(338,964)	(1.1)	(405,200)	(3.3)	838,590	6.2
Subtotal/Overall	(170,987)	(0.2)	1,033,950	0.9	(410,171)	(0.4)	(170,046)	(0.4)	1,123,423	2.8
Non-ferrous metals	126,796	0.3	221,565	0.7	145,079	0.9	(75,154)	(1.3)	110,691	2.5
Other commodities⁽¹⁾ . . .	95,626	1.3	(32,200)	(0.7)	38,098	0.8	(3,254)	(0.2)	(50,200)	(2.8)
Subtotal/Overall . . .	1,821,752	0.7	1,752,009	0.6	1,580,848	0.6	73,503	0.1	2,077,235	1.9
Others⁽²⁾	362,574	22.0	147,135	17.5	140,640	21.5	34,578	15.0	50,448	20.1
Total/Overall . . .	2,184,326	0.9	1,899,144	0.7	1,721,488	0.6	108,081	0.1	2,127,683	1.9

Notes:

- (1) Other commodities primarily include agricultural products such as sugar and cotton.
- (2) Others primarily include gross profit from logistics and leasing services.

Our gross profit decreased by 13.1% from RMB2,184.3 million in 2023 to RMB1,899.1 million in 2024 and decreased by 9.4% to RMB1,721.5 million in 2025. Our gross profit increased by 1,868.6% from RMB108.1 million in the five months ended May 31, 2025 to RMB2,127.7 million during the same period in 2026. Our gross profit margin was 0.9%, 0.7%, 0.6%, 0.1% and 1.9% in 2023, 2024, 2025 and the five months ended May 31, 2025 and 2026, respectively. Going forward, we intend to manage our long-term profitability primarily by (i) achieving continuous revenue growth and (ii) improving cost efficiency. See “Financial Information — Review of Historical Results of Operations — Gross Profit and Gross Profit Margin” for more details.

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Summary 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:

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Total non-current assets	4,991,518	5,234,248	5,661,580	6,003,446
Total current assets	41,169,089	48,076,328	53,509,711	67,092,162
Total assets	46,160,607	53,310,576	59,171,291	73,095,608
Total non-current liabilities . .	627,214	776,801	538,020	537,454
Total current liabilities	36,314,594	42,497,681	46,117,284	59,213,056
Total liabilities	36,941,808	43,274,482	46,655,304	59,750,510
Net current assets	4,854,495	5,578,647	7,392,427	7,879,106
Net assets	9,218,799	10,036,094	12,515,987	13,345,098

Our net assets increased by 8.9% from RMB9,218.8 million as of December 31, 2023 to RMB10,036.1 million as of December 31, 2024, primarily due to (i) profit for the year of RMB1,431.0 million, and (ii) capital contribution from non-controlling shareholders of RMB225.1 million, partially offset by dividends recognized as distributions of RMB649.7 million. Our net assets increased by 24.7% from RMB10,036.1 million as of December 31, 2024 to RMB12,516.0 million as of December 31, 2025, primarily due to (i) profit for the year of RMB1,434.6 million, and (ii) issuance of perpetual securities of RMB2,297.9 million, partially offset by dividends recognized as distributions of RMB572.8 million. Our net assets increased by 6.6% from RMB12,516.0 million as of December 31, 2025 to RMB13,345.1 million as of May 31, 2026, primarily due to (i) profit for the period of RMB554.1 million, (ii) issuance of perpetual securities of RMB499.4 million, partially offset by withdrawal of capital to non-controlling shareholders of subsidiaries of RMB148.7 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected information from our cash flows for the periods indicated:

	Year Ended December 31,			Five Months Ended May 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Net cash flows generated from/(used in) operating activities	117,541	(1,876,379)	(4,821,727)	2,518,796	(2,268,476)
Net cash flows used in investing activities	(60,956)	(4,759)	(1,081,121)	(1,636,136)	(3,170,101)
Net cash flows generated from financing activities	335,424	2,916,333	5,305,094	3,515,644	8,411,627

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	Year Ended December 31,			Five Months Ended May 31,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Net increase/(decrease) in cash and cash equivalents	392,009	1,035,195	(597,754)	4,398,304	2,973,050
Net foreign exchange difference	53,945	32,697	(182,627)	(112,006)	(151,500)
Cash and cash equivalents at beginning of year/period	2,712,020	3,157,974	4,225,866	4,225,866	3,445,485
Cash and cash equivalents at end of year/period	<u>3,157,974</u>	<u>4,225,866</u>	<u>3,445,485</u>	<u>8,512,164</u>	<u>6,267,035</u>

In the five months ended May 31, 2026, we had net cash flows used in operating activities of RMB2,268.5 million, which was primarily due to (i) an increase in inventories of RMB3,413.6 million, and (ii) an increase in prepayments, other receivables and other assets of RMB2,892.7 million, partially offset by (i) profit before tax of RMB733.6 million, and (ii) an increase in contract liabilities of RMB3,412.5 million.

In 2025, we had net cash flows used in operating activities of RMB4,821.7 million, which was primarily due to (i) an increase in inventories of RMB2,427.7 million, and (ii) an increase in prepayments, other receivables and other assets of RMB4,341.0 million, partially offset by (i) profit before tax of RMB1,802.1 million, and (ii) an increase in contract liabilities of RMB1,185.7 million.

In 2024, we had net cash flows used in operating activities of RMB1,876.4 million, which was primarily due to (i) an increase in inventories of RMB4,272.9 million, (ii) an increase in prepayments, other receivables and other assets of RMB1,680.5 million, and (iii) an increase in trade and notes receivables of RMB817.4 million, partially offset by (i) profit before tax of RMB1,662.0 million, and (ii) an increase in contract liabilities of RMB799.1 million.

In light of the foregoing, we expect to improve our net operating cash outflows position primarily through various measures as detailed in “Financial Information – Liquidity and Capital Resources – Cash Flows Analysis.”

KEY FINANCIAL RATIOS

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

	As of / Year Ended December 31			As of/Five Months Ended May 31,
	2023	2024	2025	2026
Return on equity ⁽¹⁾	13.4%	15.9%	16.4%	8.0%
Current ratio ⁽²⁾	1.1	1.1	1.2	1.1
Net profit growth rate ⁽³⁾ . . .	N/A	38.6%	0.2%	5.7%

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Notes:

- (1) Return on equity was calculated based on profit attributable to owners of the parent of the respective period, divided by average balance of equity attributable to owners of the parent (exclude perpetual securities) and multiplied by 100%. The increase in our ROE from 2023 to 2025 was primarily attributable to the steady growth of our profit attributable to owners of the parent, which outpaced the growth of our equity attributable to owners of the parent.
- (2) Current ratio was calculated dividing current assets by current liabilities as of the dates indicated.
- (3) Net profit growth rate was calculated dividing the change in net profit for the current period relative to the prior period by the net profit of the prior period.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become involved in various legal proceedings in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operations, nor were we aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have such an effect. See “Business — Legal Proceedings and Compliance” for details.

OUR CONTROLLING SHAREHOLDERS

Pursuant to the Acting in Concert Agreement dated February 6, 2026 entered into by and amongst the Concert Parties, namely Hangzhou Industrial Group and Zhejiang Lianyu, with a term of 72 months commencing from the date of execution, the Concert Parties agreed, among other things, that (i) they have acted in concert since January 1, 2025 and will continue to act in concert and reach consensus on any proposal presented to the general meetings of the Shareholders and when voting at the general meetings of the Shareholders, while Zhejiang Lianyu shall follow Hangzhou Industrial Group’s vote in the event of any disagreement; and (ii) unless otherwise agreed by the Concert Parties, the Acting in Concert Agreement may, prior to its expiration, be terminated by Hangzhou Industrial Group by prior written notice to Zhejiang Lianyu, and shall be automatically renewed subject to the internal approvals of each of the Concert Parties and compliance with applicable laws and regulatory requirements. As of the Latest Practicable Date, the Concert Parties have confirmed their intention to renew the Acting in Concert Agreement upon its expiration.

As of the Latest Practicable Date, the Concert Parties were collectively interested in approximately 95.70% of our total issued share capital, comprising: (i) 51% of our total issued share capital directly held by Hangzhou Industrial Group, which was ultimately owned as to 90% by Hangzhou SASAC (a PRC Governmental Body as defined in Rule 19A.04 of the Listing Rules, which will not be considered as a “controlling shareholder” of a PRC issuer pursuant to Rule 19A.14 of the Listing Rules) and 10% by Zhejiang Caikai; and (ii) 44.7% of our total issued share capital directly held by Zhejiang Lianyu, which was owned as to approximately (a) 31.23% by Lianshi Partnership; (b) 29.27% by Lianwu Partnership; (c) 21.07% by Lianyi Partnership; (d) 12.53% by Lianer Partnership; and (e) 5.91% by Lianshan Partnership, each of which is a shareholding platform with Jingning Lianshang being the general partner. Jingning Lianshang was in turn owned as to (a) 50% by Mr. Lyu, our executive Director, (b) 25% by Mr. Wu Xiaowei (吳曉煒), our senior management, and (c) 25% by Mr. Lao Hongbo (勞洪波), our senior management. Pursuant to the articles of association of Hangzhou Industrial Group, all voting rights attached to Zhejiang Caikai’s 10% equity interests in Hangzhou Industrial Group are entrusted to Hangzhou SASAC, which exercises such voting rights on Zhejiang Caikai’s behalf at the general meetings of shareholders of Hangzhou Industrial Group. Therefore, Hangzhou Industrial Group, Zhejiang Lianyu, Lianshi Partnership, Lianwu Partnership, Lianyi Partnership, Lianer Partnership, Lianshan Partnership, Jingning Lianshang and its shareholders, namely Mr. Lyu, Mr. Wu Xiaowei and Mr.

SUMMARY

Lao Hongbo, collectively controlled approximately 95.70% of the voting rights at the general meetings of our Company as of the Latest Practicable Date and will control approximately [REDACTED]% of the voting rights at general meetings of our Company immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised). See “Relationship with Our Controlling Shareholders” for further details.

CONTINUING CONNECTED TRANSACTIONS

We [have entered] into and are expected to continue with the transactions after the [REDACTED] which will constitute fully exempt, partially exempt and non-exempt continuing connected transactions under Chapter 14A of Listing Rules. We have applied for, and the Stock Exchange [has granted] us, the related waivers from strict compliance with Chapter 14A of the Listing Rules in respect of the transactions. See “Connected Transactions” for further details.

[REDACTED]

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. In 2023, 2024, 2025 and the five months ended May 31, 2026, we declared dividend of RMB747.3 million, RMB649.7 million, RMB572.8 million and nil, respectively. As of the Latest Practicable Date, we did not have a formal dividend policy or pre-determined dividend payout ratio.

SUMMARY

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

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] and other estimated expenses 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 (i) the upgrade and expansion of our logistics networks; (ii) the potential investment or acquisition opportunities; (iii) the enhancement and expansion of our commodity portfolio; (iv) enhancing our digital and information technology capabilities; (v) deepening our cooperation with upstream and downstream partners; and (vi) the working capital and general corporate purposes. See “Future Plans and Use of [REDACTED]” for details.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] and other fees (such as the discretionary incentive fee) incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately RMB[REDACTED] (or HK\$[REDACTED], representing [REDACTED]% of the gross [REDACTED] from the [REDACTED]) (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), which are composed of (i) [REDACTED] of approximately RMB[REDACTED] and (ii) [REDACTED]-related expenses of approximately RMB[REDACTED], which consist of (a) fees and expenses of legal advisors and reporting accountants of approximately RMB[REDACTED], and (b) other fees and expenses of approximately RMB[REDACTED]. An estimated amount of RMB[REDACTED] for our [REDACTED] expenses, was or is expected to be expensed through the statement of profit or loss and the remaining amount of RMB[REDACTED] is expected to be recognized directly as a deduction from equity upon the [REDACTED]. During the Track Record Period, [REDACTED] expenses of RMB[REDACTED] was charged to the consolidated statements of profit or loss, and RMB[REDACTED] was recognized as other current assets and to be deducted from equity upon the [REDACTED].

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of this document, there has been no material adverse change in our financial, operational or trading position, indebtedness or prospects since May 31, 2026, being the date of our latest reviewed financial statements, and there has been no event since May 31, 2026 that would materially affect the information shown in the Accountants’ Report in Appendix I to this document.