OVERVIEW

We are a Southeast Asia-focused cross-border brand owner enterprise primarily engaged in the sale of 3C accessories, small appliances and home furnishings & building materials, with Indonesia as our core market and supported by our integrated operating systems for supply chain and distribution. We operate a predominantly proprietary-brand business model, with 93.4% of our revenue generated from our proprietary brands in 2025. In offline channels, we primarily distribute our products through a network of SMRs and MRCs, while in online channels we sell through major e-commerce platforms. Our core competencies lie in brand management, supply chain integration and retailer empowerment. According to Frost & Sullivan, in terms of retail sales value in 2025, we were the No. 1 company in Indonesia in the 3C accessories sector, with a market share of approximately 2.2%. In addition, we ranked No. 6 among China-based cross-border companies in the small appliances sector, with a market share of approximately 3.7% of the China-to-Indonesia small appliances export market.

We primarily procure 3C accessories and small appliances from suppliers in China. 94.0% of our revenue was derived from Indonesia in 2025. According to Frost & Sullivan, the Indonesian retail market reached approximately USD333.0 billion in 2025 and is projected to grow to USD445.7 billion by 2030, positioning it as one of the world's most dynamic markets for consumer goods. Such growth was primarily driven by its large population and expanding emerging and established middle class. Despite such rapid expansion, offline retail, which refers to a retail model that conducts sales through physical stores, still accounted for approximately 79.1% of the Indonesian retail market in 2025. While Indonesia remains our core market, we have also expanded strategically into the markets in Vietnam, Thailand and the Philippines. SMRs in these markets often face challenges such as high procurement cost, low delivery efficiency and limited operational capacities, highlighting a clear demand for digital transformation solutions.

We have successfully capitalized on this market opportunity by leveraging our proprietary digital platform. This platform enables us to manage supplier procurement, import and export procedures and logistics arrangements, operate warehouses and distribute products through our retailer network and online sales channels. As a result, we are able to enhance operational efficiency and help address challenges commonly faced in the Southeast Asian retail market, including fragmented offline sales channels, underdeveloped local delivery networks, inefficient and costly logistics operations, limited high-quality warehousing resources and relatively low levels of digitalization. Our 3C accessories and small appliances are primarily procured from suppliers in China. Leveraging our self-operated warehousing network and our localized operation teams, we have shaped an integrated competitive strength comprising "brand + digitalization + supply chain". As of June 30, 2026, we have established extensive connections with SMRs customers, positioning us as a cross-border brand owner enterprise in Indonesia for 3C accessories and small appliances.

Our Proprietary Brands and Core Products

We have established a portfolio of well-recognized proprietary brands in Indonesia, including "VIVAN", "ROBOT" and "SAMONO". Our proprietary brands refer to brands that are in-house developed by us and in respect of which we own the relevant trademarks. These brands are well aligned with the characteristics of the Indonesian retail market and have achieved high brand awareness and notable market share in Indonesia. Our proprietary brands VIVAN and ROBOT featuring 3C accessories cover core products portfolio such as power banks, charging cables and Bluetooth speakers. Our proprietary brand SAMONO featuring small appliances covers core products such as choppers, ovens and air fryers.

According to Frost & Sullivan, our proprietary brands are positioned as mid-to-high-end brands in Indonesia. Such positioning is primarily supported by the pricing levels of our representative products. Based on publicly available pricing information for comparable products in Indonesia, our products generally fall within the middle-to-upper segment of prevailing market price ranges, with upper price points in certain product categories exceeding prevailing market levels. This reflects our ability to serve mainstream consumers while also capturing demand from consumers who are willing to pay a premium for branded products. Rather than competing primarily in the low-price segment, we maintain a

balanced pricing strategy that combines affordability with premium offerings across our major product categories. The following table sets forth a comparison between the prevailing market price ranges of selected comparable products in Indonesia and the typical selling price ranges of our representative products.

Product Category	Prevailing Market Price Range[1] ('000 IDR)		Our Price Range[2] ('000 IDR)	
	Low	High	Low	High
Power Bank	76.1	322.0	175.0	415.0
Charger	13.2	59.9	27.9	63.9
Charging Cable	7.2	29.0	8.7	41.3
Smartwatch	100.0	209.0	205.0	317.2
Bluetooth Speaker	53.8	219.0	122.6	375.0
Chopper	49.9	148.9	52.9	228.9
Oven	233.0	798.0	540.0	728.9
Air Fryer	294.0	419.0	458.9	498.9

Notes:

(1) Prevailing market price range represents the typical price range of comparable products available in the Indonesian market.

(2) The Company's price range reflects the typical selling prices of representative products within each product category.

Our Multichannel Operations and Broad Customer Coverage

We operate an extensive sales network spanning offline and online channels, establishing multi-scenario user engagement. As of June 30, 2026, our footprint had covered four countries, including Indonesia, Vietnam, Thailand and the Philippines.

Offline distributor network. We have built a robust distribution framework that extends to a vast partner ecosystem. This network is anchored by a direct-to-consumer foundation and amplified by an extensive coverage of SMRs. Under the offline channels, we sold our products to our distributors, including SMRs and MRCs. During the Track Record Period, we established cooperation with an aggregate of over 60,000 SMRs across Southeast Asia, including 36,318 SMRs with whom we had recorded transactions as of June 30, 2026, forming a powerful downstream extension of our brand and ensuring product accessibility and availability deep within local markets. Maintaining a large network of SMRs is critical in the Indonesian market, where retail distribution remains predominantly offline and traditional trade channels dominate. These channels are highly fragmented and primarily composed of family-operated stores. By cooperating directly with over 60,000 SMRs, we reduce reliance on intermediaries and lower our operating costs. Our extensive SMR network thereby enables us to effectively penetrate dispersed local markets and reach a broad consumer base. Besides SMRs, we also cooperate with MRCs, which are typically operated by large-scale, professionally managed enterprises, primarily serving mass-market consumers through extensive store networks. MRCs primarily include hypermarkets and shopping malls which sell our products. MRCs also constitute our distributors.

Online channels. We operate official store matrices on major regional marketplaces, including Shopee, Tokopedia, among other mainstream e-commerce platforms. In addition to mainstream e-commerce platforms, we also sell our products through leading livestreaming platforms, such as TikTok. Leveraging our established brand presence, we have rapidly scaled our online presence with consistent merchandising, pricing and fulfillment standards.

As of June 30, 2026, we operated 159 online stores, all of which were directly operated by us. We typically operate multiple stores on each e-commerce platform, including both flagship stores and non-flagship stores. Flagship stores are official brand stores certified by the relevant e-commerce platforms and are generally eligible for dedicated branding features and platform traffic support, while

non-flagship stores provide greater operational flexibility and may offer products from multiple brands. As of June 30, 2026, we managed 71 official flagship stores across multiple e-commerce platforms. We believe that operating multiple online stores enables us to broaden customer reach and enhance market coverage.

Our Market Opportunities

Southeast Asia market has been undergoing a period of structural growth in recent years, presenting compelling market dynamics. The retail market expanded from USD693.4 billion in 2020 to USD937.3 billion in 2025 with a projected CAGR of approximately 6.1% from 2025-2030. Internet penetration rate is expected to reach 95.3% by 2030, and e-commerce is experiencing rapid growth, supported by an expanding middle-class population projected to reach approximately 173.0 million by 2030. These factors collectively fuel a broader trend of consumption upgrade across the region. As the regional leading market, Indonesia demonstrates particularly compelling dynamics. According to Frost & Sullivan, Indonesia has experienced a rapid growth in its retail market, evidenced by a CAGR of 8.1% in the 3C accessories market from 2025-2030, a 5.4% CAGR in small appliances, and a 6.5% CAGR in home furnishings & building materials. These are further bolstered by an anticipated internet penetration rate of 99.1%, a middle-class population projected to reach 57.6 million by 2030 and the in-depth penetration of digital consumption habits.

To address key challenges of Indonesian local market, such as fragmented local marketing channels, lack of consumer confidence in unbranded products and the demand for tailor-made products to fit local lifestyles, we leverage China's cost-efficient and highly responsive supply chain to launch products aligned with the needs of the Indonesian market. By integrating traditional offline retail stores with mainstream e-commerce and livestreaming platforms, we have broken down logistic barriers and used transparent communication and localized services to build consumer trust. We deploy demand forecasting tools and a standardized supply system, and provide SMRs with a comprehensive product portfolio and training programs. These solutions effectively address complexities such as inventory management, high customer acquisition costs and difficulties in adapting to local market demands. These solutions enable our SMR customers in Indonesia, Vietnam, Thailand and the Philippines to capture regional market opportunities, which bridge local consumption trends with a stable supply chain and support their efficient operations and scalable expansion.

Our Proven Track Record

Our business model has demonstrated scalable profitability during the Track Record Period. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, we recorded revenue of RMB908.4 million, RMB1,048.7 million, RMB1,216.9 million, RMB573.0 million and RMB699.4 million, respectively. For the same period, we achieved gross profit of RMB305.1 million, RMB373.4 million, RMB451.5 million, RMB211.7 million and RMB271.0 million, with gross profit margins of 33.6%, 35.6%, 37.1%, 36.9% and 38.7%, respectively. Such business model has been successfully replicated in Vietnam, Thailand and the Philippines. For the six months ended June 30, 2026, our revenue in Vietnam, Thailand and the Philippines, increased by 40.9% from RMB33.8 million for the six months ended June 30, 2025 to RMB47.6 million.

COMPETITIVE STRENGTHS

A Cross-border Retail Brand Partner of 3C Accessories, Small Appliances Products Focusing on Indonesian Market

According to Frost & Sullivan, in terms of retail sales value in 2025, we were the No. 1 company in Indonesia in the 3C accessories sector, with a market share of approximately 2.2%. In addition, we ranked No. 6 as a China-based cross-border company in the small appliances sector, with a market share of approximately 3.7% of the China-to-Indonesia small appliances export market. According to Harvard Business Review, we have been honored with the 2025 Ram Charan Management Practice Award — Globalized Enterprise Practice Award. Along with our outstanding performance and potential growth in the course of globalization, WOOK was named a TOP10 of the 2025 Forbes China Outbound

Globalization Brands Award. In 2023, 2024 and 2025, we generated revenue of RMB908.4 million, RMB1,048.7 million and RMB1,216.9 million, respectively, and RMB573.0 million and RMB699.4 million for the six months ended June 30, 2025 and 2026, respectively.

The Southeast Asian retail market is entering a phase of unprecedented growth and opportunity. With a retail market scale of USD937.3 billion in 2025 and a projected CAGR of 6.1% from 2025 to 2030 to reach USD1.3 trillion, the local market has demonstrated substantial growth potential. From a market perspective, the consumer markets in Indonesia, Vietnam, Thailand and the Philippines share broadly similar characteristics. These similarities are underpinned by a young consumer base, increasing adoption of digital shopping channels, and rising demand for quality and brand upgrades, while continuing to value both premium offerings and value-for-money products.

We are capitalizing on these dynamics by focusing on the Indonesian market. By leveraging the advantages of our Chinese manufacturing supply chain and digital strategy, we address key market inefficiencies. These include fragmented traditional retail channels, low logistics efficiency, insufficient quality of unbranded products and the relatively high prices of international brands. Our solution is to deliver products at competitive prices, supported by localized operational services, thereby addressing industry pain points. Our business model, grounded in common market characteristics across multiple Southeast Asian countries, is highly replicable in core markets such as Thailand, Vietnam and the Philippines, allowing us to continuously capture regional growth dividends.

A Well-recognized Proprietary Brand in Indonesia with A Diversified Product Portfolio

We have secured a position of market leadership through our powerful portfolio of brands, including "VIVAN" "ROBOT" "SAMONO", which have been granted "SUPER BRAND" awards/recognition in Indonesia. Our proprietary brands are well aligned with Indonesia's offline-driven retail landscape and have achieved strong market recognition, high brand awareness and substantial market share. Among these, according to Frost & Sullivan, "ROBOT" stands as the largest 3C accessories Chinese cross-border brand in Indonesia, while "VIVAN" is widely recognized as a mid-to-high end 3C accessory brand in the Indonesian market. In 2024, the combined sales revenue of our flagship 3C accessories brands as named above exceeded RMB647.8 million. Both brands' strong consumer appeal and market leadership have been validated through Indonesia's most prestigious awards for consecutive years, including TOP BRAND and SUPER BRANDS. "SAMONO" is a fast-growing small appliances brands in Indonesia. "SAMONO" also received the SUPER BRANDS award in its category in 2024. Our proprietary brands enable us to build brand equity, which in turn enhances our pricing capabilities and customer loyalty. In 2025 and for the six months ended June 30, 2026, revenue generated from our proprietary brands accounted for 93.4% and 96.6% of our total revenue, respectively.

In addition to our proprietary brands, we maintain collaborative partnerships with several well-established companies that hold strong reputations in China such as M&G (晨光), LIBY (立白), collectively developing Indonesian market.

Through our OEM and ODM production model, we harness the advantages of Chinese manufacturing to rapidly launch products aligned with market demand. Our product development team can design and release a new product model timely by collaborating closely with upper-stream suppliers, with production executed by trusted third party manufacturers. As of June 30, 2026, our SKU count for 3C accessories, small appliances and home furnishings & building materials reached nearly 10,000. This asset-light brand model enables us to offer a diverse and trend-responsive product range, ensuring ongoing brand attractiveness, consumer loyalty and strong pricing power.

Building on our value-cost proposition, we leverage two core strengths to establish competitive cost advantages: We minimize procurement costs and maintain quality and supply chain control through scalable Chinese manufacturing, and reduce channel promotion expenses by replacing traditional trade and distribution networks with self-developed sales channels.

This integrated approach positions us at the core of the cross-border retail business value chain, enhancing efficiency across product manufacturing, warehousing, logistics and end- market sales. It enables us to ensure product quality and adapt to the local market while striking a balance between value and cost. As a result, we deliver additional values to consumers and sustain relatively high gross profit margins.

Indonesia's Digitally Enabled Cross-Border Retail Company with Pronounced Channel Advantages and a Robust Localized Operation Network

Indonesia's retail landscape is characterized by a vast fragmented network of traditional offline channels, complemented by modern retail and e-commerce channels. In 2025, offline retail channels still accounted for approximately 79.1 % of the total retail market, of which 71.7% was contributed by traditional retail channels. The fundamental challenge for brands and retail enterprises remains effectively reaching the broad base of offline retail consumers.

We distribute our products through our proprietary mobile application ("**WOOK APP**"), providing cost-effective products to SMRs in Indonesia, Vietnam, Thailand and the Philippines. In 2023, 2024 and 2025, revenue generated from our self-developed channels accounted for 82.8%, 73.7% and 68.5%, respectively, and 70.7% and 64.4% for the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, we established cooperation with an aggregate of over 60,000 SMRs across Indonesia, Vietnam, Thailand and the Philippines, including 36,318 SMRs with whom we had recorded transactions as of June 30, 2026. In addition, with the increasing internet penetration and the rapid development of livestreaming and other e-commerce formats, we are also expanding our brands on third-party platforms in parallel, further enhancing our brand awareness and achieving initial success. We believe we are well positioned to benefit from the region's continued economic growth and the expansion of its retail market. As the digitalization of retail continues to advance in Indonesia and across Southeast Asia, our addressable market is expected to further expand, underpinning substantial growth potential.

We focus on serving the rapidly growing SMRs in emerging markets in Indonesia, Vietnam, Thailand and the Philippines and have established an efficient digital platform and supply chain system. Our business model of "brand + digitization + supply chain" has been validated by market practices and has delivered sustainable profit growth. As of June 30, 2026, we had established over 40 branches in Southeast Asia, including 42 in Indonesia, one in Vietnam, one in Thailand and one in the Philippines, with a workforce of over 1,400 employees. By deeply engaging with our SMR customers, we believe we have developed an integrated channel capability and competitive advantage in the industry.

Supported by our extensive retail terminal network across Indonesia and our localized marketing teams, comprising nearly 1,000 marketing professionals performing marketing and field-promotion functions as of June 30, 2026, we are able to accurately identify the product needs of SMRs and end-consumers and provide comprehensive operational support to such merchants, thereby enhancing customer stickiness.

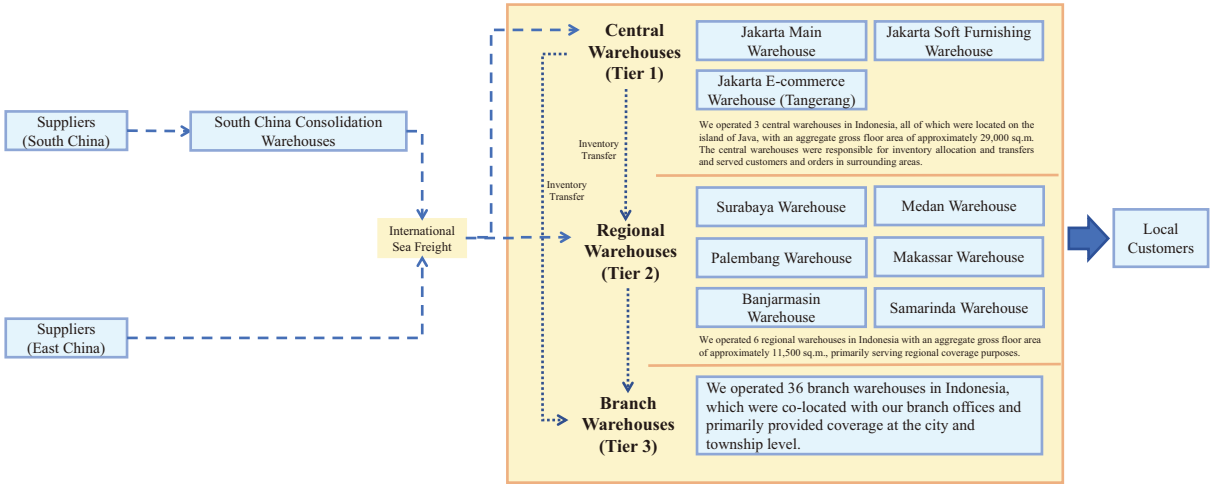
Well-established Localized Logistics Infrastructure and Warehousing Coverage Across Indonesia

Due to the region's complex geography, underdeveloped infrastructure and relatively low customs clearance efficiency, logistics costs in the Southeast Asian market are generally high. We have established a mature and highly efficient supply chain system, under which our warehousing and logistics cost accounts for only approximately 4.7% of our revenue for the six months ended June 30, 2026, substantially lower than that of our industry peers according to Frost & Sullivan, allowing us to establish a strong competitive advantage.

In response to the challenges in Indonesia, including its numerous islands, inadequate infrastructure and high logistics costs, as of June 30, 2026, we operated more than 40,000 sq.m. of self-operated modern warehouses in Indonesia, including 3 central distribution centers and 6 regional distribution centers. This infrastructure, together with our end-to-end digital integration, has enhanced our logistics efficiency, improved inventory turnover and supported scalable growth.

Leveraging a "consolidation warehouse + full-container-load ("**FCL**") sea freight" cross-border logistics model, we aggregate goods at major ports in China and ship them by FCL to Southeast Asia, thereby effectively reducing cross-border logistics costs. We have appointed two consolidation warehouses as our logistics service providers. Both of these warehouses are situated in Shenzhen, China, with an aggregate gross floor area of approximately 4,000 sq.m., which were primarily used for cargo consolidation, warehousing, labelling, repackaging and regional distribution. By consolidating shipments from multiple suppliers into container loads, we were able to reduce per-unit logistics costs.

To address the pain points of Indonesia's local logistics infrastructure, we have established a three-tier warehousing system comprising a master distribution center in Jakarta, regional hub warehouses in major cities and forward warehouses in the proximity of our branches, in order to align inventory planning with the replenishment needs of SMRs and provide them with rapid order response. This three-tier warehousing structure enables us to flexibly adapt to local sales characteristics, centrally allocate inventory and logistics resources and respond quickly to changes in market demand. It also shortens response and delivery distances, enhances fulfilment efficiency and enables faster order processing and delivery. Our central warehouses, regional warehouses and branch warehouses are managed by us under a unified management framework. The diagram below illustrates the operation and management structure of our three-tier warehousing network:



Underpinned by this warehousing network, upon customer order placement, we fulfill from the nearest warehouse and deploy a flexible delivery model combining our self-operated fleet with third-party logistics, which enhances last-mile timeliness and coverage. This end-to-end supply chain configuration shortens the overall delivery cycle and strengthens service stability and customer experience in the Southeast Asian market.

A Proprietary, Fully-Digitized Platform that Supports Integrated Operations Encompassing Factory, Supply Chain to Retail Terminal

Our proprietary end-to-end digital platform has undergone more than ten years of data iteration and technology accumulation and has enabled end-to-end digitalization from factories and supply chain to retail terminals, thereby enhancing the operational efficiency and service capability of SMRs. Our proprietary digital platform empowers such retail merchants by providing one-stop procurement services, streamlining distribution layers, lowering terminal costs and specifically addressing their pain points of high logistics costs. In addition, through our customer tiering and classification management system, we have improved customer service quality and refined our operational management. Our proprietary operation platform and ERP system have digitalised our operation management and enhanced the efficiency and accuracy of demand forecasting, procurement planning, warehousing logistics and inventory management, thereby empowering terminal SMRs. For our offline business teams, we have developed and deployed our proprietary CRM system to ensure the standardization and

execution efficiency of offline services. Furthermore, we have introduced blockchain technology into our goods receipt and payment confirmation processes to ensure the authenticity, immutability and traceability of transaction data, thereby strengthening transaction security and compliance.

Leveraging our standardized and mature end-to-end digitalization from factories and supply chain to retail terminals, we embed digitalization across our major business segments. This enables digitalised internal management, online transactions, precise marketing and enhanced operating efficiency. We utilize our digitalised platform to manage end-to-end supply chain operations and sales, strengthen our distributor relationships and optimize inventory management. At the same time, relying on digital tools and user consumption behavior data accumulated on our proprietary app (e.g. category preferences), we have built a user tagging system tailored to the Indonesian market, enabling targeted marketing by customer segment and improving user response and conversion rates. Our digital operation system ensures full traceability of all orders. For example, in terms of efficiency, for the six months ended June 30, 2026, we recorded average inventory turnover days of 82 days. We provide compliant documentation for the entire transaction process, including sales documents, logistics documents and invoices, to ensure standardized transaction procedures and deliver targeted, integrated solutions, thereby enhancing the level of digitalization of traditional offline retail.

Visionary and Entrepreneurial Management Team Alongside Experienced Professionals

We are led by a visionary and entrepreneurial management team; our core team members possess extensive industry experience with average experience of 20 years. Mr. Xu Longhua as the Founder and Board Chairperson has previously held a position in TCL for 7 years, possessing an in-depth understanding of cross-border retail business, abundant industrial experience and management experience. He has been recognized with the "2018 China Cross-border E-commerce Young Leader Award", was selected as one of the "Top 100 Global Chinese Elites" by Forbes China in 2022.

Our management team has strong resource integration capabilities and business acumen, and is able to monitor market trends and adjust operational strategies accordingly. Our professional team comprises professionals from globally renowned brand groups and leading internet companies, with experience across brand e-commerce services, retail brands, e-commerce platforms and offline sales channels, enabling us to address key needs across product innovation, operations, marketing strategy and supply chain management. We have also developed local teams with deep understanding of local consumer behavior, channel characteristics and regulatory environments. As of June 30, 2026, we had 1,266 local employees of foreign nationality, accounting for 86.1% of our total workforce. Such local teams enable us to respond to local business needs and support operational decision-making and customer service optimization.

DEVELOPMENT STRATEGIES

Our Brand and Product Strategy: to Further Enhance Our Brand Equity and Expand Our Product Portfolio

Our brand strategy is fundamentally driven by customer demands. We plan to further leverage our proprietary app to capture real-time consumer insights and refine our "demand insight — localized development — rapid execution" model, supporting our category expansion. We also intend to utilise accumulated consumer data to enhance product design and assortment precision, while relying on our existing channel network and local teams to shorten time-to-market. In parallel, we will expand our OEM and ODM network, leverage Chinese manufacturing advantages and adopt a light-asset approach to ensure product quality while maintaining speed and flexibility in responding to market demand.

Going forward, we plan to extend our product lines in smart 3C accessories, small appliances and home furnishings & building materials, and subsequently expand into additional categories such as household and personal care products. We will focus on differentiated brand competition and brand image enhancement, accurately aligning with the high-growth opportunities in the relevant markets in

Southeast Asia. We intend to strengthen our differentiated brand competitiveness through three dimensions: products, channel and terminal presence, and communication power, while also leveraging third-party channels to broaden brand reach and enhance brand equity.

To support our category expansion strategy, we intend to further develop new product categories and product features under our core "home and life" consumption scenarios in Southeast Asia. In particular, we plan to expand our R&D efforts in 3C accessories, small appliances and home furnishings & building materials, with a focus on hardware product development, including product appearance design and mould development, related companion App software development, and pre-research projects in core product technologies. We intend to develop products with enhanced features such as multi-device connectivity, improved user interaction through companion App functions and collaboration features with other brands, in order to better address localized user scenarios and consumer preferences in Southeast Asia.

We also plan to enhance the market presence and recognition of our proprietary brands, including VIVAN, ROBOT, SAMONO and RONA, through brand ambassador endorsements, social media promotion and publicity, KOL marketing, performance-based advertising, offline brand events, public relations activities, creative content production and market research. Our brand promotion initiatives are intended to enhance brand recognition and appeal among our target customer groups, which mainly include SMRs such as local stores selling 3C accessories and small appliances, while also strengthening end-consumer awareness of our proprietary brands through online and offline touchpoints.

We plan to deepen our understanding of Indonesian consumers' habits and daily life scenarios to develop products tailored to local preferences, incorporating Southeast Asian design elements to enhance appeal among local youth. This will be supported by our stringent supplier onboarding criteria and comprehensive quality control over the product development process, enabling us to maintain consistent product quality and a low return rate, alongside after-sales services to strengthen customer trust. In parallel, we will continue to upgrade and standardise our retail outlets and develop brand flagship stores in major Indonesian cities, while enhancing online-offline integration across mainstream e-commerce and livestreaming platforms, as well as our proprietary app and physical stores, to improve brand visibility and terminal presence. We intend to adopt differentiated store formats across our brand portfolio: VIVAN and SAMONO will primarily be positioned within shopping malls in key metropolitan areas such as Jakarta and Surabaya, while ROBOT and RONA will adopt a roadside store format with a rollout strategy aimed at broader nationwide penetration across Indonesia. These self-operated stores are intended not only to generate direct sales, but also to serve as in-person product experience hubs, controlled brand display points and customer acquisition touchpoints, thereby strengthening our brand presence and helping attract more SMRs to join our distribution network. We also plan to strengthen brand awareness through a diversified communication strategy, including collaborations with leading local KOLs in Indonesia, selective celebrity endorsements and third-party recognitions such as "SUPER BRAND", to reinforce our market positioning and enhance consumer confidence.

Our Sales Channel Strategy: to Grow Customer Base and Strengthen Customer Acquisition Efforts

Our channel strategy focuses on deepening and expanding our acquisition of SMR customers through refined operations, aiming to build irreplaceable barriers in the retail market in Indonesia, Vietnam, Thailand and the Philippines. As of June 30, 2026, we established over 40 branches across Indonesia and other Southeast Asian countries serving over 36,000 SMRs as our distributor customers with over 1,200 localized team members to ensure our operation efficiency.

We will continue to expand our channels from diverse dimensions. Quantitatively, we plan to intensify the coverage retail outlet in developed market and further develop core cities in new markets while penetrating lower-tier markets. In terms of quality enhancement, we seek to increase the proportion of brand corners, optimize display standards, enhance training and motivating store owners to strengthen loyalty and business performance of individual stores. In terms of geographic layout, we will leverage our experience in the Indonesian market to further expand into other Southeast Asian

countries such as Vietnam, Thailand and the Philippines with more diversified product offerings. In Vietnam, Thailand and the Philippines, we intend to adopt country-specific channel expansion plans over the forthcoming three-year period, with annual budgets for offline business promotion, e-commerce and livestreaming initiatives to be apportioned across each year. In Vietnam, we plan to pursue a balanced approach across offline SMR client development, e-commerce and livestreaming initiatives. In Thailand, we plan to place greater emphasis on online channel development, including e-commerce and livestreaming, while continuing to develop SMR clients through offline promotion. In the Philippines, we plan to focus on expanding our SMR customer base through offline business promotion in major cities and regions, supported by e- commerce and livestreaming initiatives and local sales personnel. We also plan to build localized teams to support such expansion, including sales representatives in Vietnam, Thailand and the Philippines and livestreaming personnel in the Philippines.

Our channel strategy will be driven by three core supporting systems. Firstly, we plan to set up sectoral operation centers to refine market strategy and align with localized resources. This enables us to expand our warehousing coverage, shorten delivery lead times and enhance the reliability of our services. Secondly, we plan to establish livestreaming e-commerce hub(s) to capture growth opportunities across online channels, including livestreaming e-commerce. Thirdly, we intend to strengthen collaboration with our retail partners by providing partner business growth initiatives and operational guidance to create a "win-win" situation, with a view to rapidly expanding our merchant coverage across Indonesia, Vietnam, Thailand and the Philippines. To further strengthen our online sales channels, we plan to establish an integrated livestreaming e-commerce operation centre in Jakarta, Indonesia. We believe the centre will promote our online sales by enabling real-time product promotion through livestream hosts and partnered KOLs, increasing store exposure through short videos and embedded product links, and improving online inventory turnover by analysing real-time user comments and order data from livestreaming activities.

Our Digitalization Strategy: to Undertake Digital-Intelligence Upgrade of Our IT and Operation Systems

Our digitalisation strategy centres on our proprietary WOOK APP, which, as of June 30, 2026, had connected over 36,000 SMRs and enabled demand collection, sell-through monitoring and supply chain tracking, supporting the integration of the "terminal — product development — supply chain" value chain and enhancing data-driven operational efficiency in the Southeast Asian retail market.

In terms of data-intelligence and big data applications, we intend to prioritize initiative that enhance operational efficiency. These include deploying a big data-driven demand forecasting engine which, based on our accumulated user behavior and sales data, predicts category popularity, optimizes the direction of new product development, improves the hit rate of new product launches and reduces the risk of slow-moving inventory. We also plan to adopt a data-driven intelligent supply chain system that automatically generates accurate replenishment plans based on real-time sales data, inventory levels and historical trends, thereby improving inventory turnover, reducing stock-out incidents and ensuring stable and efficient supply. In addition, through a data-driven terminal intelligent operation platform, we will provide SMRs with smart functionalities such as inventory alerts, product recommendations and sales suggestions, helping them optimize product selection and inventory management, enhancing business performance of individual stores and strengthen customer loyalty.

We plan to further increase our investment in upgrading digital operations by combining our in-house R&D with the adoption of proven digital technologies, and to increase the share of decision-making supported by data-intelligence. Through building competitive barriers through our proprietary data assets and feeding these insights back into our brand and channel strategies, we aim to establish ourselves as a digital benchmark for cross-border retail in Southeast Asia.

OUR BUSINESS MODEL

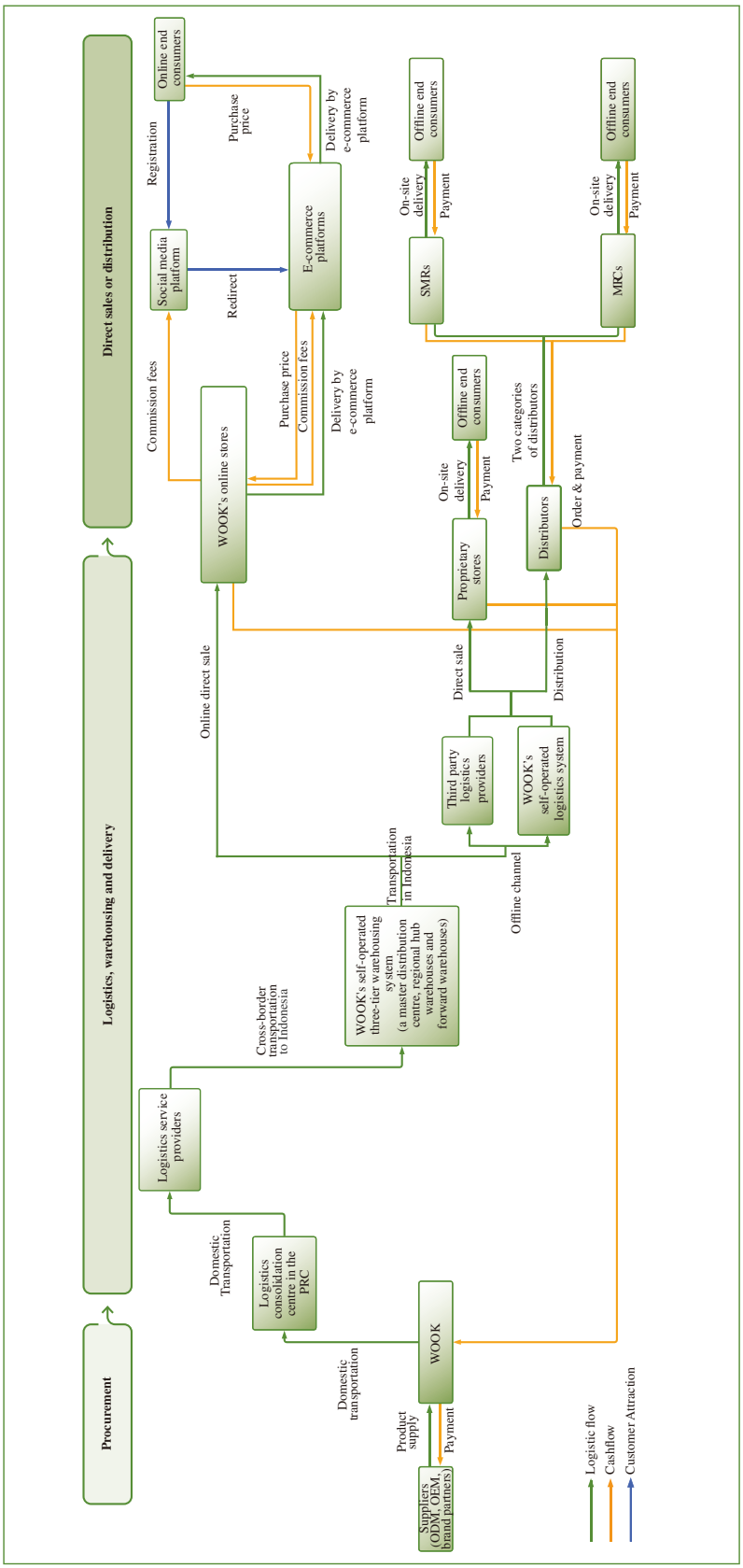
We are a cross-border retail enterprise underpinned by our digitalised capabilities, with a strategic focus on the Southeast Asian market. We primarily operate in Indonesia and have expanded into Vietnam, Thailand and the Philippines, offering 3C accessories, small appliances and home furnishings & building materials through a combination of proprietary brands and selected third-party brands. According to Frost & Sullivan, in terms of retail sales value in 2025, we were the No. 1 company in Indonesia in the 3C accessories sector, with a market share of approximately 2.2%, and we ranked No. 6 as a China-based cross-border company in the small appliances sector, with a market share of approximately 3.7% of the China-to-Indonesia small appliances export market.

We primarily conduct sales of our products through distributors. Leveraging our proprietary digital platform and localized marketing teams, we serve over 36,000 SMRs across various Southeast Asian countries as of June 30, 2026. These SMRs include 3C accessories stores, local home appliance retail stores and other home furnishings & building materials retail channels. Under the offline channels, we sold our products to our distributors, including SMRs operated stores and MRCs. Most of our SMRs operated offline stores only. A small portion of SMRs may also operate online stores through which they sell products to end consumers. Besides SMRs, we also cooperate with MRCs, which are primarily offline hypermarkets and shopping malls. In addition, we actively develop our online retail channels, through which we directly sell products to end customers. We have established a portfolio of branded flagship stores on major local e-commerce platforms and on livestreaming platforms such as TikTok, through which we directly engage with end consumers.

Although we operate online channels, which may occasionally compete with our offline distributors, we have implemented a series of channel management measures to manage the interaction between our online and offline channels and mitigate potential channel conflict. Our online and offline sales channels target distinct customer segments and operate under differentiated pricing strategies, which substantially reduces the risk of cannibalization between the two channels. Compared with our offline channels, the product portfolio offered through our online channels is significantly more limited, and all products sold online are subject to centralized pricing controls. In addition, certain products are exclusively developed for and sold through our online channels. By contrast, our offline sales network of SMRs is predominantly located in lower-tier cities, townships and small local communities, where populations are more dispersed and logistics infrastructure for modern e-commerce is relatively underdeveloped, resulting in limited accessibility and delivery coverage of online retail channels. Accordingly, our online and offline channels serve different consumption scenarios and customer bases, and do not materially compete with or cannibalize each other.

In respect of our offline distribution network, our distributors typically operate within designated geographic areas. Given that Indonesia's archipelagic geography naturally results in fragmented regional markets, and that inter-island transportation and logistics costs are relatively high, cross-regional product circulation is inherently limited. As a result, each of our distributors primarily operates within designated geographic areas, and sales activities are generally confined to their respective regions. This integrated online-and-offline model enhances our market presence and brand awareness. It also enables us to feed market and customer data back into our supply chain, thereby establishing an efficient and agile end-to-end loop from manufacturing to end consumers and supporting our business growth and market penetration.

The following diagram depicts the transaction flows of our cross-border retail business:



The following table sets forth a breakdown of our revenue by type of products for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue (RMB'000)	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*
							(Unaudited)			
3C Accessories	692,611	76.2	751,587	71.7	813,384	66.8	397,642	69.4	405,581	58.0
Small Appliances	40,065	4.4	103,741	9.9	171,006	14.1	69,188	12.1	145,861	20.9
Home Furnishings & Building Materials	67,688	7.5	88,968	8.5	133,528	11.0	59,948	10.5	93,784	13.4
Others[1]	107,994	11.9	104,446	9.9	99,026	8.1	46,266	8.0	54,131	7.7
Total	**908,358**	**100.0**	**1,048,742**	**100.0**	**1,216,944**	**100.0**	**573,044**	**100.0**	**699,357**	**100.0**

Note:

(1) Others primarily consist of (i) sales of other products, such as lifestyle products, stationery and electric two-wheelers and (ii) offering of warehousing services.

The following table sets forth a breakdown of our gross profit and gross profit margin by type of products for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross Profit (RMB'000)	*Gross Profit margin %*	*Gross Profit (RMB'000)*	*Gross Profit margin %*	*Gross Profit (RMB'000)*	*Gross Profit margin %*	*Gross Profit (RMB'000)*	*Gross Profit margin %*	*Gross Profit (RMB'000)*	*Gross Profit margin %*
3C Accessories	235,469	34.0	280,702	37.3	313,969	38.6	153,920	38.7	159,566	39.3
Small Appliances	13,533	33.8	38,132	36.8	71,959	42.1	28,281	40.9	68,233	46.8
Home Furnishings & Building Materials	18,115	26.8	20,336	22.9	29,519	22.1	13,594	22.7	18,530	19.8
Others[1]	37,945	35.1	34,212	32.8	36,080	36.4	15,891	34.3	24,624	45.5
Total	**305,062**	**33.6**	**373,382**	**35.6**	**451,527**	**37.1**	**211,686**	**36.9**	**270,953**	**38.7**

Note:

(1) Others primarily consist of (i) sales of other products, such as lifestyle products, stationery and electric two-wheelers, and (ii) offering of warehousing services.

Key Operating Metrics

The following table sets forth the key operating metrics for our cross-border retail business as measured by type of products for the periods indicated during the Track Record Period.[1][2]

	Year ended December 31, 2023	
	Number of new SKUs launched	**ASP**
3C Accessories	913	RMB28
Small Appliances	100	RMB54
Home Furnishings & Building Materials	776	RMB6
Others	3,897	RMB30
Total	**5,686**	**RMB23**

Note:

(1) For 3C accessories, small appliances, home furnishings & building materials and others, ASP equals revenue generated from the sale of relevant products divided by the sales volume of the respective products. For the "Total" row, the ASP is calculated by dividing the revenue by the sales volume of products.

(2) Others primarily consist of sales of other products, such as lifestyle products, stationery and electric two-wheelers.

	Year ended December 31, 2024	
	Number of new SKUs launched	ASP
3C Accessories	1,306	RMB29
Small Appliances	96	RMB51
Home Furnishings & Building Materials	294	RMB7
Others	6,603	RMB8
Total	**8,299**	**RMB20**

	Year ended December 31, 2025	
	Number of new SKUs launched	ASP
3C Accessories	1,973	RMB30
Small Appliances	168	RMB45
Home Furnishings & Building Materials	660	RMB8
Others	4,870	RMB11
Total	**7,671**	**RMB22**

	Six months ended June 30, 2026	
	Number of new SKUs launched	ASP
3C Accessories	508	RMB29
Small Appliances	63	RMB46
Home Furnishings & Building Materials	460	RMB9
Others	162	RMB12
Total[(1)]	**1,193**	**RMB22**

Note: For the six months ended June 30, 2026, we launched 1,193 new SKUs, compared with 7,671 new SKUs launched in 2025, primarily due to our product portfolio optimization, including (i) the discontinuation of our distribution of certain home and lifestyle products under the Others category; and (ii) our shift in product strategy from expanding our SKU offerings to optimizing our existing product portfolio and enhancing product quality, given our existing substantial SKU base.

The following table sets forth a breakdown of our revenue by type of brands for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue (RMB'000)	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*
Proprietary Brands	821,098	90.4	952,518	90.8	1,136,750	93.4	531,805	92.8	675,581	96.6
Licensed Brands	87,260	9.6	74,138	7.1	57,442	4.7	29,082	5.1	16,206	2.3
Others[(1)]	—	0.0	22,086	2.1	22,752	1.9	12,157	2.1	7,570	1.1
Total	**908,358**	**100.0**	**1,048,742**	**100.0**	**1,216,944**	**100.0**	**573,044**	**100.0**	**699,357**	**100.0**

Notes:

(1) Others primarily consist of warehousing service.

The following table sets forth a breakdown of our gross profit and gross profit margin by type of brands for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit (RMB'000)	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross Profit (RMB'000)*	*Gross Profit Margin (%)*	*Gross Profit (RMB'000)*	*Gross Profit Margin (%)*
Proprietary Brands	288,546	35.1	345,788	36.3	428,519	37.7	200,972	37.8	262,184	38.8
Licensed Brands	16,516	18.9	20,040	27.0	16,728	29.1	7,098	24.4	6,873	42.4
Others[(1)]	—	0.0	7,554	34.2	6,280	27.6	3,616	29.7	1,896	25.0
Total	**305,062**	**33.6**	**373,382**	**35.6**	**451,527**	**37.1**	**211,686**	**36.9**	**270,953**	**38.7**

Notes:

(1) Others primarily consist of warehousing service.

The following table sets forth a breakdown of our revenue by our proprietary brands for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue (RMB'000)	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*	*Revenue (RMB'000)*	*% of total Revenue*
ROBOT	422,963	51.5	477,786	50.2	526,382	46.3	254,511	47.9	264,238	39.2
VIVAN	160,099	19.5	170,060	17.9	183,690	16.2	94,498	17.8	88,800	13.1
SAMONO	40,532	4.9	101,222	10.6	169,277	14.9	67,735	12.7	145,859	21.6
RONA	42,334	5.2	58,025	6.1	79,746	7.0	35,441	6.7	58,277	8.6
Other proprietary brands[(1)]	155,170	18.9	145,425	15.2	177,655	15.6	79,620	14.9	118,407	17.5
Total	**821,098**	**100.0**	**952,518**	**100.0**	**1,136,750**	**100.0**	**531,805**	**100.0**	**675,581**	**100.0**

Note:

(1) We categorize proprietary brands that each contribute less than 5.0% of our total revenue as other proprietary brands.

The following table sets forth a breakdown of our gross profit and gross profit margin by our proprietary brands for the years/periods indicated:

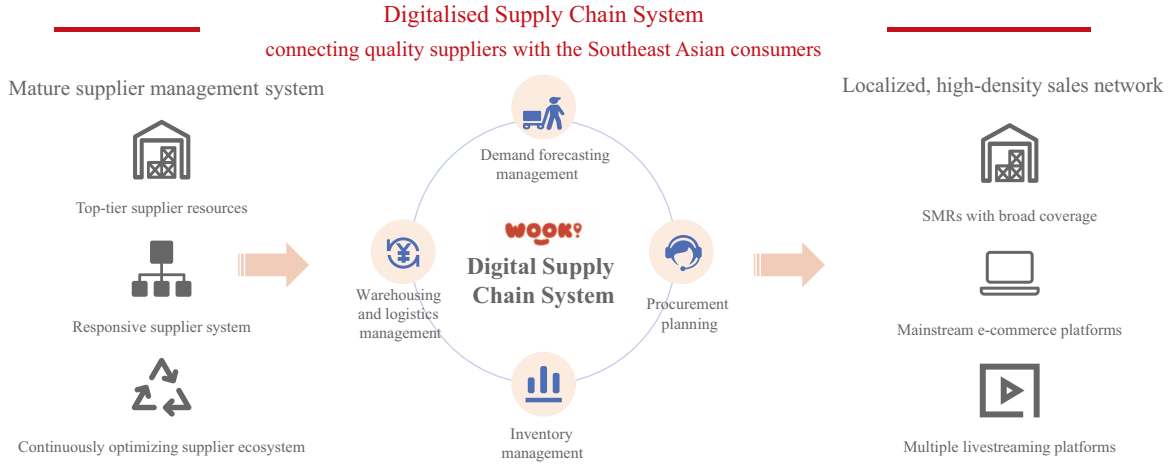
	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit (RMB'000)	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross Profit (RMB'000)*	*Gross Profit Margin (%)*	*Gross Profit (RMB'000)*	*Gross Profit Margin (%)*
ROBOT	151,948	35.9	181,605	38.0	211,508	40.2	102,039	40.1	108,648	41.1
VIVAN	63,728	39.8	69,810	41.1	74,599	40.6	38,687	40.9	37,196	41.9
SAMONO	13,597	33.5	37,127	36.7	71,285	42.1	27,778	41.0	68,233	46.8
RONA	11,391	26.9	13,874	23.9	16,095	20.2	7,491	21.1	10,590	18.2
Other proprietary brands[(1)]	47,882	30.9	43,372	29.8	55,032	31.0	24,977	31.4	37,517	31.7
Total	**288,546**	**35.1**	**345,788**	**36.3**	**428,519**	**37.7**	**200,972**	**37.8**	**262,184**	**38.8**

Note:

(1) We categorize proprietary brands that each contribute less than 5.0% of our total revenue as other proprietary brands.

As a China-based outbound brand partner, our business model is built on direct purchase and sale of products with our upstream suppliers and downstream customers. We have established our digitalised supply chain system to link our business sectors such as procurement, warehousing, inventory

management and logistics into an integrated system, facilitating internal management and operation efficiency. Rather than functioning as a digital trading platform for third parties, our supply chain system enhances our management capabilities and supports our role as a brand partner. The following diagram depicts a simplified business process of our cross-border retail business underpinned by our digitalised supply chain system:



Upstream suppliers. We operate a mature supplier management system that gives us access to top-tier supplier resources and a responsive supplier network. Through continuous selection and curation, we maintain a resilient supplier ecosystem that meets our quality, cost and lead-time requirements.

Digital supply chain. Major suppliers are connected to our end-to-end digital supply chain system. The system integrates demand forecasting, procurement planning, warehousing and logistics and inventory management into a unified workflow, enabling data-driven planning, agile replenishment and cost-effective fulfillment from factory to market.

Channels to market. Leveraging this digital backbone, we serve a localized and high-density sales network comprising broad-coverage SMRs, e-commerce platforms and diversified livestreaming platforms. This multichannel reach ensures wide market coverage and consistent execution across both online and offline touchpoints.

End customers. By linking premium suppliers to Southeast Asian consumers through our digitalised supply chain and multichannel network, we deliver reliable product availability, fast delivery and a quality customer experience across retail stores, third-party e-commerce platforms and livestreaming platform scenarios.

Our Product Offerings

Since the launch of our cross-border retail business in 2015, we have been selling a selected portfolio of 3C accessories, small appliances and home furnishings & building materials to retail merchants and consumers in Southeast Asia, predominantly in Indonesia. Our comprehensive product portfolio enhances our distributors' market coverage and competitive position. Our product offerings can be classified into 4 categories. Our flagship products are 3C accessories, which mainly include mobile phone accessories, computer accessories, game peripherals, among others. In addition to our core 3C products, we have expanded our product portfolio to small appliances, with our key offerings comprising choppers, ovens and air fryers. Furthermore, we have extended our reach into the home furnishings & building materials, where our principal products include PVC suspended ceiling materials and vinyl flooring. We also engage in sales of other products, such as mop and stationery and household cleaning and daily necessities, among other products.

The following table sets forth a brief description of our product offerings during the Track Record Period:

Major Category	Brief Description of the Product Line	Product sub-categories	Products	Key Brands
3C Accessories	3C accessories are our flagship products. We offer a selected portfolio of 3C accessories, such as mobile phone accessories, computer accessories, game peripherals, among others.	Mobile Phone Accessories	Power banks, Data cables, Chargers, Earphones, Speakers, Screen protectors, etc.	VIVAN (Proprietary Brand) ROBOT (Proprietary Brand)
		Computer Accessories	Keyboards, Computer mice, Adaptors, Storage devices, etc.	
		Internet of Things Products	Smart lighting, Smartwatches, Smart security systems, E-sports accessories, Mobile game accessories, etc.	
Small Appliances	We offer an extensive selection of small appliances designed to enhance everyday living through convenience and innovation.	Small Home Appliances	Kitchen Appliances, Personal Care Appliances	SAMONO (Proprietary Brand)
Home Furnishings & Building Materials	Our Home Furnishings and Building Materials division provides a wide range of products including commonly-used products and materials for home renovation.	Decoration materials	Suspended ceiling, wallpaper, slatted panels, flooring, curtains and window coverings	RONA (Proprietary Brand)
Others	In addition to our core categories, we maintain a diverse portfolio of other products that complement and expand our market reach.	Lifestyle Products	Cleaning supplies, storage containers and shelving units and kitchen utensils	BONBOX (Proprietary Brand)
		Stationery	School and office stationery	M&G (Licensed Brand)
		Household and personal care products	Household cleaning and personal care products	Liby (Licensed Brand)

The following table sets forth certain information of our key brands as of June 30, 2026:

Key brands	Logo	Description
ROBOT	ROBOT (Proprietary Brand)	Top China-based cross-border 3C accessories brand in Indonesia • Indonesian high value-for-money 3C accessories brand • Industry Recognition: SUPER BRANDS award recipient for 2022, 2023 and 2024
VIVAN	VIVAN (Proprietary Brand)	Medium-high end 3C accessories brand • Multi-year winner of Indonesia's most authoritative brand awards by 2016-2025: TOP BRAND • Multi-year winner of Indonesia's most authoritative brand awards by 2022-2024: SUPER BRANDS

Key brands	Logo	Description
SAMONO. . . .	SAMONO (Proprietary Brand)	Fast-growing small kitchen appliances brand • SUPER BRANDS category winner by 2024 and 2025

RONA	RONA (Proprietary Brand)	Fast-growing interior decoration materials brand
		• Delivering premium yet affordable decorative materials through meticulous craftsmanship and customer-centric service
		• Value Proposition:
		  • Precision-engineered product craftsmanship
		  • Strategically priced premium offerings

The following sets forth a description of our key products offered as of June 30, 2026.

3C Accessories

3C accessories have been the key part of our product portfolio since our establishment and we have actively expanded our offering of 3C accessories and strengthened our supply chain capabilities, especially logistics capabilities since 2014. Our offering of 3C accessories primarily consists of power banks, data cables, chargers, earphones, speakers, keyboards, computer mice, adaptors, storage devices, smart lighting, smartwatches, smart security systems, e-sports accessories, and mobile game accessories. In 2023, 2024 and 2025, our revenue generated from sales of 3C accessories amounted to RMB692.6 million, RMB751.6 million and RMB813.4 million, respectively, accounting for 76.2%, 71.7% and 66.8% of our revenue from sales of goods during the same years, respectively. For the six months ended June 30, 2025 and 2026, our revenue generated from sales of 3C accessories amounted to RMB397.6 million and RMB405.6 million, respectively, accounting for 69.4% and 58.0% of our revenue from sales of goods during the same periods, respectively.

The following table sets forth certain key information of our 3C accessories brands and products, presented by sub-categories of mobile phone accessories and computer accessories respectively:[(1)(2)]

3C Accessories — Mobile Phone Accessories

Mobile phone accessories products refer to equipment complementary to mobile phones. The key products under this sub-category are set forth in the following table:

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
Power bank . .	VIVAN (Proprietary Brand) ROBOT (Proprietary Brand)		• Supporting multiple charging modes, including magnetic wireless charging • High efficiency with 20W+15W fast charging	RMB64–RMB199
Charging cable .	VIVAN (Proprietary Brand) ROBOT (Proprietary Brand)		• Supporting power delivery ranging from 60W to 240W and achieving data transfer speeds of up to 480M • Able to withstand over 20,000 bending cycles • Premium aluminum alloy outer shells	RMB9–RMB54
Bluetooth speaker . . .	ROBOT (Proprietary Brand)		• 10W output power • a dual-diaphragm bass enhancement design • S/PDIF optical connectivity to Liquid Crystal Display televisions	RMB104–RMB673

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
Earphone	VIVAN (Proprietary Brand)		• Active noise cancellation, enabling high-quality listening experience on high-speed rail and flights • data-intelligence assistance and real-time online translation • A smart display presenting dynamic information in real time	RMB61–RMB189

Note:

(1) Suggested retail price represents the price range of the relevant product categories, instead of the price of the specific product as shown in the picture.

(2) Suggested retail price is calculated based on the exchange rate of Indonesian Rupiah to Renminbi as of June 30, 2026.

3C Accessories — Computer Accessories

Computer accessories products refer to computer equipment designated for gaming or more generally, daily use. The key products within this sub-category are set forth in the following table:[(1)(2)]

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
Mouse	ROBOT (Proprietary Brand)		• 125 Hz polling rate • silent left- and right-click buttons • precise cursor positioning	RMB24–RMB119
Keyboard	ROBOT (Proprietary Brand)		• 2.4G wireless keyboard-and-mouse set • Silent key structure to reduce disturbance	RMB29–RMB115
Adaptor	ROBOT (Proprietary Brand)		Docking Hub • An 11-in-1 multifunction docking station • Interfaces include HDMI, VGA, RJ45 (Ethernet), SD, TF (microSD), USB 3.0, among others • Comprehensive port coverage to meet diverse laptop connectivity requirements	RMB28–RMB119

Note:

(1) Suggested retail price represents the price range of the relevant product categories, instead of the price of the specific product as shown in the picture.

(2) Suggested retail price is calculated based on the exchange rate of Indonesian Rupiah to Renminbi as of June 30, 2026.

Small Appliances

Small appliances have been part of our product portfolio since 2021. Our offering of small appliances primarily consists of kitchen appliances, and personal care appliances. In 2023, 2024 and 2025, our revenue generated from sales of small appliances amounted to RMB40.1 million, RMB103.7 million and RMB171.0 million, respectively, accounting for 4.4%, 9.9% and 14.1% of our revenue from sales of goods during the same years, respectively. For the six months ended June 30, 2025 and 2026, our revenue generated from sales of small appliances amounted to RMB69.2 million and RMB145.9 million, respectively, accounting for 12.1% and 20.9% of our revenue from sales of goods during the same periods, respectively.

The following table sets forth certain of our small appliances brands and products:[1][2]

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
Chopper	SAMONO (Proprietary Brand)		• A 350W high-power motor with a 2-liter capacity grinder • Dual safety design with overheat protection and emergency stop function • Glass bowl for easy cleaning • Two speed settings for different ingredients • Four-blade stainless steel cutter	RMB75–RMB125
Rice cooker	SAMONO (Proprietary Brand)		• 500W rated power for rapid rice cooking • Intelligent voice control for hands-free operation • Touch control panel for easy operation • Ten-in-one multi-functional modes • Low-sugar cooking function for a healthier diet • Blue-diamond non-stick inner pot, wear-resistant and easy to clean	RMB137–RMB306
Hair Dryer	SAMONO (Proprietary Brand)		• 900W low power consumption • 110,000 rpm high-speed brushless motor • Digital electronic display • 3-level airflow speed control • Aromatherapy hair-care module • Magnetic attachment nozzle	RMB41–RMB173
Water pumper	SAMONO (Proprietary Brand)		• a 1200mAh large-capacity battery • detachable design for easy cleaning • one-touch on/off operation	RMB20–RMB76

Note:

(1) Suggested retail price represents the price range of the relevant product categories, instead of the price of the specific product as shown in the picture.

(2) Suggested retail price is calculated based on the exchange rate of Indonesian Rupiah to Renminbi as of June 30, 2026.

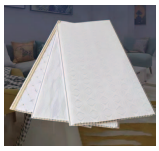
Home Furnishings & Building Materials

Home furnishings & building materials have been part of our product portfolio since 2019. Our offering of home furnishings & building materials primarily consists of wallpaper, PVC suspended ceiling materials and vinyl flooring. In 2023, 2024 and 2025, our revenue generated from sales of home furnishings & building materials amounted to RMB67.7 million, RMB89.0 million and RMB133.5 million, respectively, accounting for 7.5%, 8.5% and 11.0% of our revenue from sales of goods during the same years, respectively. For the six months ended June 30, 2025 and 2026, our revenue generated from sales of home furnishings & building materials amounted to RMB59.9 million and RMB93.8 million, respectively, accounting for 10.5% and 13.4% of our revenue from sales of goods during the same periods, respectively.

The following table sets forth certain of our home furnishings & building materials brands and products:[1][2]

Home Furnishings & Building Materials — Decoration materials

Home furnishings and building materials refer to renovation and decorative materials for household. The key products within this sub-category are set forth in the following table:

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
PVC suspended ceiling materials .	RONA (Proprietary Brand)		• High-quality PVC base material with a laminated finish • Fine textures and a premium visual effect • Dense, color-stable and fade-resistant lamination layer • Lightweight materials supporting efficient installation and low maintenance, providing moisture, mildew and stain resistance, suitable for a wide range of climate conditions	RMB22-RMB31 per meter
PVC flooring. . . .	RONA (Proprietary Brand)		Interior wall panels • PVC or composite materials with stable structure • Multiple surface textures available • Modular splicing for convenient installation • Water-, moisture- and scratch-resistant	RMB12-RMB26 per meter

Note:

(1) Suggested retail price represents the price range of the relevant product categories, instead of the price of the specific product as shown in the picture.

(2) Suggested retail price is calculated based on the exchange rate of Indonesian Rupiah to Renminbi as of June 30, 2026.

Others

During the Track Record Period, our other product offerings consist of lifestyle products, stationery and electric two-wheelers. In 2023, 2024 and 2025, our revenue generated from sales of other products amounted to RMB108.0 million, RMB104.4 million and RMB99.0 million, respectively, accounting for 11.9%, 9.9% and 8.1% of our revenue from sales of goods during the same years, respectively. For the six months ended June 30, 2025 and 2026, our revenue generated from sales of other products amounted to RMB46.3 million and RMB54.1 million, respectively, accounting for 8.0% and 7.7% of our revenue from sales of goods during the same periods, respectively.[1][2]

The following table sets forth certain of our other products:

Product	Key Brand	Picture	Product Description and Specifications	Suggested Retail Price
Lifestyle products — mop	BONBOX (Proprietary Brand)		• Hand-carry portable design with integrated anti-slip handle • lightweight body • Bucket with integrated dual zones for scraping, washing and spinning • Enhanced cleaning capability for hard-to-reach areas • High-density fiber mop head for strong water and dirt absorption	RMB32–RMB101
Stationery	M&G (Licensed Brand)		0.5 mm black "Da Mo Wang" pen • Fast-dry ink with one-second quick-dry performance • Large-capacity ink cartridge with writing length of up to 1,500 meters	RMB1–RMB5

Note:

(1) Suggested retail price represents the price range of the relevant product categories, instead of the price of the specific product as shown in the picture.

(2) Suggested retail price is calculated based on the exchange rate of Indonesian Rupiah to Renminbi as of June 30, 2026.

Product Development

We are committed to continuous innovation and the development of new products to meet our customers' diverse and evolving needs in line with market trends. This requires coordinated efforts among our marketing, product, procurement and quality functions, together with collaboration with external suppliers, to deliver products that satisfy such market demands. We adopt two development models: the OEM model and the ODM model.

Phase 1 — Conceptual Stage

Upon approval, our product manager defines product requirements based on market demand, providing full design and CMF specifications under OEM projects or core requirements under ODM projects, after which ODM partners proceed with development and supplier onboarding subject to our review of key materials and components.

Phase 2 — Design and Development

Under OEM projects, we enter into mold development agreements, retain mold ownership and file IP where applicable, while OEM partners handle development. Under ODM projects, partners complete design and prototyping based on our requirements, typically with minor customization. For both models, packaging design is jointly approved internally and confirmed through sample production by OEM or ODM partners.

Phase 3 — Verification and Testing

Under OEM projects, the OEM partner conducts EVT and DVT based on our design drawings, with our project team participating in DVT acceptance. Under ODM projects, the ODM partner completes EVT and DVT with design optimisation and submits samples for our approval. For both models, PVT is conducted by the partner in accordance with industry standards, followed by our pilot production orders and inspection.

Phase 4 — Mass Production

During mass production, we may deploy engineers on site to supervise quality and process standards, while OEM/ODM partners manage production and shipment based on our orders, and our procurement and planning teams coordinate delivery schedules and monitor logistics progress.

SUPPLIERS

We primarily procure our products from (i) OEM or ODM suppliers and (ii) our brand partners. The following table sets forth the number of suppliers from which we procured products, excluding logistics service providers, for the years/period indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
ODM suppliers	298	326	336	268
OEM suppliers[(1)]	2	1	7	9
Brand partners	7	13	11	7
Total	307	340	354	284

(1) In certain transactions, some of our OEM suppliers also act as ODM suppliers.

During the Track Record Period, our OEM suppliers, ODM suppliers and brand partners were primarily incorporated and operated in Chinese Mainland, with certain suppliers incorporated and operated outside Chinese Mainland, primarily in Indonesia. The following table sets forth the breakdown of our purchases and number of suppliers by geographical location during the Track Record Period:

	2023	2024	2025	Six months ended June 30, 2026
As a percentage of total purchases				
Chinese Mainland	91.6%	93.2%	92.0%	91.4%
Outside Chinese Mainland	8.4%	6.8%	8.0%	8.6%
Total	100.0%	100.0%	100.0%	100.0%
As a percentage of total number of suppliers				
Chinese Mainland	89.2%	91.4%	87.9%	88.6%
Outside Chinese Mainland	10.8%	8.6%	12.1%	11.4%
Total	100.0%	100.0%	100.0%	100.0%

Transaction amounts, which represent our purchase amounts from the supplier, from our five largest suppliers in each year/period during the Track Record Period represented 25.8%, 21.1%, 22.6% and 23.3% of our total transaction amounts for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. In addition, transaction amounts from our largest supplier in each year/period during the Track Record Period represented 7.5%, 5.7%, 5.3% and 5.5% of our total transaction amount for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. The following tables set forth the details of our five largest suppliers by transaction amount in each year during the Track Record Period:

Year ended December 31, 2023

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier A	ODM	47,616	7.5	A manufacturer and distributor of electronic components and related products incorporated and operating in China	Power banks	Within 45 days	2021
Supplier B	ODM	38,278	6.0	A designer, manufacturer and distributor of high-efficiency interconnect products incorporated and operating in China	Data cables	Within 80 days	2020
Supplier C	ODM	32,778	5.2	A wholesale distributor of non-road recreational vehicles and related components incorporated and operating in China	Electric two-wheelers	30% deposit upon order confirmation, with the remaining 70% due prior to shipment	2023
Supplier D	ODM	23,095	3.6	A provider of technical services incorporated and operating in China	Chargers	Within 45 days	2018

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier E	ODM	21,549	3.5	An operator of MINISO retail stores incorporated and operating in Indonesia	Beauty products, home goods, stationery, digital accessories, etc.	Within 7 days	2022
Total		**163,315**	**25.8**				

Year ended December 31, 2024

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier A	ODM	41,626	5.7	A manufacturer and distributor of electronic components and related products incorporated and operating in China	Power banks	Within 45 days	2021
Supplier B . . .	ODM	39,155	5.4	A designer, manufacturer and distributor of high-efficiency interconnect products incorporated and operating in China	Data cables	Within 80 days	2020
Supplier D	ODM	27,096	3.7	A provider of technical services incorporated and operating in China	Chargers	Within 45 days	2018
Supplier F	ODM	22,778	3.1	A high-tech enterprise incorporated and operating in China	Data cables	Within 80 days	2018
Supplier G . . .	ODM	22,246	3.2	A PVC and plastics business incorporated and operating in Indonesia	Ceiling	Payment shall be made within seven days after the reconciliation statement has been approved and confirmed by both parties	2023
Total		**152,901**	**21.1**				

Year ended December 31, 2025

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier B . . .	ODM	43,657	5.3	A designer, manufacturer and distributor of high-efficiency interconnect products incorporated and operating in China	Data cables	Within 80 days	2020
Supplier G . . .	ODM	41,395	5.0	A PVC and plastics business incorporated and operating in Indonesia	Ceiling	Payment shall be made within seven days after the reconciliation statement has been approved and confirmed by both parties	2023
Supplier H . . .	ODM	38,261	4.6	A manufacturer of communication, display and specialized electronic equipment, and a distributor and exporter of computer software and hardware, incorporated and operating in China	Phone screens	50% in advance, with the remaining 50% within 90 days	2024
Supplier A	ODM	32,113	3.9	A manufacturer and distributor of electronic components and related products incorporated and operating in China	Power banks	Within 45 days	2021
Supplier I	ODM	31,443	3.8	A manufacturer of household applications, hardware and PVC products, and an importer and exporter, incorporated and operating in China	Small applications	Within 20 days	2022
Total		**186,869**	**22.6**				

Six months ended June 30, 2026

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier H	ODM	26,875	5.5	A manufacturer of communication, display and specialized electronic equipment, and a distributor and exporter of computer software and hardware, incorporated and operating in China	Phone screens	50% in advance, with the remaining 50% within 90 days	2024

Supplier	Nature	Transaction amounts	% of total transaction amounts	Background	Main products / services purchased	Credit terms / payment arrangement	Year of commencing business relationship
		(RMB'000)					
Supplier G	ODM	26,459	5.4	A PVC and plastics business incorporated and operating in Indonesia	Ceiling	Payment shall be made within seven days after the reconciliation statement has been approved and confirmed by both parties	2023
Supplier B	ODM	24,919	5.1	A designer, manufacturer and distributor of high-efficiency interconnect products incorporated and operating in China	Data cables	Within 80 days	2020
Supplier A	ODM	18,347	3.7	A manufacturer and distributor of electronic components and related products incorporated and operating in China	Power banks	Within 45 days	2021
Supplier D	ODM	18,277	3.7	A provider of technical services incorporated and operating in China	Chargers	Within 45 days	2018
Total		**114,877**	**23.3**				

During the Track Record Period, we entered into framework agreements with our major suppliers for more than two years, under which specific purchases were made pursuant to purchase orders. The framework agreements with our OEM and ODM suppliers generally have a term of two years and are automatically renewed for one year upon expiry unless either party objects. For our brand partners, the cooperation arrangements generally have a term of one to two years and may be renewed upon expiry. Save as disclosed above, we had not entered into any other long-term partnership agreement with our suppliers during the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with our suppliers.

As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or, to the knowledge of our Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year during the Track Record Period.

Our OEM and ODM Suppliers Models

The relationship between us and OEM and ODM manufacturers operates under a purchaser-principal model, where we source customized products from OEM suppliers or ODM suppliers.

OEM manufacturers are required to strictly follow our technical specifications, design blueprints and product samples. Before trial production, OEM manufacturers must submit all product design files, including identification data and 2D/3D drawings and specifications, to us, and we retain all IP rights. OEM manufacturers are not allowed to manufacture identical products for third parties to protect our proprietary designs. This cooperation is characterized by OEM manufacturers handling production while we control research and development and maintain ownership of product designs, representing a customized procurement model. We possess the ownership of the mold and have the option to decide whether to proceed to mass production of the products concerned.

The relationship between us and ODM manufacturers is substantially identical to that of OEM manufacturers, while we also engage our ODM manufacturers for product design. We specify mold specifications and the ODM manufacturers are required to develop the same accordingly.

Our Selection Criteria for OEM and ODM Suppliers

We select OEM and ODM suppliers based on stringent criteria covering compliance, risk controllability, sustainability, quality and delivery capability, cost competitiveness, technological innovation and ESG performance, including requirements such as valid licences, no adverse tax or credit records, ISO9001 or equivalent certification, satisfactory testing results, consistent on-time delivery, capacity flexibility, competitive pricing supported by BOM analysis, R&D capability and ESG compliance. Our procurement team leads a multi-department onboarding audit, with a jointly issued supplier audit report and remediation requirements for non-compliant suppliers, followed by framework agreements prior to onboarding. Supplier performance is continuously monitored through a multi-dimensional evaluation system, and Tier-S suppliers further support cost optimisation through scale advantages, BOM collaboration and joint supply chain efficiency improvements.

Salient Terms of Procurement Agreements with Our OEM and ODM Suppliers

The following table sets forth the key terms of our typical procurement agreement with OEM and ODM suppliers.

Scope of Services	Pursuant to the agreement, the product suppliers are responsible for delivering products to us within a specific period set forth in purchase orders. The suppliers undertake to prioritize our procurement demands.
Pricing	The price of the product is generally determined through negotiation between suppliers and us as stated in purchase orders.
Geographical or Sales Channel Restrictions	Under ODM model, we typically are exclusively entitled to sell the products procured from suppliers in Indonesia, Vietnam, Thailand and the Philippines. While, under OEM model, we are not subject to any geographical or sales channel restrictions.
Credit Periods	We typically make monthly payment to the suppliers within 60 days after acceptance.
Product Liability	The products shall comply with applicable national and industry standards and the agreed product specifications. The supplier shall bear full responsibility for any remedial actions, compensation and legal liabilities arising from personal injury or property damage caused by product quality issues attributable to the supplier.
Sales Return	If any products fail inspection, the suppliers shall recall the defective products within 5 days after our notification. In case of any quality defects, we may require the suppliers to remake, repair or recall the products or to reduce the price.

Indemnification and Warranty	Where the suppliers already committed to provide the products upon acceptance of our order, they shall be liable for any damage we incurred arising out of their inability to deliver the products in accordance with the order we place. In addition, suppliers shall indemnify us for any liability from product quality and IP infringement matters.
Duration and Renewal	The agreement typically has an initial term of two years, and is automatically renewable for one year upon expiration. Neither party shall unilaterally terminate the agreement without legitimate cause during its performance period.
Dispute Resolution	The agreement is governed by the laws of PRC and each party may bring suit in a PRC court with exclusive jurisdiction.

Our Brand Partners Supply Model

Our supply agreements with brand partners are diversified, and the specific arrangements and cooperation models vary from one partner to another. We primarily engage with our brand partners under the distributorship model. Our brand partners grant us the right, to distribute products in Indonesia through our offline and online channels. Our profit margin arises from the spread between the resale price they set and our cost. Under our purchase agreements with third party brand partners, we are responsible for the costs and expenses incurred after domestic delivery in China, including applicable tariffs, taxes and logistics costs for the sale of the products in Indonesia. Branding control is firmly maintained by the brand partner, requiring products to carry their branding exclusively. During the Track Record Period, in respect of the products referred to in "Business — Our Product Offering", we serve as the exclusive distributors for M&G in designated areas and non-exclusive distributors for Liby.

Our Brand Partners Selection Criteria

We consider partnering with established brands to distribute their products based on the following criteria: (i) alignment with our strategic objectives and positioning; (ii) possession of strong brand reputation, preferably occupying leading position in their respective industries and (iii) commitment to jointly developing the distributorship with us and ensuring our profit margins at a reasonable level.

Procurement and Sales Arrangement

Under our brand partners supply model, we procure branded products from our brand partners in agreed quantities and are subject to certain annual sales targets. Such arrangements are typically determined with reference to a range of commercial and operational indicators, including market size within the relevant regions, market share relative to competing products, expected annual sales growth, inventory turnover days and historical sales performance.

Salient Terms of Our Agreements with Brand Partners

For partners from whom we undertake overseas distribution contracts, we ensure compliance with international trade regulations while optimizing supply chain efficiency.

Scope of Services	Pursuant to the contract, the brand partner grants us an exclusive or non-exclusive right to distribute branded products in agreed regions within a specific period set forth in the distribution contract, as the case may be.

Pricing	Typically, the wholesale or retail pricing shall be determined based on negotiations between the brand partner and the distributor by reference to market conditions, while leaving a profit margin to the distributor as separately agreed.
Geographical or Sales Channel Restrictions	We are authorized to sell the branded products through offline channels in designated regions in Indonesia and, with the brand partner's written consent, to operate online proprietary stores in such regions.
Credit Period	We shall generally make pre-payment to the brand partner, and shall sometimes make payment to the brand partner within 30 days.
Indemnification and Warranty	The brand partner assumes liability for third-party IP infringement claims arising from unmodified products or materials it provides, while we bear responsibility for damages caused by unauthorized use or manner of use of brand partners' trademarks when distributing the products, unauthorized modifications of products including without limiting to altering the trademarks attached to the products concerned, or violations of sales territory restrictions. Both parties must protect each other's confidential information during and after the contract term. We are expressly excluded from liability for third-party infringement claims not resulting from its actions.
Product Liability	The brand partner undertakes to return or replace any defective products identified and shall be liable for any personal injuries and economic losses caused by such defects.
Return and Exchange of Products	Upon verification of our brand partner, products confirmed to have quality defects shall be subject to replacement by the brand partner.
Duration and Renewal	The initial contract term is typically one year, with automatic expiration unless renewed. Neither party is obligated to renew, but continuation requires mutual written agreement.
Dispute Resolution	The contract is governed by the laws of PRC. The contract requires negotiations for all disputes; and if unresolved, each party may bring suit in a competent court.

SUPPLY CHAIN MANAGEMENT

Warehousing Infrastructure

As of June 30, 2026, we operate an extensive warehousing system strategically located across Southeast Asia, comprising nine warehouses in Indonesia, two in Vietnam, three in Thailand and two in the Philippines, encompassing over 40,000 sq.m. of storage space across a three-tier structure of central warehouses, regional hubs and branch facilities. Our network includes six central warehouses, with three located in Java Island and the others spread across Vietnam, Thailand and the Philippines, serving as primary distribution centers for our full product range. Supporting these are six regional warehouses situated in key locations such as Medan, Palembang, Surabaya, Makassar, Banjarmasin, Samarinda and other key locations, which enable efficient regional distribution. Additionally, we maintain multiple branch warehouses co-located with our regional offices, allowing us to respond quickly to local customer demands.

Each warehouse in our network has specialized operational roles tailored to geographic markets. For instance, the Karawang central warehouse manages nationwide distribution throughout Indonesia. The Surabaya regional hub serves East Java. Regional warehouses in Palembang and Medan focus on Sumatra and surrounding areas. The Banjarmasin sub-warehouse specializes in delivering products to the Kalimantan markets. This structured and specialized warehousing system ensures seamless logistics and efficient fulfillment across the diverse Southeast Asian region.

Our branch warehouses typically share the same address of our branches offices, enabling us to respond promptly to customer needs and provide fast service. Overall, our warehouse layout aims to provide customers with comprehensive and convenient services through an efficient multi-level warehouse distribution system, meeting their needs in different regions.

Inventory management

We have established an effective inventory management mechanism guided by a tiered, dynamic and data-driven strategy.

On a weekly or monthly basis, we start from forecasting our monthly demands and also take into account a number of factors, such as current inventory levels, the procurement lead time, supplier dispatching timelines, products lifecycle and tiering, as well as first-mile delivery timelines in determining the weekly or monthly dispatching requirements. Then, based on the said weekly dispatching requirements, and considering the product procurement lead time and the product minimum order quantity, we prepare the weekly or monthly requisition requests for the Strategic Procurement Department's onward release of purchase orders to supplier.

In a longer-term perspective, we monitor the actual monthly sales data, inputs from product managers regarding promotional strategies and new product launches to project the sales forecast in the next three to six months, and accordingly adjusting our outward shipments.

We implement a unified-standards, tiered-control warehousing management model across origin and localized facilities. At origin warehouses, we emphasize inbound inspection, batch identification, inventory ledgers and outbound verification to ensure all products meet quality, safety and documentation requirements prior to dispatch. At localized warehouses, in accordance with applicable local laws and market needs, we employ a rolling inventory cycle mechanism, adhere to the principle of the first-in-first-out (FIFO), and enforce standardized stacking, environmental management, loss-prevention controls. Through systemized management and periodic audits and counts, we achieve end-to-end traceability, inventory controllability and risk mitigation, thereby ensuring stability of our warehouse operations.

Logistics Management

Our online sales are fulfilled in accordance with the policies of third-party e-commerce platforms. Logistics service providers are generally designated by these third-party e-commerce platforms. This arrangement ensures conformity with platform requirements while enabling efficient fulfillment to end consumers. For offline sales, we employ a hybrid distribution model combining self-operated delivery and third-party logistics. Orders located near our warehouses, branch offices or central regions are fulfilled by our in-house delivery fleet, ensuring timely and reliable delivery. Specifically, we utilize a self-operated delivery team to directly fulfill orders across 1,220 sub-districts in Indonesia, representing approximately 30.2% of our total covered distribution areas. Orders destined for more remote or dispersed locations are handled by third-party logistics providers. We do not maintain an in-house delivery fleet in Vietnam, Thailand, the Philippines, or Chinese Mainland. Our reliance on third-party logistics providers is limited. During the Track Record Period, we principally engaged 12 third-party logistics service providers, which are mutually interchangeable and can be replaced on a timely manner in the event that any of them terminates its cooperation with us.

We entered into agreements with our logistics service providers on terms that are designed to mitigate losses arising from breaches by such service providers. The principal terms of these agreements include: (i) the logistics service providers are required to maintain valid operational qualifications and transportation permits, and to ensure that their vehicles and personnel comply with applicable transportation safety standards; (ii) the logistics service providers shall bear the risks of, and be liable for, any loss, damage, misdelivery or delay in delivery of goods and shall compensate us for any losses arising therefrom and (iii) the logistics service providers shall make payments in local currency on a periodic basis and provide valid invoices.

Under the relevant arrangements with OEM suppliers, ODM suppliers and third party brand owners, the majority of suppliers are responsible for delivery to designated delivery points in the PRC, and we bear the sea freight costs upon delivery. Under the arrangements with our distributors, we generally provide door-to-door delivery and bear the transportation costs from ports to customers' designated locations. Such transportation costs are taken into account when determining the selling prices of our products. Most customers purchasing home furnishings and building materials arrange their own logistics service providers to collect goods from us or designated pickup points. In respect of online sales, the majority of online stores participate in platform sponsored free shipping programmes, under which we bear the relevant free shipping service fees, and end consumers are not required to pay for delivery services.

As advised by our Indonesian Legal Adviser, the use of our in-house delivery fleet for the transportation and distribution of our own products does not constitute commercial freight forwarding services under applicable Indonesian laws and regulations, provided that such delivery operations are conducted solely for our internal business purposes and are not offered to third parties. Accordingly, the existing business licences under the relevant NIBs are sufficient for us to carry out such delivery activities, and we are not required to obtain a specific freight forwarding business licence or register a freight forwarding KBLI code solely for such internal delivery operations. However, one of our Indonesian subsidiaries has nevertheless registered KBLI Code 52291 (Freight Forwarding Activities) under its NIB and obtained the corresponding Verified Standard Certificate required for carrying out such activities in Indonesia.

SALES AND DISTRIBUTION NETWORK

During the Track Record Period, we generated a substantial part of revenue from our offline sales channels. The following table sets forth a breakdown of our revenue by type of sales channels for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue RMB'000	*% of Revenue*	*Revenue RMB'000*	*% of Revenue*	*Revenue RMB'000*	*% of Revenue*	*Revenue RMB'000*	*% of Revenue*	*Revenue RMB'000*	*% of Revenue*
Offline channels										
SMRs	750,812	82.8	767,843	73.2	821,756	67.5	400,942	70.1	440,453	63.0
MRCs	1,134	0.1	5,400	0.5	12,543	1.0	4,818	0.8	10,320	1.5
Proprietary stores	—	—	31	0.0	3,492	0.3	259	0.0	1,301	0.2
Online channels										
SHOPEE	97,952	10.8	139,126	13.3	193,623	15.9	84,528	14.8	127,468	18.2
TIKTOK/TOKOPEDIA	34,881	3.8	98,260	9.4	150,711	12.4	64,681	11.3	109,134	15.6
LAZADA	17,675	1.9	11,726	1.1	7,377	0.6	4,237	0.7	2,048	0.3
Other online channels[(1)]	5,904	0.6	4,270	0.4	4,690	0.4	1,422	0.2	1,063	0.2
Others[(2)]	—	—	22,086	2.1	22,752	1.9	12,157	2.1	7,570	1.0
Total	**908,358**	**100.0**	**1,048,742**	**100.0**	**1,216,944**	**100.0**	**573,044**	**100.0**	**699,357**	**100.0**

Note:

(1) Other online channels consisted of four online sales channels during the Track Record Period.

(2) Others primarily consist of warehousing service.

The following table sets forth a breakdown of our gross profit and gross profit margin by type of sales channels for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit RMB'000	*Gross profit margin (%)*	*Gross profit RMB'000*	*Gross profit margin (%)*	*Gross profit RMB'000*	*Gross profit margin (%)*	*Gross Profit RMB'000*	*Gross Profit Margin (%)*	*Gross Profit RMB'000*	*Gross Profit Margin (%)*
Offline channels										
SMRs	244,200	32.5	256,356	33.4	270,860	33.0	134,428	33.5	138,981	31.6
MRCs	405	35.7	2,112	39.1	4,753	37.9	1,910	39.6	3,860	37.4
Proprietary stores	—	—	18	58.1	1,181	33.8	95	36.7	561	43.1
Online channels										
SHOPEE	39,115	39.9	60,388	43.4	91,284	47.1	39,223	46.4	67,362	52.8
TIKTOK/TOKOPEDIA	13,366	38.3	39,563	40.3	71,668	47.6	29,892	46.2	56,870	52.1
LAZADA	6,432	36.4	4,726	40.3	3,218	43.6	1,816	42.9	990	48.3
Other online channels[1]	1,544	26.2	2,665	62.4	2,283	48.7	706	49.6	433	40.7
Others[2]	**—**	**—**	**7,554**	**34.2**	**6,280**	**27.6**	**3,616**	**29.7**	**1,896**	**25.0**
Total	**305,062**	**33.6**	**373,382**	**35.6**	**451,527**	**37.1**	**211,686**	**36.9**	**270,953**	**38.7**

Notes:

(1) Other online channels consisted of four online sales channels during the Track Record Period.

(2) Others primarily consist of warehousing service.

The table below sets forth a breakdown of our annual/semi-annual GMV generated through the E-commerce platforms for the years/period indicated:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
SHOPEE	108,488	154,084	214,271	141,105
TIKTOK/TOKOPEDIA	34,881	98,260	150,711	120,528
LAZADA	19,468	12,948	8,143	2,245
Other E-commerce platforms	6,507	4,714	5,186	1,179
Total	**169,344**	**270,006**	**378,311**	**265,057**

Over the years, we have established an extensive customer base in Southeast Asia, primarily in Indonesia. Our distributors, who are predominantly SMRs, such as local stores and shops selling electronics and appliances, are our primary direct customers. During the Track Record Period, we primarily sell our products through such distributors. In addition, we sell our products directly to end consumers through e-commerce platforms and livestreaming platforms, which further broadens our market coverage and complements our offline distribution network.

The following table sets forth a breakdown of revenue from product sales by customer type for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue (RMB'000)	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*
Sales to distributors	751,946	82.8	773,243	73.7	834,299	68.5	405,760	70.7	450,773	64.4
Direct customers	156,412	17.2	253,413	24.2	359,893	29.6	155,127	27.2	241,014	34.5
Others[(1)]	—	—	22,086	2.1	22,752	1.9	12,157	2.1	7,570	1.1
Total	**908,358**	**100.0**	**1,048,742**	**100.0**	**1,216,944**	**100.0**	**573,044**	**100.0**	**699,357**	**100.0**

Note:

(1) Others consist of our warehousing services.

We have a dedicated sales team which is generally responsible for expanding our sales and distribution networks and overseeing all sales and marketing activities. Its activities include formulating sales strategy, conducting product demand analysis and providing product development recommendations, as well as managing various business locations. On an individual level, our sales personnel are responsible for expanding our sales and distribution networks and overseeing all sales and marketing activities. Our sales personnel are deployed in each of our 42 branches in Indonesia. These personnel are responsible for managing relationship with distributors and providing them with necessary support.

We established a sales and distribution network with nationwide coverage in Indonesia, together with our presence through other distributors in various Southeast Asian countries, and primarily sold our products via distributors that are located in different regions. The following table sets forth a breakdown of revenue of our product sales by geographical region of our customers in absolute amounts and as a percentage of our total revenue from product sales for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Revenue (RMB'000)	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*	*Revenue (RMB'000)*	*% of total revenue*
							(Unaudited)			
Indonesia	871,036	95.9	1,004,839	95.8	1,143,543	94.0	538,177	93.9	650,728	93.0
Others[(1)]	37,322	4.1	43,903	4.2	73,401	6.0	34,867	6.1	48,629	7.0
Total	**908,358**	**100.0**	**1,048,742**	**100.0**	**1,216,944**	**100.0**	**573,044**	**100.0**	**699,357**	**100.0**

Note:

(1) Others primarily consist of Vietnam, Thailand and the Philippines.

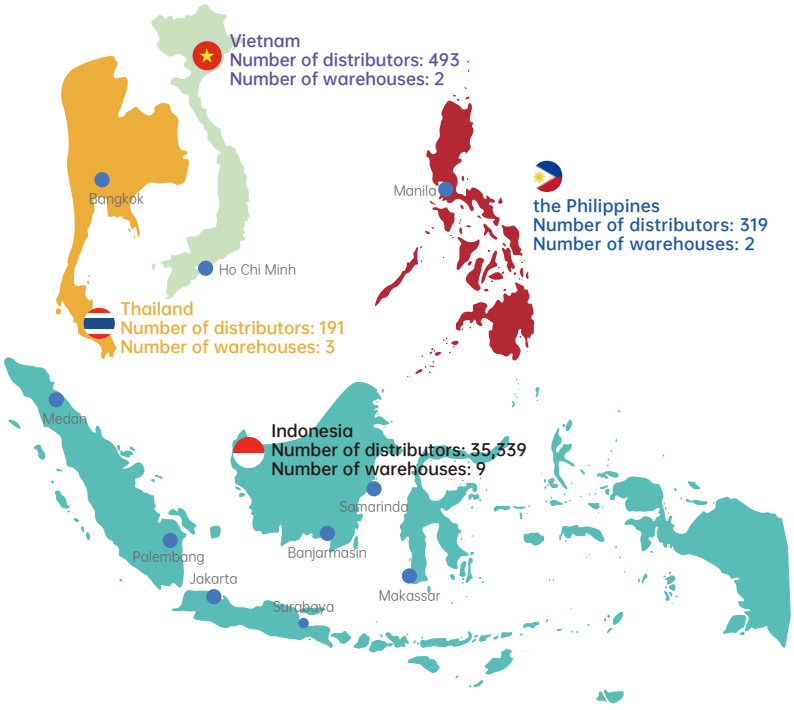
The following table sets forth a breakdown of our gross profit and gross profit margin of our products sales by geographical region of our customers for the years/periods indicated:

	Year ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross Profit *(RMB'000)*	Gross Profit Margin *(%)*	Gross Profit *(RMB'000)*	Gross Profit Margin *(%)*
Indonesia	294,514	33.8	356,631	35.5	418,513	36.6	196,358	36.5	246,815	37.9
Others[(1)]	10,548	28.3	16,751	38.2	33,014	45.0	15,328	44.0	24,138	49.6
Total	**305,062**	**33.6**	**373,382**	**35.6**	**451,527**	**37.1**	**211,686**	**36.9**	**270,953**	**38.7**

Note:

(1) Others primarily consist of customers of Vietnam, Thailand and the Philippines.

The following map illustrates the scale and locations of our distribution networks and warehouses as of June 30, 2026.



Note: The blue points represent locations of our warehouses in each jurisdiction where we operate.

Our overall gross profit margins of our products for each geographical region have increased throughout the Track Record Period, primarily due to (i) the optimization of our product portfolio with a focus on high-margin products; (ii) the optimization of our customer portfolio and (iii) the enhanced economies of scale contributing to lower procurement cost.

For details in relation to the changes in our gross profit and gross margin during the Track Record Period, see "Financial Information — Period-to-Period Comparison of Results of Operations."

Distributorship

We conduct our offline sales through distributors covering four countries: Indonesia, Vietnam, Thailand and the Philippines. In Indonesia, our marketing network spans the entire country. Each regional branch deploys a localized marketing team to conduct local retailer surveys, acquiring customers by introducing to them our products and encouraging them to register an account on our WOOK APP for future orders through site visits, providing advertising materials such as stickers and posters, training the distributors' staff members, advising on sales strategies, providing coupons based on the performance of the distributors, and handling after-sales matters. Additionally, we run brand promotional campaigns through social media and outdoor advertising, among others.

According to Frost & Sullivan, the use of distributors as a primary channel for product promotion and sales is a common industry practice for companies operating retail businesses in Southeast Asia. Consistent with the industry norm, we primarily rely on our distributors, mainly local SMRs, to promote and sell our products, who together form an extensive sales network across Southeast Asia where we operate for us to rapidly scale our business presence in different geographic areas in a cost-effective manner. As our distributor customers have greater access to local consumers by virtue of their geographical proximity, familiarity with the local markets as well as local consumer connections, we believe that they are better positioned to help us penetrate into and sustain our growth in those markets by serving local consumers in a more responsive way.

The relationships between us and our distributors are categorized as seller-buyer relationships. For our revenue recognition policy with respect to our distributors, see "Financial Information — Material Accounting Policies and Estimates — Revenue from Contracts with Customers." The following table sets forth a breakdown of our revenue by type of distributors for the years/period indicated:

	Year ended December 31,						Six months ended June 30,	
	2023		2024		2025		2026	
	Revenue (RMB'000)	*% of Revenue*	*Revenue (RMB'000)*	*% of Revenue*	*Revenue (RMB'000)*	*% of Revenue*	*Revenue (RMB'000)*	*% of Revenue*
Distributors								
SMRs	750,812	99.8	767,843	99.3	821,756	98.5	440,453	97.7
MRCs	1,134	0.2	5,400	0.7	12,543	1.5	10,320	2.3
Total	**751,946**	**100.0**	**773,243**	**100.0**	**834,299**	**100.0**	**450,773**	**100.0**

The following table sets forth a breakdown of the number of our SMR customers by geographical region for the years/period indicated:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
Indonesia	40,813	42,453	42,109	35,315
Vietnam	1,303	923	778	493
Thailand	755	401	327	191
the Philippines	165	298	455	319
Total	**43,036**	**44,075**	**43,669**	**36,318**

Management of Our Distributors

An effective distribution network is essential for enhancing our sales performance and ensuring customer satisfaction.

Geographical and Channel Restrictions

Our distributors are only permitted to sell products within their authorized regions and are not allowed to engage in any cross-regional or cross-border distribution activities, including through e-commerce platforms or third-party channels. Our distributors are also required to comply with our pricing policies and channel management policies. We do not impose restrictions on whether our SMR customers sell our products through offline stores or online platforms, provided that they comply with our pricing policies.

Selection Criteria

We maintain a rigorous selection process for distributor candidates. Our qualified distributors are typically SMRs with rich experience in their local markets. The principal criteria we adopt in selecting distributors include the locations of their stores, scale of sales, business reputation, financial strength and operational capabilities.

Our Empowerment to Distributors

We focus on empowering our distributors to achieve mutual growth. We assign experienced sales teams to work with our distributors to improve their distribution capabilities, enhance sales skills, facilitate business efficiency, optimize sales strategies, implement our promotion policies and marketing resources. We regularly conduct training sessions, customer consultation meetings and order workshops. where we share market data, information, and industry knowledge with our distributors. Our sales team also works with the local distributors within their sales regions to enhance customers' engagement and

promote retail sales through strategic marketing initiatives. We also provide our distributors with extensive support in terms of sales and promotion, such as lightboxes, shelves, product catalogues and promotion posters. This support enables our distributors to draw the potential end customers' attention. These are also conducive to our mutual growth objective.

Store Renovation and Brand Enhancement

Our targeted support provided to SMRs to strengthen brand integration and operational effectiveness includes two categories: (i) SMR store renovation support, which primarily comprises costs relating to in-store display upgrades, including display cabinets, storefront lightboxes and other terminal visual merchandising enhancements; and (ii) SMR promotional activity support, which mainly includes sample support fees, small-scale exhibitions, and advertising and promotional materials for marketing activities. These initiatives aim to increase brand visibility, enhance shopping experience and improve overall store performance. During the Track Record Period, the total amount of such incentives provided to distributors was RMB24.0 million in 2023, RMB19.3 million in 2024, RMB24.6 million in 2025, and RMB8.7 million during the six months ended June 30, 2026 respectively. In 2023, SMR store renovation support amounted to RMB15.7 million, representing 65% of total incentives, while SMR promotional activity support amounted to RMB8.3 million, representing 35%. In 2024, SMR store renovation support amounted to RMB11.8 million, representing 61%, while SMR promotional activity support amounted to RMB7.5 million, representing 39%. In 2025, SMR store renovation support amounted to RMB13.8 million, representing 56%, while SMR promotional activity support amounted to RMB10.8 million, representing 44%. During the six months ended June 30, 2026, SMR store renovation support amounted to RMB4.0 million, representing 46%, while SMR promotional activity support amounted to RMB4.7 million, representing 54%.

Performance Management

We have established measures and policies to manage our distributors and improve their sales performance. Our sales team conducts periodic communication with our distributors to understand their sales performance and ensure their conformity with our measures, policies and distribution agreements. To ensure we understand the sales practice, sales performance and inventory levels of our distributors, we closely monitor the sales activities of our distributors by (i) regularly arranging follow-up calls by our operations team and customer service team to understand sales and related matters and (ii) regularly arranging on-site follow- up visits by our sales team.

Distributor Incentive Management

We implement a rebate incentive mechanism primarily through a points-based system. Under this system, points granted to our distributors are determined based on the formula of the actual payment amount received by us for the relevant order multiplied by the applicable points accrual rate. The applicable points accrual rate is determined with reference to factors including the distributor's customer tier and the designated product categories. Such points may be applied to offset part of the purchase price payable at the time of order placement and settlement. In addition, certain key distributors and strategic partners may participate in periodic incentive programs, including monthly or peak-season campaigns, pursuant to which additional rebates may be granted subject to the achievement of specified performance targets. During the Track Record Period, the amount of rebate granted to distributors was RMB26.1 million, RMB30.7 million, RMB32.5 million and RMB16.6 million in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively, representing 3.5%, 4.0%, 3.9% and 3.7% of our revenue generated from distributors in the corresponding years. Points granted to distributors are subject to our applicable usage rules and cannot be fully consumed in one single transaction. In addition, we did not impose mandatory minimum sales targets on our distributors during the Track Record Period. Considering the relatively low percentage of points granted and consumed, the usage restrictions on points and the absence of mandatory minimum sales targets, our Directors believe that the points-based incentive mechanism did not materially increase channel stuffing risk during the Track Record Period.

Compliance Management

To maintain responsible business practices, we urge our distribution network to adhere to high standards of integrity and compliance with applicable laws and regulations. During selection, we verify that distributor candidates meet basic conditions and operating qualifications under relevant regulations.

For the purpose of managing our distribution network, we classify our existing distributors into WOOK Agents and WOOK Customers in the WOOK APP. In determining whether to allow a distributor to develop sub-distributors, we primarily consider such customer's distribution capability and ability to develop sub-distributors. In practice, WOOK Agents are distributors with strong distribution capability, established downstream channels and customer resources, and the ability to serve dispersed and small-scale downstream customers. To enhance our coverage of such downstream customers, upon our approval, WOOK Agents may register their downstream customers as Agent Customers in the WOOK APP. Such Agent Customers are the sub-distributors of the relevant WOOK Agents and may place orders with such WOOK Agents through the WOOK APP. During the Track Record Period, the number of WOOK Agents was 268, 292, 415 and 243 as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively, and the number of Agent Customers was 2,273, 2,767, 3,547 and 2,456 as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively.

Leveraging their established downstream customer network and local service capabilities, WOOK Agents are able to reach customers that may otherwise be difficult to cover efficiently by our direct sales personnel. WOOK Agents have commercial incentives to register their downstream customers as Agent Customers in the WOOK APP. Under our rebate incentive mechanism, Agent Customers place orders with the relevant WOOK Agents through the WOOK APP, rather than purchasing products directly from us. The relevant order volume attributable to such Agent Customers is recorded under the accounts of the corresponding WOOK Agents for the purpose of calculating their purchase volume, points and rebates. As such, WOOK Agents may benefit from their downstream customer coverage while maintaining a profit margin through resale of products to their Agent Customers. See "Business — Sales and Distribution Network — Distributor Incentive Management" for further details of our rebate incentive mechanism.

Based on our observations of the registration and purchasing patterns of our SMR customers, WOOK Customers and potential new customers generally tend to register or remain registered with us as WOOK Customers in the WOOK APP. By registering with us directly as WOOK Customers, as mentioned above, they are able to purchase our products directly through the WOOK APP under our unified pricing policy, receive our sales support, including marketing and logistics support, and have their purchase volume recorded under their own accounts for the purpose of calculating points and rebates under our distributor incentive mechanism. Such arrangement allows them to retain the commercial benefits associated with their own purchases.

As our distributor management measures were primarily applied at the distributor level rather than the sub-distributor level, we require our distributors to manage their sub-distributors and ensure that such sub-distributors comply with our geographic restrictions. Our distributors are also required to assume responsibility for any non-compliance by their sub-distributors.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our distributors were Independent Third Parties. To the best of our knowledge and based on publicly available information, as of the Latest Practicable Date, there was no employment, financing or family relationship between our distributors and us.

Movement of Distributors

The following table sets forth the total number and movement of our distributors, including SMRs and MRCs, during the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
Number of distributors at the beginning of the year/period	38,413	43,040	44,084	44,084	43,687
Addition in number of distributors	13,814	10,226	8,467	4,504	4,236
Reduction in number of distributors[(1)]	9,187	9,182	8,864	10,910	11,581
Number of distributors at the end of the year/period	43,040	44,084	43,687	37,678	36,342

Note: Reduction in number of distributors represents distributors which had placed orders with us in the previous period but did not place any orders during the relevant period.

In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, the number of new distributors that joined us was 13,814, 10,226, 8,467, 4,504 and 4,236, respectively, while the number of distributors that ceased to distribute our products was 9,187, 9,182, 8,864, 10,910 and 11,581, respectively.

The number of new distributors onboarded decreased by 3,588 from 2023 to 2024 and further decreased by 1,759 from 2024 to 2025. The number of new distributors onboarded further decreased by 268 for the six months ended June 30, 2026 as compared with the corresponding period in 2025. Such decreases were primarily attributable to our continuous enhancement of the distributor network and the optimisation of our customer acquisition strategies, with a focus on improving sales efficiency. The number of our distributors decreased from 43,687 as of December 31, 2025 to 36,342 as of June 30, 2026, primarily due to the shorter measurement period, as certain distributors may place orders exclusively during the second half of the calendar year. Accordingly, the movement for the six months ended June 30, 2026 may be less indicative than full-year movements and may not provide a comprehensive view of our operating performance. The number of distributors that terminated their relationships with us remained broadly stable from 2023 to 2025, and increased from 10,910 in the six months ended June 30, 2025 to 11,581 in the six months ended June 30, 2026. Termination of distribution relationships was generally attributable to (i) deterioration in the distributors' creditworthiness, (ii) the distributors' non-compliance with our pricing policies, (iii) our ongoing refinement of customer acquisition policies aimed at enhancing customer experience, (iv) changes in certain distributors' business focus or operating strategy and (v) the closure of certain distributors' stores. As the historical data of terminated distributors does not materially impact the Group's ongoing operational oversight or strategic decision making, we did not maintain records categorising terminated distributors by the underlying reasons for termination during the Track Record Period.

After-sales Services and Product Liability

In the event of any product quality issues, we provide after-sales services in accordance with our established policies, including product replacement where applicable. In circumstances where any personal injury or property damage arises from inherent product defects, we may be subject to product liability in accordance with the applicable laws and regulations of the relevant jurisdictions. We seek to mitigate such risks by maintaining quality control procedures.

Salient Terms of Our Agreements with Distributors

We typically enter into standard distribution agreements with our distributors. The salient terms of our standard distribution agreements used during the Track Record Period are set out below:

Term	The agreements typically remain in full force unless either we or the distributors exercise the respective termination rights as provided in the agreement.
Designated Distribution	We reserve the right to appoint third-party agents to act as our local representatives to liaise with the distributors to promote our products and manage our distribution channels.
Logistics	We shall deliver the products to the locations designated by our distributors.
Delivery	Orders shall be delivered to the address designated by the distributors within a specified timeframe.
Risk Transfer	The risk of loss of or damage of the products shall pass to the distributors upon confirmation of receipt. The distributors are required to confirm receipt within 48 hours after the products are received.
Inspection of Products	The distributors are required to inspect the products upon receipt to verify the quantity and quality of the products delivered. Any discrepancies or defects must be notified to us within 48 hours of receipt. If no such notification is received within this period, the products shall be deemed to have been accepted by the distributors as delivered.
Promotion, Point of Sales and Marketing Support	We may provide our distributors and their points of sales with product promotion and marketing information and support them with brand materials for product display, including display cabinets, glass cabinets, signage, lightboxes and LED screens. All brand materials are owned by us and may only be used for the promotion of our products.
Warranty and Replacement	We generally do not allow returns of products sold to distributors except for quality issues caused by us. We provide after-sales services, including warranty and replacement services. The detailed terms applicable to returns and exchanges are governed by our separate after-sales policy. We typically grant our distributors a warranty period of 18 months.
Retail Prices	The distributors shall not sell any products at prices lower than the purchasing prices paid by them to us. The distributors are required to follow our recommended retail prices or, if they intend to deviate from such prices, must first consult with us and provide supporting data.

Termination	This agreement may be terminated under the following circumstances: (i) mutual agreement; (ii) breach by the distributors of the pricing policy; (iii) failure by the distributors to make payment for a period exceeding 30 days; (iv) provision by the distributors of false registration information; or (v) failure by the distributors to remedy any breach within 30 days after receiving notice from us.

Channel Stuffing Risk

We have implemented a comprehensive set of measures to mitigate channel stuffing risk, as set out below:

— We adhere to the principle of "growth with cash flow" and proactively refrain from pursuing short-term performance indicators at the expense of channel health. This strategic discipline removes the incentive for channel stuffing from the top down.

— We primarily adopt a Cash-On-Delivery ("**COD**") model for our distributors. During the Track Record Period, the number of distributors which settled payments with us under the COD model was 38,564, 39,366, 40,556 and 32,430 in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively, representing 89.6%, 89.3%, 92.8% and 89.2% of our total number of distributors. Under the COD model, timely payment is a prerequisite for customers to obtain corresponding benefits granted by us, such as pricing discounts, volume-based rebates and certain marketing or logistical support. In a channel stuffing scenario, customers would not only face cash flow pressure but also risk forfeiting certain benefits, thereby reducing their incentive to engage in channel stuffing.

— We implement a stringent credit "circuit-breaker" mechanism. If a customer has a payment overdue for more than 14 days, its payment method will be automatically downgraded to CBD, which operates as an immediate penalty for default and mitigates the risk of channel stuffing by such customer.

— The commission of our sales personnel and branch managers is directly linked to the timing of payment collection. We do not accept product returns except in limited circumstances where the goods fail to meet contractual requirements, including discrepancies in quality, specifications, quantity, packaging or labelling as compared with purchase orders or approved samples, non-conformity with agreed environmental or safety standards, or other material defects such as short shipment, wrong shipment or over-delivery.

— Our IT system assists our sales personnel in monitoring key customer information relevant to channel management, including customer profiles, purchase records, accounts receivable and customer feedback. Based on such information, our IT system helps our sales personnel identify unusual purchase or payment patterns and prioritise follow-up actions, thereby enabling us to monitor our distributors in a more systematic manner and reduce the risk of abnormal inventory accumulation or channel stuffing.

— We maintain regular communication with key distributors regarding their sales and inventory levels to ensure healthy inventory levels and to identify any abnormal accumulation or return patterns in a timely manner, and any abnormal returns will be subject to follow-up review. Violations of channel discipline or pricing policies may result in penalties or termination of distribution rights. This mechanism encourages our localized marketing team to proactively avoid channel stuffing.

Under our distributorship model, we typically grant credit terms to eligible distributors such as chain or large retailers selling small appliances and home furnishings & building materials, and record accounts receivable upon the distributors' receipt of our products. We manage the collection risk of trade receivables from distributors through a set of internal controls and risk management measures,

including: (i) a prudent credit approval process with upfront due diligence and the assignment of credit limits and payment terms based on distributors' financial condition, operating history and other risk indicators; (ii) ongoing monitoring of receivables (e.g. aging analysis and periodic re-assessments) with the ability to tighten terms, suspend shipments or adjust credit limits where risk levels increase and (iii) disciplined collection and escalation procedures, such as regular reminders, dedicated follow-up on past-due balances and the use of contractual remedies where appropriate.

Direct Sales

We maintain an active online e-commerce presence by operating Shopee and Tokopedia official brand stores on major Southeast Asian e-commerce platforms. These flagship stores serve as key sales channels, providing customers with direct access to our branded products.

The third-party e-commerce platforms generally charge the commission fees which primarily include (i) category commission fee, (ii) transaction fees, (iii) free shipping program and (iv) affiliate marketing solution commission fee. In 2023, 2024 and 2025 and the six months ended June 30, 2026, our average commission fee rates were 8.7%, 11.3%, 14.9% and 16.8%, respectively, which were calculated by dividing the commission fees incurred during the Track Record Period by the corresponding GMV generated for the same period. To mitigate the impact of increasing commission fee rates charged by third-party e-commerce platforms, we have implemented a number of operational measures. We optimized our pricing strategies, including making selective price adjustments and refining product offerings and price presentation, optimized our product mix by focusing marketing resources on higher-margin products, and refined our promotional strategies to improve overall profitability. In addition, we enhanced the efficiency of our online store operations and advertising placements through more targeted marketing and data-driven analysis. Through these measures, we were able to partially offset the impact of rising commission fee rates on our profit margins.

Livestreaming is another key component of our e-commerce strategy, primarily conducted through TikTok. We host brand and product livestreams using a dedicated in-house team, while also collaborating with popular KOL to conduct promotional broadcasts. This livestreaming approach helps engage viewers in real-time and drives product awareness and sales. In connection with livestreaming activities conducted on livestreaming platforms, we do not enter into separate agreements with such platforms and instead operate in accordance with the platforms' standard terms and policies.

We primarily conduct livestreaming activities on TikTok through two models, namely KOL livestreaming and brand-operated livestreaming. Under the KOL livestreaming model, we engage KOLs to promote and sell our products through livestream sessions or short-form video content by leveraging their follower base and influence. Under the brand-operated livestreaming model, we conduct livestream sessions through our own social media accounts, where our in-house hosts carry out regular product demonstrations, brand promotion and sales activities.

To support our livestreaming operations and online sales growth, we incur affiliate marketing solution commission fees in connection with our collaborations with KOLs, which are generally calculated as a percentage of sales generated through the relevant promotional activities. We also incur advertising expenses paid to social media platforms for traffic acquisition and exposure, which are generally not directly linked to sales generated. In addition, we incur content promotion expenses in connection with pre-heating and product promotion short-form videos, which are produced either in collaboration with KOLs or by our in-house team, to increase content exposure, drive traffic to our livestream sessions and online stores and facilitate product sales.

The table below sets forth, during the Track Record Period, our promotional expenses incurred for online sales channels, the corresponding revenue generated and the relevant promotional expense rates:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
Promotional Expenses *(RMB'000)*	13,732	23,860	46,078	37,349
Revenue Generated from Direct Customers *(RMB'000)*	156,412	253,413	359,893	241,014
Promotional Expense Rate *(%)*	8.8	9.4	12.8	15.5

Note: The above expenses cover costs incurred from e-commerce platforms and live-streaming channels.

We implement a standardised pricing policy across our online sales channels to ensure price consistency and to avoid channel conflicts, with discounts and promotional activities centrally managed and subject to internal approval. We also manage potential cannibalisation between our online and offline sales channels through product portfolio management and pricing control. Compared with our offline sales channels, we maintain a more limited range of SKUs for online sales to reduce the potential impact on offline sales, and have developed certain online-exclusive products. Our pricing monitoring team monitors online pricing, and in the event of any breach of our pricing policies, we have the right to require the relevant distributor or SMR customer to remove the relevant products from online platforms or suspend supply to such distributor or SMR customer.

Orders placed through our online channels are fulfilled through third-party logistics providers in collaboration with us, achieving efficient order processing, warehousing management and delivery on time. We also cooperate with third-party platform operators in accordance with their terms and policies and continuously optimise our online sales strategy in response to evolving market conditions and customer needs.

Under our direct sales model, we implement a robust marketing approach that leverages paid traffic advertisements targeted at our online stores. Our partnerships with influencers and KOLs support product promotions by enhancing brand visibility and attracting customer engagement. Together, these tactics form an integrated strategy to maximize online sales and brand reach. The following table sets forth a breakdown of our online direct sales orders and average order value for the years/period indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
Online direct sales orders	3,438,417	5,329,977	7,647,361	5,629,083
Average order value (RMB)	45	48	47	43

KOLs and livestreaming hosts

We collaborate with KOLs through three main models: (i) platform-based collaborations, (ii) agency-based collaborations, and (iii) direct engagements with individual KOLs. For platform-based collaborations, our KOL business development personnel identify and engage suitable KOLs through e-commerce platforms in line with our marketing objectives and selection criteria. In such cases, KOLs promote our products through platform-generated promotional links, and commissions are determined by us, with settlement conducted through the relevant e-commerce platforms based on actual completed sales attributable to such promotional links. For agency-based collaborations, we engage KOLs through marketing agencies with which we have established cooperation arrangements. In a limited number of cases, we also enter into direct contractual arrangements with individual KOLs, including certain well-known KOLs, under which collaboration fee and promotional terms are agreed directly between us and the relevant KOLs.

In addition, we operate our own livestreaming team, comprising over 58 livestreaming hosts and supporting personnel as of June 30, 2026, primarily based in Jakarta, Indonesia. Our self-operated livestreaming team is responsible for promoting and selling products through livestreaming channels and supporting our online direct sales activities. Our relationship with livestreaming hosts is predominantly employment-based. We also engage a limited number of part-time livestreaming hosts with whom we enter into service agreements.

Salient Terms of Our Agreements with Marketing Agencies and KOLs

Term	The agreements typically remain in full force for a specified period unless either we or the KOLs exercise termination rights as provided in the agreement.
KOL Deliverables and Services	The KOLs are typically required to deliver a specified number of exclusive live-streaming sessions and promotional video content within a fixed timeframe, such as on a monthly basis. The promotional content is usually required to be published on the official social media platforms of the KOL with direct links to our products.
Product Placement and Visibility	During live-streaming sessions, the KOLs are required to ensure our products and brands receive premium placement or display within the top designated visibility slots.
Fees and Payment Schedule	We typically agree to pay a fixed collaboration fee, which is payable in installments upon the completion of specified milestones, such as contract signing and designated dates during the term.
Performance Targets and Incentives	The agreements may include internal sales and GMV targets. While failure to meet these internal targets generally does not result in penalties for either party, the KOL may be entitled to an additional performance bonus if the target is successfully achieved.
Intellectual Property and Content Rights	We retain the usage and re-editing rights for all video and promotional content generated from the collaboration. The KOLs are required to provide us with the complete, raw video footage within a specified period following the completion of each session or shoot.
Order Authenticity and Fraud Prevention	We are required to ensure that all transaction orders generated are genuine and valid. The KOLs reserve the right to verify transaction data, and they may immediately terminate the agreement, withhold incentives, or seek damages if any order falsification or unauthorized transaction methods are discovered.
Remedies for Non-Performance	If a KOL fails to fulfill the mandated live streaming duration or required volume of promotional content, they are allowed to remedy the shortfall within a specified timeframe. If the shortfall is not cured within the designated period, we reserve the right to withhold final payments and claw back previously paid amounts based on our losses.

Compliance with Indonesian Regulations on Sales through Social Media Platforms

We conduct livestreaming activities in multiple platforms, such as TikTok, Tokopedia and Lazada. Only TikTok is a "social-commerce" platform, other platforms are "e-commerce platforms" in nature.

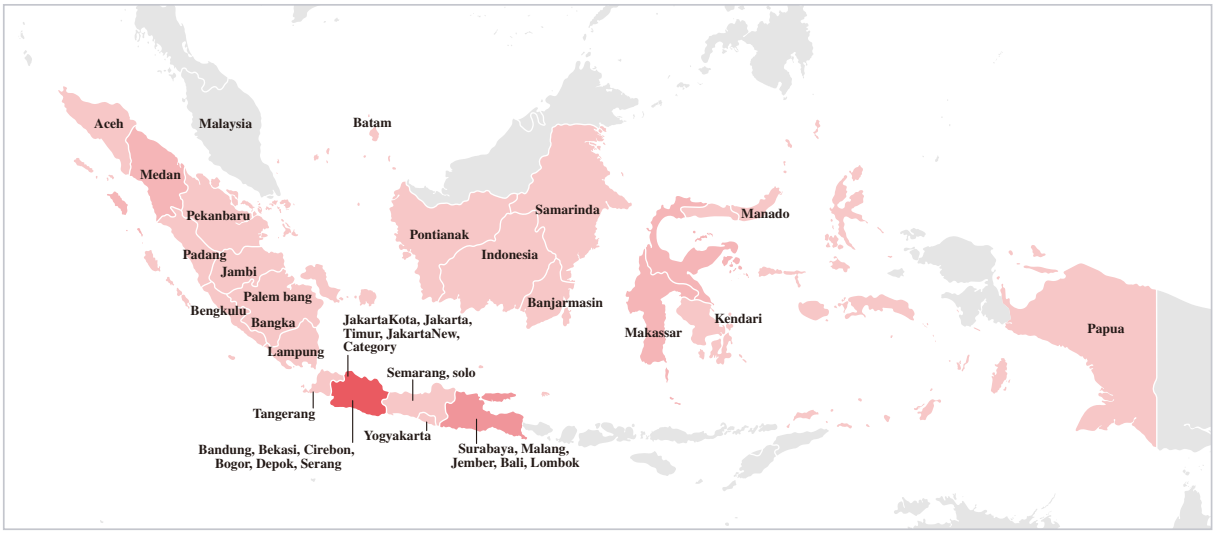
In Indonesia, MOT Regulations on Trade Through Electronic Systems provides that, in respect of "social-commerce" activities, social media platforms that facilitate the offering of goods or services are prohibited from facilitating payment transactions through their systems. As advised by our Indonesian Legal Adviser, our Indonesian subsidiaries conduct livestreaming promotional activities through the TikTok platform, a social media platform, where products are marketed via the platform but all sales transactions, including payment processing, are completed through e-commerce platforms, which operate separately from the social media platform and facilitate the actual transaction process. As such, these activities are promotional in nature and do not involve the facilitation of payment transactions through social media platforms, and therefore we are not subject to the regulatory restrictions on "social-commerce" activities. Our Indonesian subsidiaries also conduct livestreaming activities through established e-commerce platforms, including Shopee, Tokopedia and Lazada, where transactions are completed through the platforms' integrated checkout systems. As these platforms are e-commerce platforms rather than social media platforms, such activities do not fall within the scope of the relevant restrictions, and are in compliance with applicable Indonesian laws and regulations.

In addition, we conduct our sales and promotional activities in compliance with the broader regulatory framework governing electronic offerings in Indonesia. For details, see "Regulatory Overview — Business Licensing — Social Media Platforms". In this regard, we have implemented contractual arrangements with relevant marketing agencies engaged in connection with our promotional activities. Such arrangements include, among others, requiring such counterparties to comply with applicable laws and regulations and platform policies, to ensure the accuracy and non-misleading nature of promotional content, to refrain from making unsubstantiated or false statements regarding our products, and to maintain proper records of promotional activities where applicable. We also allocate contractual responsibility to the relevant marketing agencies for any non-compliance arising from the KOLs engaged by them in connection with such activities. As advised by our Indonesian Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, we have not received any material notices, warnings, sanctions or complaints from relevant platforms or competent regulatory authorities in relation to our electronic offerings activities.

Our Offline Sales Network

Overview

As of June 30, 2026, we had established an extensive offline distribution network in Indonesia, comprising over 36,000 SMRs, covering 35 provinces and 489 cities and towns across the country. These SMRs are our distributors but not the end customers.



Geographical Coverage of Distribution in Indonesia[(1)]

Note:

(1) Darker shading indicates a higher concentration of customers in the relevant areas.

Our offline presence is primarily anchored in SMR-operated stores, complemented by a limited number of strategically positioned proprietary stores aimed at enhancing brand recognition and gathering consumer insights. During the Track Record Period, we operated a total of five proprietary stores in Indonesia. We also distribute our products through cooperation with MRCs. During the Track Record Period, we established collaboration with 4, 9, 18 and 24 MRCs as of December 31, 2023, 2024 and 2025 and as of June 30, 2026, respectively.

Our Operating Model

Our proprietary stores are managed under a highly standardized operational and visual identity framework, encompassing uniform store design, consistent product displays and aligned sales policies. Each store occupies approximately 12-20 sq.m. and is typically located in high-traffic premium shopping malls. These stores serve as brand flagship outlets, designed to establish service benchmarks and deliver a consistent customer experience.

Design sketches of the store fronts, shelves and product displays of our proprietary stores

The SMR-operated stores are generally small-scale and localized retail stores located across different provinces, cities and towns in Indonesia. These stores primarily serve local communities, focusing on retail sales to individual consumers, and are managed by individual entrepreneurs or small and medium-sized business owners. The majority of the SMR-operated stores are physical stores, with a small portion being online stores. An SMR may operate one or more stores, and we do not systematically track the number of stores operated by each SMR.

During the Track Record Period, these SMR-operated stores were mainly engaged in the sale of 3C accessories, home furnishings & building materials, small appliances, groceries, stationery products and other daily consumer products. 3C accessories stores represented the substantial majority of the SMR-operated stores during the Track Record Period. The following table sets forth the breakdown of the major types of SMR-operated stores during the Track Record Period:

	Year ended December 31,						Six months ended June 30,	
	2023		2024		2025		2026	
	Number	*%*	*Number*	*%*	*Number*	*%*	*Number*	*%*
3C accessories stores	36,027	83.7	36,984	83.9	36,922	84.5	31,735	87.4
Home furnishings & building materials stores	3,441	8.0	3,063	6.9	2,583	5.9	1,652	4.5
Small appliance stores	1,098	2.6	1,269	2.9	1,447	3.3	1,295	3.6
Others[(1)]	2,470	5.7	2,759	6.3	2,717	6.2	1,636	4.5
Total	**43,036**	**100.0**	**44,075**	**100.0**	**43,669**	**100.0**	**36,318**	**100.0**

Note:

(1) Others primarily consist of lifestyle product, stationery, electric two-wheeler and other localized retail outlets.

Our products are generally not sold on an exclusive basis in these stores; however, a small number of stores do sell our products on an exclusive basis.

Based on the purchase records of our SMR customers, substantially all of our SMR customers had an annual purchase amount from us of less than RMB1 million during the Track Record Period, with only an insignificant number of SMR customers having an annual purchase amount of RMB1 million or above. The majority of our SMR customers had maintained a relationship with us for less than seven years during the Track Record Period. The following tables set forth the movement of our SMR customers by annual purchase amount from us and years of relationship with us during the Track Record Period:

For the year ended December 31, 2023

Movement of SMRs	Years of relationship with us	Annual purchase amount of RMB1.0 million or above	Annual purchase amount of less than RMB1.0 million	Total
Number of SMRs at the beginning of the year	Less than 1 year	11	14,925	14,936
	1 to 2 years	17	7,314	7,331
	2 to 3 years	13	4,308	4,321
	More than 3 years	46	11,776	11,822
Number of SMRs at the end of the year	Less than 1 year	7	9,587	9,594
	1 to 2 years	16	12,827	12,843
	2 to 3 years	9	5,774	5,783
	More than 3 years	40	14,776	14,816

For the year ended December 31, 2024

Movement of SMRs	Years of relationship with us	Annual purchase amount of RMB1.0 million or above	Annual purchase amount of less than RMB1.0 million	Total
Number of SMRs at the beginning of the year	Less than 1 year	7	9,587	9,594
	1 to 2 years	16	12,827	12,843
	2 to 3 years	9	5,774	5,783
	More than 3 years	40	14,776	14,816
Number of SMRs at the end of the year	Less than 1 year	3	6,238	6,241
	1 to 2 years	10	8,368	8,378
	2 to 3 years	17	10,668	10,685
	More than 3 years	45	18,726	18,771

For the year ended December 31, 2025

Movement of SMRs	Years of relationship with us	Annual purchase amount of RMB1.0 million or above	Annual purchase amount of less than RMB1.0 million	Total
Number of SMRs at the beginning of the year	Less than 1 year	3	6,238	6,241
	1 to 2 years	10	8,368	8,378
	2 to 3 years	17	10,668	10,685
	More than 3 years	45	18,726	18,771
Number of SMRs at the end of the year	Less than 1 years	6	5,353	5,359
	1 to 2 years	17	4,941	4,958
	2 to 3 years	8	6,983	6,991
	More than 3 years	58	26,303	26,361

For the six months ended June 30, 2026

Movement of SMRs	Years of relationship with us	Annual purchase amount of RMB1.0 million or above	Annual purchase amount of less than RMB1.0 million	Total
Number of SMRs at the beginning of the year	Less than 1 year	6	5,353	5,359
	1 to 2 years	17	4,941	4,958
	2 to 3 years	8	6,983	6,991
	More than 3 years	58	26,303	26,361
Number of SMRs at the end of The period	Less than 1 year	7	4,431	4,438
	1 to 2 years	7	3,810	3,817
	2 to 3 years	1	4,149	4,150
	More than 3 years	21	23,892	23,913

Stores that exclusively sell our products

Stores that do not exclusively sell our products

MRCs are typically operated by large-scale, professionally managed enterprises, primarily serving mass-market consumers through extensive store networks. Such MRCs constitute our distributors, but do not exclusively sell our products.

Shelves and product displays of our MRCs

Management to our Sales Personnel

We categorize our sales personnel by product category and assign them to the corresponding branches to ensure that each branch is staffed with category-specific sales personnel. We primarily manage our sales personnel by assessing both their processes and results along the following dimensions: (i) sales performance of the stores under their responsibility; (ii) compliance with and execution of our sales policies; (iii) progress of assigned tasks, such as SKU management and reactivation of inactive customers; (iv) management of customers' accounts receivable; and (v) customer visits.

In respect of customer visits, our system enables real-time recording of information such as arrival time, duration of stay and in-store photographs. Our system also allows us to monitor the coverage and frequency of customer visits conducted by each salesperson. We have established a clear assessment mechanism for customer visits and apply differentiated visit requirements based on the priority level of customers.

Sales Personnel's Management to SMR Customers

We manage our SMR customers primarily by reference to individual customers, rather than on a store-by-store basis. Certain SMR customers may operate more than one store. Accordingly, we do not systematically track the number of stores operated by each SMR customer. Our sales personnel manage and support individual customers, including customer visits and SKU management. Based on our observations of the operating scale and purchasing patterns of our SMR customers, most of our SMR customers are generally small-scale operators. Therefore, our sales personnel are able to manage and support such customers through customer visits, SKU management, customer maintenance and channel management.

To implement the above management measures, we assign dedicated sales personnel to serve and maintain our SMR customers, taking into account geographical proximity to ensure that each salesperson can efficiently cover a concentrated cluster of customers within his or her designated area. Our IT system links each salesperson with his or her designated customers and enables over 900 sales staff to centrally manage a network of over 36,000 SMR customers across Southeast Asia. In managing our SMR customers, our sales personnel focus on key information relevant to customer maintenance and channel management, including customer profile, purchase records, accounts receivable, customer feedback and the display cabinets and other branding materials installed or provided by us. Based on such information, our IT system assists our sales personnel in prioritizing customer visits and follow-up actions, including recommending visits to newly registered customers which have not yet been converted into purchasing customers and have been visited fewer than three times, as well as star-rated customers. We adopt a differentiated customer management approach by focusing our sales and customer maintenance resources on high-value and star-rated customers, while ordinary SMR customers with relatively low transaction contribution are subject to periodic visits on a lower-frequency basis. Together with regular on-site visits conducted on a rotational basis, this enables us to manage a large and geographically dispersed SMR customer base in a systematic manner, provide regular customer service and relationship maintenance, and monitor SMR customers' compliance with applicable requirements, including our pricing policies, geographical restrictions and channel management policies.

Operating Performance

The following table sets forth key operating metrics of our distribution network for the years/periods indicated:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
Total revenue *(RMB'000)*	751,946	773,243	834,299	405,760	450,773
Sales per distributor *(RMB'000)*	17	18	19	11	12
Number of orders	419,110	444,725	447,304	220,239	220,689
Revenue per order *(RMB)*	1,794	1,739	1,865	1,842	2,043

Our revenue per order decreased from RMB1,794 in 2023 to RMB1,739 in 2024 , primarily due to changes in our business mix, as the contribution from newly expanded categories such as small appliances and home furnishings & building materials increased, which generally have lower average selling prices compared to our 3C products, thereby lowering our revenue per order. Our revenue per order increased from RMB1,739 in 2024 to RMB1,865 in 2025. For the six months ended June 30, 2025 and 2026, our revenue per order increased from RMB1,842 to RMB2,043, respectively, primarily due to the increase in the value of product combinations per order attributable to (i) our optimization of product portfolio; (ii) the effective implementation of product bundling and recommendation policies and (iii) the adjustment of our marketing strategy towards customers with higher purchasing power, with a particular focus on customers with home furnishings & building material demands and a high budget.

Coordination Among Distributors

We generally manage and operate our distributors across different regions from a holistic perspective. To minimize such cross-regional sales among distributors, we typically implement the following measures:

— *Regional Pricing Structure*. We categorize Indonesia market into distinct territories based on differential regional logistics costs. We maintain uniform transfer pricing to distributors within each designated territory;

— *Standardized Promotional Policies.* We establish consistent promotional policies and promotional pricing applicable to all distributors;

— *Uniform Online Pricing Mandate.* We mandate identical online retail pricing for all distributors authorized to engage in online sales;

— *Governance & Compliance Framework.* We maintain an effective governance framework over distributors, conducting regular communications to promptly identify and escalate non-compliant sales activities to senior management. We retain contractual rights, including termination of agreements, to address breaches by distributors.

Our Marketing Strategy

We acquire our customers through both physical and online sales channels, and through both distributorship and direct sales models. Our localized marketing team will reach out to potential distributors directly via onsite visits or phone calls. They also obtain contacts with potential customers through participating in physical events such as industry conferences. We also solicit customers through billboards and other types of physical advertising. Additionally, we acquire customers through online channels such as short video platforms, search engines, e-commerce platforms and social media.

Our marketing investments allocate the largest portion of offline expenditure to providing branding services for high-potential customers. These services include storefront signage, light boxes, display cabinets and advertising boards. For mainstream e-commerce platforms and livestreaming channels, the primary costs consist of platform commissions and promotional fees.

Our marketing and sales efforts are deeply integrated with an end-to-end digital supply chain system that connects manufacturers, supply networks and retail endpoints. This market-driven approach supports product selection and development mechanisms that are responsive to real-time market demands. We utilize comprehensive market trend capture methods, which include continuous market intelligence monitoring to track competitor activities and uncover new opportunities. We systematically evaluate niche market segments to iterate and enhance our product categories. Critical to our approach is leveraging direct demand signals from tens of thousands of retail partners and hundreds of contracted suppliers, ensuring our resource utilization aligns with actual market needs. Our new product development process is tightly woven into this integrated system, making us agile and responsive in a dynamic market environment.

Pricing

In line with industry norm, we adopt a market-oriented pricing approach. We principally offer products at competitive prices. We price our products based on, to the extent practicable, a series of factors including: (i) product purchase costs; (ii) transportation costs; (iii) expected profit margin; (iv) competitors' pricing models and (v) foreign exchange rate.

For a vast majority of our products, we adopt a cost-plus pricing methodology, which calculates product prices by reference to a gross profit margin targets to cover overheads and back-office and middle-office operational costs. This approach ensures that all costs are effectively covered while

allowing for consistent profit margins. Alternatively, for certain products of which we aim to increase our sales volume, we generally set the prices by benchmarking prices of products offered by our competitors. Such pricing strategies allow us to strike a balance between our profitability and market share.

Payment

As of June 30, 2026, we accept three forms of payment method, namely, Cash Before Delivery ("**CBD**"), where payment is made prior to shipment; COD, where payment occurs upon arrival of goods; and Terms of Payment ("**TOP**" or "**TEMPO**"), allowing for payment a specified number of days after delivery, under a credit arrangement. New customers are generally limited to CBD or COD. We generally grant credit terms to hypermarkets or large-scale retailers, while small retailers do not qualify for credit terms. Exceptions to these rules require a formal approval process, including branch manager to verify business conditions, submission of a payment method application, and documented approval opinions. For TEMPO or COD applications, we follow a "small steps, quick iteration" approach: initial credit limits are based on projected sellout amounts, with adjustments made after three to six months based on actual order history. Changes in payment methods for existing customers are also assessed using order data from the past 3 to 6 months. All customer payment terms and credit limits are reviewed biannually, with adjustments made according to actual performance in orders and payments.

CUSTOMERS

We regard our distribution network and customer base as valuable assets that have contributed to our business development. During the Track Record Period, our distributors were mainly SMRs and accounted for the majority of our product sales. We also sell our products directly to end consumers through third-party e-commerce platforms and livestreaming e-commerce platforms, which further enhances our market coverage and provides data and market feedback to support our operations. During the Track Record Period, we did not have any third-party payment arrangements with any of our customers.

We have continued to expand our business and deepen our market coverage during the Track Record Period. As a result, the number of our distributor customers increased during the Track Record Period, reflecting, among others, our continued efforts in customer acquisition and channel expansion.

Customer Onboarding and Contracting

Our customer contract signing process begins with our localized marketing team conducting in-person visits to customer stores. During these visits, they engage in business discussions to confirm the customer's intent to cooperate and agree on payment terms. The customer submits registration and contract execution requests online and uploads the required documents, including identification, business license, and tax registration certificate. The request then undergoes our formal internal approval process. Upon approval, the customer completes our contract execution stage.

Five Largest Customers

During the Track Record Period, our customers were mainly distributors, which primarily consist of local SMRs purchased and distributed our products. Individual end-consumers who buy our product through third-party e-commerce platforms also form part of our customer base. Revenue from our five largest customers in each period during the Track Record Period represented 4.2%, 6.4%, 5.0% and 4.4% of our total revenue for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Revenue from our largest customer in each period during the Track Record Period represented 1.4%, 2.0%, 1.6% and 1.1% of our total revenue for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Our major customers operated stores as distributors rather than end-customers.

The following tables set forth the details of our five largest customers by revenue in each year during the Track Record Period:

Year ended December 31, 2023

Customer	Customer type	Revenue	% of total revenue	Main products sold	Credit terms	Year of commencing business relationship	Background
		(RMB'000)					
Customer A	SMR	13,062	1.4	Digital Accessories	COD	2023	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer B	SMR	7,206	0.8	Digital Accessories	COD	2020	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Customer C	SMR	7,062	0.8	Digital Accessories	COD	2021	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Customer D	SMR	5,406	0.6	Digital Accessories	COD	2022	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer E	SMR	5,295	0.6	Digital Accessories	COD	2015	A company engaged in the sale of digital accessories incorporated in Indonesia.
Total		**38,031**	**4.2**				

Year ended December 31, 2024

Customer	Customer type	Revenue	% of total revenue	Main products sold	Credit terms	Year of commencing business relationship	Background
		(RMB'000)					
Customer F	Customer of our warehousing services	21,366	2.0	General category	Within 45 days	2024	A company engaged in the sale of a wide range of general merchandise incorporated in Indonesia.
Customer A	SMR	14,526	1.4	Digital Accessories	COD	2023	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer B	SMR	13,129	1.3	Digital Accessories	COD	2020	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Customer G	SMR	10,653	1.0	Building Materials	Within 60 days	2023	A company engaged in the sale of soft furnishing and building materials incorporated in Indonesia.
Customer D	SMR	7,173	0.7	Digital Accessories	COD	2022	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Total		**66,847**	**6.4**				

Year ended December 31, 2025

Customer	Customer type	Revenue	% of total revenue	Main products sold	Credit terms	Year of commencing business relationship	Background
		(RMB'000)					
Customer F	Customer of our warehousing services	19,087	1.6	General category	Within 45 days	2024	A company engaged in the sale of a wide range of general merchandise incorporated in Indonesia.
Customer B	SMR	13,509	1.1	Digital Accessories	COD	2020	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Customer G	SMR	9,781	0.8	Building Materials	Within 60 days	2023	A company engaged in the sale of soft furnishing and building materials incorporated in Indonesia.
Customer A	SMR	9,633	0.8	Digital Accessories	COD	2023	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer C	SMR	9,073	0.7	Digital Accessories	COD	2021	A company engaged in the sale of digital accessories incorporated in Indonesia.
Total		**61,083**	**5.0**				

Six months ended June 30, 2026

Customer	Customer type	Revenue	% of total revenue	Main products sold	Credit terms	Year of commencing business relationship	Background
		(RMB'000)					
Customer G	SMR	7,496	1.1	Building Materials	Within 60 days	2023	A company engaged in the sale of soft furnishing and building materials incorporated in Indonesia.
Customer C	SMR	7,086	1	Digital Accessories	COD	2021	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer B	SMR	6,148	0.9	Digital Accessories	COD	2020	An individual business operator engaged in the sale of digital accessories incorporated in Indonesia.
Customer H	MRC	5,348	0.8	Digital Accessories	Within 30 days	2023	A company engaged in the sale of digital accessories incorporated in Indonesia.
Customer A	SMR	4,661	0.7	Digital Accessories	COD	2023	A company engaged in the sale of digital accessories incorporated in Indonesia.
Total		**30,739**	**4.4**				

Considering we had over 36,000 downstream distributors as of June 30, 2026, and we had established online sales channels, we believe that should any portion of our existing customers terminate their business relationships with us, we would be able to sell our products to other customers on reasonable terms. Given the dispersed nature of our customers, we do not have a concentration risk and our Directors believe that we do not have material dependence on any particular customer.

As of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or, to the knowledge of our Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year during the Track Record Period.

To the best knowledge of our Directors, none of our top five suppliers were also our customers, and none of our top five customers were also our suppliers during the Track Record Period.

Our Product Return Policy

We generally provide our customers with a free replacement service for functional defects of our products within warranty periods from the date of purchase, subject to our after-sales policies. For our goods sold to distributors, we allow the end users to obtain their requested replacement from the distributors directly and the distributors will then exchange those defected products with us. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material sales returns or product quality issues.

IMPACT OF EXCHANGE RATE FLUCTUATIONS OF INDONESIAN RUPIAH AGAINST RENMINBI

We primarily procure products in Renminbi in the PRC while our revenue in Indonesia is denominated in Indonesian Rupiah. As a result, movements in the exchange rate between Indonesian Rupiah and Renminbi have affected our results of operations. During the Track Record Period, the Indonesian Rupiah fluctuated against Renminbi and exhibited an overall depreciation trend. According to Frost & Sullivan, the monthly average IDR/RMB exchange rate , expressed as RMB per 100 IDR, showed a general downward trend during the Track Record Period and up to July 2026. The exchange rate decreased from approximately RMB0.0445 per 100 IDR in January 2023 to approximately RMB0.0384 per 100 IDR in June 2026, representing a depreciation of the Indonesian Rupiah against Renminbi of approximately 13.7% during the Track Record Period. It further decreased to approximately RMB0.0381 per 100 IDR in July 2026, representing a further depreciation of approximately 0.8% after the Track Record Period and up to July 2026. For further details, see "Industry Overview — Monthly IDR/RMB Exchange Rate Trend And Reasons For Depreciation." We recorded net foreign exchange gains of RMB6.1 million in 2023, losses of RMB2.0 million and RMB18.2 million in 2024 and 2025, respectively, and losses of RMB4.2 million and RMB17.9 million for the six months ended June 30, 2025 and 2026, respectively.

Our major products refer to products under our key product categories, namely 3C accessories, small appliances and home furnishings & building materials. Our major 3C accessories products primarily include power banks, charging cables, Bluetooth speakers and earphones; our major small appliance products primarily include choppers, rice cookers, hair dryers and water pumps; and our major home furnishings & building materials products primarily include PVC suspended ceiling materials and PVC flooring. Despite the depreciation of Indonesian Rupiah, from 2023 to 2025, the average selling prices of our major products in Indonesia increased by approximately 4% to 7% in aggregate. Our business exhibits certain resilience against the impact of exchange rate fluctuations, which is primarily supported by (i) our brand positioning as mid- to high-end brands in the Indonesian market, which affords us some pricing premium; (ii) the competitive landscape, as major competing products are likewise subject to higher import costs, allowing a certain degree of price adjustments across the industry and (iii) our localized operations in Indonesia, including local warehousing, operations, sales and marketing teams, which help absorb part of the cost pressures.

During the Track Record Period, our procurement costs accounted for a stable proportion of cost of sales, which was 89.7%, 89.1% and 90.1% in 2023, 2024 and 2025, respectively, and 89.7% and 91.2% for the six months ended June 30, 2025 and 2026, respectively. This stability was primarily attributable to the fact that we conduct our procurement and settlement mainly in the PRC. In addition, our gross profit margin increased steadily from 33.6% in 2023 to 35.6% in 2024 and further to 37.1% in 2025, and increased from 36.9% for the six months ended June 30, 2025 to 38.7% for the six months ended June 30, 2026. During the Track Record Period, we adopted measures to mitigate the impact of exchange rate fluctuations on our profitability. In particular, we optimized our pricing strategy by taking expected exchange rate movements into account at the product planning stage and adjusting the prices of selected products from time to time after considering market conditions, procurement costs, exchange rate movements, competitor analysis, product lifecycle and expected sales volume. Such pricing strategy enabled us to reduce the potential impact of exchange rate fluctuations on our gross profit margin and maintain profitability stability.

We also conducted spot foreign exchange transactions based on our monthly foreign currency collection forecasts to reduce exchange losses on collections and smooth monthly foreign exchange gains and losses, and arranged forward foreign exchange transactions based on rolling forecasts of payables exposure of our overseas entities to hedge against unrealized exchange losses arising from such payables. These measures reduced the impact of exchange rate fluctuations on our financial performance and supported the stability of our gross profit margin during the Track Record Period. In addition, we continued to optimize our channel mix, product mix and supply chain cost management, including increasing the contribution from higher-margin direct customer channels, improving the sales contribution of higher-margin products and categories, and leveraging procurement scale benefits to optimize upstream supplier costs. Together with our pricing strategy optimization and foreign exchange management measures, these operational initiatives contributed to the increase in our gross profit margin during the Track Record Period.

Pursuant to the above pricing strategy, after product launch, we review the pricing of selected products from time to time with reference to exchange rate movements in the preceding month and expected exchange rate trends for the following month, as well as the relevant product lifecycle and expected sales volume. Based on such review, we may adjust the selling prices of selected products where appropriate. In particular, products approaching the end of their lifecycle may not be subject to price adjustments, while products with stronger market demand or a longer expected sales cycle may be considered for price adjustments after taking into account their competitiveness and expected sales volume. The increase in the average selling prices of our major products and our gross profit margin during the Track Record Period as mentioned above reflects that we were able to effectively pass through increased procurement cost pressure to customers through pricing adjustments.

In addition, according to Frost & Sullivan, the local manufacturing capacity for 3C accessories and small home appliances in Indonesia remains relatively limited, while the Indonesian market for such products relies to a significant extent on imported supply chains, particularly those from China. In 2025, products exported from China to Indonesia accounted for approximately 39.6% of Indonesia's 3C accessories market, while Chinese exports of small home appliances to Indonesia accounted for approximately 36.0% of the relevant market. Although Indonesia has developed certain local manufacturing and assembly capabilities, according to Frost & Sullivan, local production remains relatively less competitive in 3C accessories, small home appliances and related components in terms of SKU diversity, economies of scale, supply chain integration, product iteration speed and quality consistency. In addition, certain local brands and assembly companies may also rely on imported components, moulds, batteries, motors, chips, plastic parts or packaging materials, and therefore they are also subject to similar procurement cost pressure arising from exchange rate fluctuations. Accordingly, the related procurement cost pressure is not borne solely by us, but may be transmitted along, and shared by participants across the industry chain, including importers, brand owners, distributors, retailers and consumers.

Leveraging our brand recognition, channel coverage and product portfolio management capabilities in Indonesia's 3C accessories market, we believe that we are able to adjust average selling prices and product mix in response to procurement costs, inventory levels, competitive dynamics and consumer affordability. Together with the industry-wide transmission of procurement cost pressure across the industry chain as mentioned above, these factors support our ability to effectively shift the increased procurement cost pressure arising from the depreciation of Indonesian Rupiah to customers through flexible pricing adjustments. For sensitivity analysis on foreign currency fluctuations based on the actual percentage movements of each relevant foreign currency during the Track Record Period, see Note 34 of Accountants' Report set out in Appendix I to this document.

OUR R&D INVESTMENTS AND ACHIEVEMENTS

We hold national recognition as a High-Tech Enterprise and have been designated as a Shenzhen Specialized, Refined, Distinctive and Innovative Enterprises ("專精特新企業"). We maintain a strong commitment to independent research and technological innovation. Our technical team possesses deep expertise in platform development, cloud computing and data analytics, supported by extensive experience in the internet industry. Our IP portfolio demonstrates significant technological advancements, particularly in patents. As of the Latest Practicable Date, we held 211 patents registered with the National Intellectual Property Administration of the PRC and three patent applications pending in Chinese Mainland, as well as ten registered patents and eight pending patent applications in Indonesia.

During the Track Record Period, we recorded total research & development expenses of RMB61.1 million, a significant portion of which had been applied in our digital advancement efforts. This investment has enabled the development of several proprietary operational, sales and management systems that form the technological backbone of our integrated digitalised business model.

Our technological infrastructure includes several proprietary systems that drive operational efficiency, including the advanced digital systems such as the Multiple Dimension Intelligent Value Promotion Management System, the Intelligent Customer Visit Management System, the Customer Points Reward Management System and the Monthly Sales Policy System. These platforms collectively support our innovative business model and facilitate the practical application of our R&D outcomes.

DATA PRIVACY

During our daily business operations, we process customer personal information, including names, postal addresses and phone numbers. We are dedicated to safeguarding personal information and privacy. For example, in offline sales scenarios, we collect personal information from our retail customers, including names, addresses and phone numbers, for the purposes of warranty registration and after-sales services for specific products, including product repair and replacement. Such information is limited to data necessary for these purposes and is collected with the consent of the relevant customers and in compliance with applicable legal requirements. For online sales, we obtain order-related data, such as order numbers, transaction times, amounts and product details, indirectly from our third-party e-commerce platform partners. To ensure efficient delivery, customer information is handled according to the logistics model in use: when utilizing a platform's integrated delivery service, we receive only the order number and regional location details; however, if delivery is managed by a separately entrusted third-party logistics provider, necessary personal information such as name, contact number and full delivery address may be shared.

Cross-border Transfer of Personal Information

During the Track Record Period, we acted as a personal information processor and transferred personal information from the PRC to overseas jurisdictions in the following scenarios: (i) in supplier and supply chain management, we transferred suppliers' business contact information to our WOOK Admin and supplier system system deployed in Indonesia for supplier profile management, business communication and overseas supply chain operations; (ii) in human resources and internal management, we transferred employment-related information to our HR system deployed in Hong Kong for

centralized HR management and further synchronised a limited subset of such data to our WOOK Admin system in Indonesia for authorization and system configuration purposes; and (iii) in financial management, we synchronised suppliers' contact information and employment-related information from Indonesia to our financial management system in Singapore for financial analysis and reporting. During the Track Record Period, such cross-border transfers involved approximately 1,600 supplier responsible persons and contacts and approximately 200 employees. As of the Latest Practicable Date, we have ceased the cross-border transfer of such personal information.

With respect to the provision by suppliers of business contact information of their relevant personnel, the suppliers have obtained the consent of the relevant employees in accordance with applicable data protection laws. In addition, where we transfer such business contact information to our WOOK Admin system in Indonesia and further synchronise such information to our financial management system in Singapore, we have informed suppliers of the categories of personal information, the recipients, the purposes and means of transfer, and the rights of the relevant individuals involved in such transfer, and have obtained their consent. Based on the foregoing, we obtain such business contact information from suppliers on a consent basis.

During the Track Record Period, there was no cross-border transfer of personal data in relation to any customers including distributors and retail customers in connection with our Indonesian operations.

Compliance with Applicable Data Protection Laws and Regulations

As advised by our PRC Legal Adviser, during the Track Record Period, we complied with applicable PRC data protection laws in relation to cross-border transfer of personal information.

The transfer of suppliers' business contact information was conducted as necessary for the purposes of internal supplier and supply chain management and coordination, which is consistent with the ordinary course and did not involve important or sensitive personal information or exceed the relevant regulatory thresholds. As advised by our PRC Legal Adviser, pursuant to the Provisions on Promoting and Regulating Cross-Border Data Flow, such transfers were not subject to filing requirements for security assessment for cross-border data transfer, standard contract for cross-border transfer of personal information or personal information protection certification. The cross-border transfer of employment-related information was conducted for cross-border human resources management purposes and was necessary for human resources and internal management. As advised by our PRC Legal Adviser, such transfers were exempt from the relevant security assessment, standard contract or certification requirements.

We had implemented security measures including encryption, access control and network security protection to safeguard the security of cross-border data transfers conducted during the Track Record Period.

One of our Indonesian subsidiaries, as the operator of the WOOK APP, has obtained the consent of the relevant data owners when collecting personal data through the WOOK APP. Users are required to consent to the applicable terms and conditions during the registration process and are informed of the purposes for which their personal data will be collected and processed, including verification, order fulfilment and delivery purposes. In addition, such subsidiary has obtained ISO/IEC 27001:2022 certification in respect of the operation of the WOOK APP and has implemented various information security and data governance measures, including policies and procedures relating to information security, access control, information security incident management, data leakage prevention, information deletion, confidentiality obligations and personal data protection. In addition to these measures, such subsidiary has implemented specific internal procedures governing employees' handling and use of workstations and computer equipment to further safeguard information confidentiality and security. These measures help ensure the security and confidentiality of personal data and support our compliance with the PDP Law and other applicable data protection requirements in Indonesia. In addition, our Indonesian subsidiaries have not conducted any cross-border transfer of personal data relating to any customers, including distributors and retail customers, during the Track Record Period.

As advised by our Indonesian Legal Adviser, we have complied with the applicable personal data protection laws and regulations in Indonesia in relation to the collection, processing, and protection of personal data under the WOOK APP during the Track Record Period and up to the Latest Practicable Date.

Internal Control Policies and Measures on Collecting and Handling Personal Data

We have implemented multiple measures in safeguarding our online sales operations against cyberattacks. Our system for data privacy protection adheres to the core principles of "minimization and fairness" throughout the entire lifecycle of personal data collection, retention, use and protection process. During data collection, it is explicitly stipulated that data may only be obtained for legitimate purposes. Data subjects must be fully informed of the scope, purpose and retention period of the collected data. Users are required to provide information during registration for customer authenticity verification. Regarding data storage, we will regularly have data backups and integrity checks are conducted, with backup data physically segregated from production data. For usage, the "principle of least privilege" is implemented. Through a Role-Based Access Control system, employees are assigned data access permissions. Only relevant personnel may view and utilize data within their authorized scope, with sensitive information displayed in a de-identified format. For data transmission, all sensitive information must be transmitted through encrypted HTTPS channels.

Internal Control Policies on Data Security Breaches

We are committed to prevent the leakage or unauthorized use of personal data, which includes customer data, we have collected. Our cybersecurity risk prevention employs a multi-layered defense system at the technical level to counter external attacks and internal risks at their source. For the internal network environment, perimeter protection devices are deployed to monitor and intercept abnormal network traffic in real time. This includes blocking malicious access from high-risk IP addresses and filtering emails containing viruses or phishing links. Concurrently, an "isolation by partitioning" strategy is implemented for internal networks, logically segregating office networks, business system networks and data storage zones. All terminal computers are equipped with anti-virus software, regularly conducting vulnerability scans, and benefit from real-time virus interception defenses. System vulnerabilities are promptly patched to minimize attack exposure. For cloud platform environments, a combination of Content Distribution Network and Web Application Firewall is employed alongside stringent security group policies. At management control level, we have established robust internal cybersecurity management policies, clearly defining responsibilities and procedural standards.

We highly value the protection of our customers' personal information and privacy. We believe it is crucial that our customers understand how we handle their information so that they can make informed choices in deciding how such information is used and shared. During the Track Record Period and up to the Latest Practicable Date, we had complied with all applicable data privacy laws and regulations in material jurisdictions where we operate.

COMPETITION

We primarily compete in the cross-border retail sector for 3C accessories, small appliances and home furnishings & building materials in the Southeast Asian market. According to Frost & Sullivan, in terms of retail sales value in 2025, we were the No. 1 company in Indonesia in the 3C accessories sector, with a market share of approximately 2.2%, and we ranked No. 6 as a China-based cross-border company in the small appliances sector, with a market share of approximately 3.7% of the China-to-Indonesia small appliances export market.

We believe that the principal competitive factors in our industry include control over distribution and sales channels, customer base, accumulation of brand partners, domestic and cross-border supply chain management capabilities, customer service capabilities, financial or technical and marketing resources, the ability to respond to constantly changing technologies, regulations or customer

requirements and reputation. Leveraging our established position, we believe we are well-equipped to seize the market opportunities with our advantages in terms of sales channels, brand recognition, cost-effectiveness, and supply chain management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

ESG Governance Structure

We place a high priority on ESG governance and have established a governance structure with clear delineation of responsibilities and management hierarchy. This structure ensures the thorough integration of ESG considerations into our strategy, risk management, and day-to-day operations, thereby providing a robust foundation for the systematic management of ESG risks and the achievement of sustainable development objectives.

— The Board of Directors is the highest decision-making body for our ESG matters and bears ultimate responsibility for ESG strategy, risk management, target setting, progress monitoring and overall ESG performance. The Board regularly oversees the implementation of ESG strategies and the achievement of relevant targets, evaluates ESG-related risks and opportunities, and maintains ongoing communication and collaboration with shareholders on ESG-related issues.

— An ESG working group, comprising responsible persons from various functioning departments and subsidiaries, has been established to identify and manage ESG risks arising from our daily operations. The working group is responsible for advancing the implementation of ESG initiatives and executing our ESG strategies, policies, and targets.

ESG Risk Management and Identification

We are committed to establishing and maintaining long-term communication channels with both internal and external shareholders, actively listening to and responding to their views and expectations, and systematically incorporating such feedback into our ESG strategy formulation, the implementation of our objectives and our operational management. Based on a comprehensive analysis of our business characteristics, industry trends, regulatory requirements and shareholder concerns, we have identified and determined the following material ESG issues and have conducted prudent assessments of the associated risks.

Substantial issues	Potential Risks
Distributor management	• Although we assess suppliers' ESG performance at the onboarding stage, it remains difficult to entirely eliminate the risk of non-compliant conduct during the course of cooperation. If a supplier's ESG performance falls below required standards, such deficiencies may be transmitted along the supply chain and could adversely affect our reputation and compliance status.
Product Liability	• Although we have established stringent supplier onboarding and quality control systems, we may be subject to the risk that product defects may not be identified in a timely manner due to system failures or external uncontrollable factors, which could adversely affect our business.
Commercial ethics	• Any acts in violation of business ethics, including commercial bribery, corruption, unfair competition or the provision of improper benefits, may adversely affect our brand value and increase the risk of litigation and regulatory penalties.

Environment Protection

As a digital new retail enterprise, we do not directly engage in manufacturing processes. However, we consistently place emphasis on resource conservation and ecological compliance throughout our operations. We strictly comply with applicable environmental laws and regulations of the PRC and the jurisdictions in which we operate. In our operation, we have comprehensively implemented green office initiatives and promote low-carbon collaboration across various business functions, thereby effectively reducing the environmental impact of our operations. We have established a Waste Management Policy to guide the classification and temporary storage of operational wastes across our offices and warehouses, including general principles for managing obsolete inventories with electronic and non-electronic components through coordination with third-party service providers for backend disposal. We did not incur any administrative penalties and we were not involved in any material non-compliance incidents or litigation relating to health, safety or environmental laws and regulations during the Track Record Period.

Climate Change Response

We have comprehensively incorporated climate change considerations into our core sustainable development strategy. Through the ongoing implementation of systematic assessments of climate-related risks and opportunities, we leverage low-energy logistics solutions and lean operational practices aimed at reducing resource consumption, thereby proactively constructing our risk management framework.

Climate-related Risks and Opportunities and Our Response Measures

Risk categories	Description of risks	Measures
Physical risk	Our principal areas of operation (such as Southeast Asia), predominantly tropical and coastal regions, are susceptible to extreme weather events, including heavy rainfall, flooding and typhoons. Such events may disrupt maritime transportation, result in water ingress at warehousing facilities and cause delays in distribution, thereby giving rise to risks of supply chain disruptions and inventory impairment due to moisture damage.	We have established a prediction and warning mechanism for extreme weather events and have undertaken the scientific planning of our warehousing network to avoid flood-prone areas. In parallel, we collaborate with its logistics partners to formulate alternative transportation routes and have arranged appropriate cargo insurance to mitigate potential financial losses arising from physical disruptions and logistics interruptions.
Transition Risk	Tightening low-carbon regulatory requirements across the supply chain may lead to increased compliance costs for our cross-border logistics operations. At the same time, growing consumer preference for environmentally friendly packaging and green products may weaken our brand competitiveness if we fail to make timely adjustments and optimisations.	We actively promote the low-carbon transformation of our logistics operations by progressively introducing electric vehicles into our logistics network and, for long-distance transportation, prioritising shipping models with comparatively lower carbon emissions. In addition, we have deepened green collaboration with our suppliers by implementing lightweight packaging solutions and increasing the procurement of energy-efficient products, thereby mitigating dual risks.

Risk categories	Description of risks	Measures
Opportunities	The development of a low-carbon economy in our target markets is driving consumers toward sustainable retail platforms and energy-efficient electronic products, thereby creating commercial opportunities for us to expand into incremental markets and enhance our brand premium.	We leverage intelligent algorithms to optimise cross-border warehousing and distribution routes, with a view to reducing costs and carbon emissions. In addition, we promote green recycling initiatives among consumers, thereby reinforcing our competitive advantages.

Packaging Material Management

We are committed to integrating environmental principles into resource management across the product lifecycle and adheres to avoiding excessive packaging. Taking into account our operational processes, packaging material management primarily covers two critical stages: (i) primary packaging, which is procured in coordination with products by the procurement department, and (ii) secondary transportation packaging, which is centrally managed by the logistics department for daily delivery (primarily including corrugated cartons, bubble mailers, stretch film, adhesive tapes and thermal paper for protective and labelling purposes).

With respect to primary packaging, we require that packaging design be strictly tailored to product volume during the procurement and design stages, in order to effectively reduce packaging volume and minimise material consumption. At the same time, we continuously optimise the design of colour boxes in alignment with brand positioning, thereby reducing packaging usage at the source.

For secondary transportation packaging, we actively encourage its warehousing and logistics partners to adopt environmentally friendly and recyclable packaging materials, with a view to minimising the use of single-use plastics to the greatest extent practicable.

Energy Management

To comprehensively advance energy conservation and carbon reduction, we actively explore environmentally friendly practices across two critical dimensions: our own overseas warehouse operations and our external supply chain.

By improving warehousing and turnover efficiency, and by implementing digitalised warehouse management through intelligent business systems and ERP platforms, we effectively reduce electricity and energy consumption in the daily operations of our overseas warehouses. We maximise vehicle load utilization to reducing the frequency of logistics movements. We actively promote the adoption of low-energy transportation modes and progressively introduce electric vehicles into our overseas last-mile logistics network. In addition, we prioritise the use of sea freight—whose carbon emissions per tonne-kilometre are substantially lower than those of air transport—without compromising overall operational efficiency, thereby achieving meaningful emissions reductions across our global supply chain.

Water Resource Management

In terms of infrastructure maintenance, we conduct routine inspections of pipeline networks and various water-use facilities on a regular basis. Through refined management practices, we seek to prevent and eliminate leakage at the source, thereby minimising unnecessary water loss to the greatest extent practicable. At the same time, we actively carry out internal awareness initiatives to promote water conservation among all employees, continuously strengthening environmental responsibility across our workforce.

Environmental and Climate-related Indicators and Targets

Environmental Targets[(1)]:

Greenhouse gas emissions target	We aim to maintain total carbon emissions per unit of revenue by 2030 at a level below that of 2024.
Energy efficiency target	Using 2025 as the base year, we aim to achieve a downward trend in energy intensity by 2026.

(1) The Company plans to incorporate its branch offices into the environmental data management framework after **[REDACTED]** and will update its greenhouse gas emissions and energy efficiency targets as appropriate.

Our environmental performance indicators[(1)] as of December 31, 2023, 2024 and 2025 and June 30, 2026 is set out below:

Indicators	Unit	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	Six months ended June 30, 2026
Emissions					
Greenhouse gas emission[(2)] .					
Greenhouse gas emissions (Scope 1)	Tonnes of CO2 equivalent	231.8	193.33	162.04	94.94
Greenhouse gas emissions (Scope 2)	Tonnes of CO2 equivalent	513.28	592.24	589.87	273.82
Total greenhouse gas emissions (Scope 1 & Scope 2)	Tonnes of CO2 equivalent	745.08	785.57	751.91	368.76
Greenhouse gas emission intensity	Tonnes of CO2 equivalent	0.82	0.75	0.62	0.53
Greenhouse gas emissions (Scope 3)[(3)]	Tonnes of CO2 equivalent	/	/	904.41	333.29
Resources used					
Water resources					
Total water consumption	Tonnes	21,842.52	26,302.07	31,686.23	13,581.66
Water consumption intensity .	Tonnes/RMB million of revenue	24.05	25.08	26.04	19.42
Electricity					
Total electricity consumption .	MWh	641.6	740.3	737.34	342.27
Electricity consumption intensity	MWh per RMB million of revenue	0.71	0.71	0.61	0.49
Packaging materials					
Total packaging materials' consumption	Tonnes	129.94	301.57	354.17	287.02

Indicators	Unit	As of December 31, 2023	As of December 31, 2024	As of December 31, 2025	Six months ended June 30, 2026
Packaging materials' consumption intensity	Tonnes/RMB million of revenue	0.14	0.29	0.29	0.41
Comprehensive energy consumption[4]					
Total energy consumption	MWh	691.03	781.48	771.85	362.49
Comprehensive energy consumption intensity	MWh per RMB million of revenue	0.76	0.75	0.63	0.52

(1) The reporting scope of the Company's environmental performance indicators includes all subsidiaries and warehouses in China, Indonesia, Vietnam, Thailand and the Philippines, excluding branch offices in Indonesia.

(2) Scope 2 greenhouse gas emissions primarily arise from purchased electricity at our operations in Indonesia. The greenhouse gas emissions data for Indonesia are calculated based on the grid emission factor of Java, the representative region of our operations, as set out in the Faktor Emisi GRK Tahun 2019 (2019 Greenhouse Gas Emission Factors) published by the Kementerian Energi dan Sumber Daya Mineral Republik Indonesia.

(3) With respect to Scope 3 greenhouse gas emissions, we have collected and calculated emissions data relating to employee commuting. We will progressively enhance the data collection and calculation for other categories of Scope 3 greenhouse gas emissions and improve the completeness and transparency of our Scope 3 disclosures in the future.

(4) The calculation of our total energy consumption indicators is carried out with reference to the General Principles for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020) and other applicable standards.

Product Responsibility

We have established a comprehensive quality control system covering the entire value chain, including product selection, supplier management, warehousing, logistics and sales services. We have formulated and strictly implemented a series of internal policies with a view to providing consumers with reliable and high-quality products. Through stringent supplier audits, standardised new product validation and delivery inspections, and joint inspections conducted by dedicated quality personnel at each stage, we prevent quality risks at the source. In addition, we conduct regular quality training to enhance the quality awareness and professional capabilities of our employees, thereby ensuring the effectiveness and sustainability of our quality management system.

We have formulated the Product Recall Management Policy, which sets out a comprehensive recall process covering issue identification, traceability analysis, solution formulation and implementation follow-up, to ensure timely response and effective implementation, thereby largely minimising risks and safeguarding consumer rights. During the Track Record Period, we did not experience any material product recalls.

Supply Chain Management

To build a reliable supply chain system, we have established internal management policies such as the Supplier Classification and Grading Management Control Procedures and the New Supplier Onboarding Process, and have implemented full lifecycle management covering supplier admission, audit, evaluation, cooperation and exit. As of June 30, 2026, we had a total of 327 suppliers, including 277 domestic suppliers and 50 suppliers from Hong Kong, Macau, Taiwan and overseas regions.

— Supplier Admission: We conduct comprehensive assessments focusing on quality assurance systems, new product development capabilities, service and supply chain management standards, as well as environmental, social and governance (ESG) performance (including labour rights, health and safety, environmental management and hazardous substances control). Only suppliers that have passed our preliminary review and met the required standards are admitted into our supplier pool.

— Supplier Management: We conduct monthly multiple-dimension supplier performance evaluations. Based on the evaluation results, we implement a graded management system, classifying suppliers into S-level (strategic suppliers), A-level (preferred suppliers), B-level (under evaluation suppliers) and C-level (observation/elimination candidates). This mechanism enables us to continuously optimise our supplier structure and strengthen supply chain risk management and performance enhancement.

— Supplier Exit: Suppliers that consistently fail to meet performance standards or do not satisfy our evaluation requirements are subject to elimination, with a view to continuously optimising our supplier base and maintaining the stability and overall quality of our supply chain.

Employees

We strictly comply with applicable laws and regulations of the PRC and the jurisdictions in which we operate, and regulate our employment relationships in accordance with internal policies such as our Employee Handbook. In our overseas operations, we respect local labour laws, cultural practices and religious beliefs, and have established and implemented employment management systems tailored to local conditions. We have put in place standardised recruitment and onboarding procedures, adhere to the principle of equal employment and prohibit any form of discrimination based on gender, age, race, religion or any other grounds. We also implement stringent identity verification and other control measures to firmly prohibit the employment of child labour and any form of forced labour.

Our employee composition as of December 31, 2023, 2024 and 2025 and June 30, 2026 is set out below:

Indicators	Unit	2023	2024	2025	Six months ended June 30, 2026
Employment					
Total number of employees	Person	1,315	1,493	1,541	1,471
Number of employees in genders					
Male	Person	921	1,023	1,039	997
Female	Person	394	470	502	474
Employee Turnover Rate[(1)]					
Employee turnover rate		19	12	16	8
Employee turnover rate in genders					
Male	%	17	13	16	8
Female	%	23	8	16	8

(1) Employee turnover rate is calculated as (number of employees terminating employment / total number of employees) × 100%.

Occupational Health and Safety

Given the nature of our industry and positions, our operations do not involve occupational health hazard factors such as dust, noise, toxic or hazardous chemicals, or working at height. We strictly comply with applicable laws and regulations relating to production safety, labour protection and occupational health in the jurisdictions in which we operate, and remain committed to providing a safe and healthy working environment for our employees. We organise annual health examinations for our employees and actively conduct a variety of cultural and sports activities to promote their physical and mental well-being and enhance team cohesion.

Business Ethics

We comply with applicable laws and regulations relating to business ethics in the jurisdictions in which we operate, and have established internal policies such as the Anti-Fraud and Whistleblower Complaint and Protection Policy. These policies are designed to strictly monitor and prevent any form

of illegal commercial bribery involving our employees, whether within the PRC or overseas, in their dealings with customers and suppliers. We also conduct regular company-wide training on business ethics to strengthen employees' integrity, self-discipline and anti-corruption awareness. During the Track Record Period, we were not involved in any litigation or cases relating to corruption, conflicts of interest, breaches of business ethics or unfair competition.

We have also established a comprehensive whistleblowing and complaint handling mechanism, and have publicly disclosed reporting hotlines and email addresses on our website to ensure that internal and external parties are able to provide feedback in an open and transparent manner. We implement a whistleblower protection mechanism, under which all information relating to reports is kept strictly confidential during receipt and investigation. We prohibit any form of unlawful discrimination or retaliation and safeguard the legitimate rights and interests of whistleblowers.

INTELLECTUAL PROPERTY

We regard our IP rights critical to our business operations. We rely primarily on a combination of patents, copyrights, trademarks, trade secret and unfair competition laws and contractual rights, such as confidential agreements, to protect our IP rights. We clearly state all rights and obligations regarding the ownership and protection of intellectual properties in all employment agreements and in most commercial agreements we enter into.

To identify, prevent and manage potential intellectual property risks, we have established internal procedures and management mechanisms. We maintain an internal intellectual property management system under which different departments are responsible for monitoring and managing intellectual property matters relevant to their business operations, while our legal and compliance functions oversee the implementation of intellectual property protection policies. We maintain internal registers to track our patents, trademarks and copyrights and monitor their registration status, renewal and use.

We have also implemented risk prevention measures in our business operations. For example, we actively apply for and register intellectual property rights relating to our technologies, products and brands. In addition, we conduct intellectual property compliance reviews in relevant business processes, including research and development, procurement and branding activities, and review intellectual property ownership and authorization arrangements where appropriate. We also provide periodic training to relevant employees to enhance their awareness of intellectual property protection and compliance.

In the event that potential intellectual property infringement risks are identified, we follow internal reporting and handling procedures. Relevant personnel are required to promptly report such matters to our legal and compliance functions for assessment and handling. Where necessary, we will take appropriate remedial measures, including suspending the use of the relevant materials, conducting internal investigations, and seeking legal advice. Our legal and compliance functions are responsible for handling intellectual property disputes, including litigation, arbitration or settlement negotiations.

As of the Latest Practicable Date, we had 211 patents registered with the National Intellectual Property Administration of the PRC, and three pending patent applications in Chinese Mainland. There are also ten registered patents and eight pending patent applications in Indonesia. As of the Latest Practicable Date, we had 58 trademarks registered in Chinese Mainland and 9 pending trademark applications, along with 272 registered trademarks and 18 pending trademark applications in overseas countries and regions such as Indonesia and Thailand. As of the Latest Practicable Date, we had 175 copyrights registered with and 2 pending copyright applications in the National Copyright Administration of the PRC, along with 1 registered copyright in Indonesia. See "Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights" for details of our material IP rights.

As of the Latest Practicable Date, we have not been involved in any material infringement of IP rights by third parties in respect of IP rights owned by us. or by us in respect of IP rights owned by third parties, in Indonesia, Vietnam, Thailand and the Philippines.

PROPERTIES

Our corporate headquarter is located at Shenzhen, China. As of the Latest Practicable Date, our owned and leased premises were located in Chinese Mainland, Indonesia, the Philippines, Thailand and Vietnam.

As of June 30, 2026, we did not have any single property with a book value accounting for 15% or more of our total assets. According to section 6(2) of the Companies (Exemption of Companies and Documentes from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Owned properties

As of June 30, 2026, we owned five properties in Indonesia with a GFA of approximately 11,609 sq.m., which were mainly used for offices, warehouses and staff quarters. All of these land parcels and buildings have been granted land use right certificates and ownership certificates. As of the Latest Practicable Date, we had not received any claims from third parties disputing the ownership of our properties.

Leased properties

As of June 30, 2026, we had entered into 87 lease agreements of properties with a GFA of over 45,000 sq.m., for offices, warehouses and staff quarters. In terms of geographical locations, 69 of these leasehold properties were located in Indonesia, while there were also four, three, seven and four in Chinese Mainland, Vietnam, Thailand and the Philippines.

According to applicable PRC administrative regulations, the lessor and the lessee to a lease agreement are required to file the lease agreement with relevant government authorities within 30 days after the execution of the lease agreement. As of June 30, 2026, we had not filed our lease agreements for three properties we leased with the local housing administration authorities. As advised by our PRC Legal Adviser, the failure to complete the requisite filing in respect of the properties may subject us to a maximum administrative penalty of up to RMB10,000 under the applicable PRC laws and regulations. As advised by our PRC Legal Adviser, the potential penalties involved are relatively minor, we have not been subject to any administrative penalties in this regard and there are no existing or ongoing disputes or controversies, the absence of registrations will not affect the validity of the lease agreements, nor materially and adversely affect our business operations.

As of June 30, 2026, one of the properties we leased in Chinese Mainland had not provided us with valid title certificates evidencing their rights to lease the property concerned to us. As a result, the lease may not be valid, and there are risks that we may not be able to continue to use the property concerned.

As of the Latest Practicable Date, we were not aware of any challenge being made by a third party or government authority on the title of such leased properties. As advised by our PRC Legal Adviser, the relevant laws and regulations do not expressly stipulate that we would be subject to any administrative penalty as the lessees by the competent government authorities due to the title defects in such leased properties, and such title defects are not expected to give rise to any potential liabilities, penalties or sanctions against us. The leased premise with defects in title is currently used as our offices. If we are required to vacate such premise, the relocation arrangement will not have material and adverse effect on our operations, given that there are sufficient alternative premises available and most employees currently working at the premise reside in surrounding areas. We have already identified suitable alternative premises. See "Risk Factors — Risks Relating to Our Business and Industry — Failure to comply with laws and regulations regarding certain of our leased properties may adversely

affect our business, financial condition and results of operations." We believe we could find comparable leased properties as alternatives, and such relocation would not have a material adverse effect on our business, financial condition and results of operations.

LICENSES AND REGULATORY APPROVALS

We are required to obtain various licenses, permits and approvals for our operations. During the Track Record Period and up to the Latest Practicable Date, we have obtained all licenses and permits which were material to the operation of our business in the material jurisdictions where we operate and such licenses and permits were valid and remained in effect. We usually apply for renewal of the material permits and licenses prior to their respective expiry dates. We also are in the process of application or renewal of certain licenses for the Indonesian subsidiaries, which are currently pending issuance by the relevant authorities as part of the ordinary administrative process. As advised by our Indonesian Legal Adviser, there was no material impediments to renew the licenses and permits that will expire in 2026. We usually renew all licenses in a timely manner, unless delays occur which due to technical maintenance or internal issues by the government licensing system, which are beyond our control. Nevertheless, any administrative delays solely attributable to the relevant authorities would not result in any material adverse legal implications for the Indonesian subsidiaries, provided that the renewal applications have been duly submitted and accepted for processing by the relevant government authorities, as evidenced by the relevant proof of submission or receipt.

Our Directors were of the view that during the Track Record Period and up to the Latest Practicable Date, we obtained all licences and permits material to the operation of our businesses in all jurisdictions where we operate. See "Appendix IV — Material Licenses and Permits of the Indonesian Subsidiaries" for our key licenses or permits of the Indonesian Entities under the applicable laws and regulations.

INTRA-GROUP TRANSACTIONS

The Organization for Economic Cooperation and Development (the "**OECD**"), an international organization of international cooperation, promulgated the transfer pricing guidelines for multinational enterprises and tax administrations (the "**OECD Transfer Pricing Guidelines**"). According to the OECD Transfer Pricing Guidelines, our intra-Group transactions should be carried out on an arm's-length basis.

During the Track Record Period, we carried out our operations mainly in Chinese Mainland and Indonesia. We have engaged a tax service firm (the "**transfer pricing adviser**") to conduct benchmarking studies on the intra-Group transactions during the Track Record Period in accordance with the OECD Transfer Pricing Guidelines and applicable rules and laws on transfer pricing and provide transfer pricing review on cross border intra-Group transactions during the Track Record Period from the perspectives of the material jurisdictions where we operate, namely, the Chinese Mainland, Hong Kong and Indonesia. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any penalties, investigations, inquiries or transfer pricing audits carried out by local tax authorities in relation to these intra-Group transactions. As advised by our transfer pricing adviser, the above-mentioned intra-Group transactions were in line with the arm's length principle and we were in compliance with the relevant transfer pricing laws and regulations during the Track Record Period and up to the Latest Practicable Date.

Our Directors were of the view that we were in compliance with the OECD Transfer Pricing Guidelines and the applicable rules and regulations of transfer pricing arrangements in all material jurisdictions where we operate during the Track Record Period and up to the Latest Practicable Date.

SEASONALITY

Our results of operations are subject to seasonal fluctuations as a result of the impact of a number of factors, including consumer spending patterns, product categories, promotional activities and extreme or unusual weather conditions. Based on past experience, we typically carry out more sales and

marketing activities before and during key promotional events in the countries where we operate in the second half of the year, such as 99 Shopping Festival, Double Eleven Festival, Double Twelve Festival and Christmas. As a result, we may maintain higher revenue and higher levels of inventory to satisfy market demand before and during promotional seasons and relevant shopping events compared to other times of the year. On the other hand, our businesses are vulnerable to extreme or unusual weather conditions. For example, extreme weather conditions such as torrential rain and floods may disrupt marketing activities. See "Risk Factors — Risks Relating to Our Business and Industry — Our sales are subject to seasonality, which could cause our results of operations and financial condition to fluctuate."

EMPLOYEES

As of June 30, 2026, we had a total of 1,471 employees, the majority of whom are based in Indonesia and China. The following table sets out the number of our employees by function as of June 30, 2026:

Function	Number of Employees	% of Total
Product development and supply chain	134	9.1
Marketing management	32	2.2
Online sales	195	13.3
Offline sales	902	61.3
After-sales and warehousing	91	6.2
IT development	21	1.4
Back office	96	6.5
Total	**1,471**	**100**

As of June 30, 2026, we had 1,213, 145, 46, 26 and 41 employees in Indonesia, China, Vietnam, Thailand and the Philippines, respectively. The current staffing profile exhibits a balanced age distribution and gender ratio. Educational attainment reveals that 57.8% of employees hold bachelor's degrees or higher qualifications.

We place significant emphasis on recruiting, staff training and development. Our internal training programs, encompassing induction training for new employees, skills enhancement and sharing of best practices, facilitate rapid team integration for new hires while fostering knowledge retention and internal collaboration. Concurrently, based on business development needs and employee potential, staff are periodically selected to attend high-quality external courses. External training costs are borne by us, requiring only that employees sign an external training agreement to ensure learning outcomes and service duration. This establishes a comprehensive training system covering induction, development and advancement.

We have established a labor union for our employees in China. We have maintained a good working relationship with our employees and labor unions. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any labor disputes that could have a material and adverse effect on our business, financial conditions, or results of operations.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, our Directors were of the view that in all jurisdictions where we operate, we had not been involved in any material legal, arbitration or administrative proceedings and we were not aware of any pending or potential legal, arbitration or administrative proceedings against us or our Directors that may, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, our Directors were of the view that in all jurisdictions where we operate, we had complied with all applicable laws and regulations in all material aspects and we were not imposed any material administrative penalties. We did not experience any material or systemic non-compliance incidents, which, taken as a whole, are likely to have a material and adverse effect on our business, financial condition or results of operations.

Social Insurance and Housing Provident Funds

During the Track Record Period, social insurance and housing provident fund contributions for some of our employees had not been made in full in accordance with the relevant PRC laws and regulations. The shortfall amount of contributions of social insurance and housing provident funds was RMB4.7 million, RMB4.9 million, RMB5.7 million and RMB2.1 million in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of social insurance as required, the relevant authority may require payment of the outstanding amount within a prescribed period, and it may charge a late fee of 0.05% per day of the delayed payment amount. If such payment is not made within the stipulated period, the competent authority may further impose a fine of one to three times the overdue amount. Pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of housing provident fund as required, the housing provident fund management center may require payment of the outstanding amount within a prescribed period. If the payment is not made within such time limit, an application may be made to the PRC courts for compulsory enforcement. Since June 2026, we have begun making social insurance and housing provident fund contributions in full for certain eligible employees based on their actual salary levels. Based on the communications with the relevant government authorities, the adjustment of the contribution base is usually made in a designated time each year and such time varies in different regions. Therefore, we expect to make full contributions of social insurance and housing provident funds for all of our employees on an adjusted contribution bases by December 31, 2026. Going forward, we will conduct regular reviews and ensure that our social insurance and housing provident fund contributions are made in full in accordance with applicable PRC laws and regulations. We have enhanced our internal policies and designated our human resources department to monitor such contributions on a monthly basis, and we are communicating with employees to adjust the contribution base in compliance with applicable requirements. We aim to progressively rectify the historical non-compliance within the timeframe permitted under applicable PRC laws and regulations.

Our PRC Legal Adviser are of the view that the possibility of us being required to settle historical outstanding social insurance and housing provident funds is remote, considering that: (i) the competent regulatory authorities confirmed during our interviews with them that they will not conduct centralized collection of our historical social insurance and housing provident fund arrears unless they receive a complaint from our employees, and we will not be penalized if we rectify such non-compliance within the prescribed period following a complaint; (ii) we had not been the subject of any administrative penalties for not making full payment of the social insurance and housing provident funds, or received any notice to pay the shortfall, by relevant social insurance and housing provident fund bureaus during the Track Record Period and up to the Latest Practicable Date; (iii) according to the credit reports issued by the competent authorities, during the Track Record Period and up to the Latest Practicable Date, such authorities did not impose administrative penalties on us for failure to make full social insurance or housing provident fund contributions; (iv) during the Track Record Period and up to the Latest Practicable Date, there were no pending disputes or controversies between our employees and us in connection with labor and employment matters including in respect of social insurance and housing provident fund contributions; (v) we have issued a letter of commitment pledging that: should the social insurance or housing provident fund authorities require us to make up for historically unpaid fees, we will promptly make such payments in accordance with the regulations and requirements of the competent regulatory authorities.

In Indonesia, we participate in the mandatory social security programs administered by the Manpower Social Security Agency (*Badan Penyelenggara Jaminan Sosial Ketenagakerjaan*), which covers work accidents, old-age benefits, pension, death benefits and loss of employment, and the Health Social Security Agency (*Badan Penyelenggara Jaminan Sosial Kesehatan*). During the Track Record Period, our Indonesian subsidiaries have complied with the applicable Indonesian laws on employment and labor matters in all material respects, including maintaining valid participation certificates for our employees in the requisite social security programs and remitting the regulatory contributions monthly.

PRC Tax Residency Status of Offshore Subsidiaries

During the Track Record Period and up to the Latest Practicable Date, we have complied, in all material respects, with the relevant PRC tax laws and regulations, including the Enterprise Income Tax Law of the People's Republic of China and its implementation rules. As advised by our PRC legal adviser, having considered the relevant criteria and the actual circumstances of our offshore subsidiaries, our Directors are of the view that our offshore subsidiaries do not constitute PRC tax resident enterprises. Our PRC legal adviser has further confirmed with the competent tax authority that the requisite conditions must be satisfied in full for such classification to apply, and that our offshore subsidiaries do not fall within such scope under their current circumstances.

Compliance with Indonesian LARTAS Framework

As advised by our Indonesian Legal Adviser, certain products imported by one of our Indonesian subsidiaries fall within Indonesian LARTAS framework. Such products primarily comprise electronic goods, textile, and makeup products and are subject to additional import regulatory requirements under the applicable Indonesian import regulations. For details of the LARTAS framework, see "Regulatory Overview — Importation Licensing". Based on the advice of our Indonesian Legal Adviser, we have obtained the requisite licences, approvals and supporting documentation, where applicable, and complied with the applicable requirements under the LARTAS framework in all material respects during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material customs clearance delays, disruptions or other customs clearance issues in connection with the importation of products subject to the LARTAS framework.

TRADE POLICIES

We are subject to risks associated with changes in international trade policies, tariffs, trade restrictions, import controls, customs compliance requirements and product certification requirements. See "Risk Factors — Risks Relating to Our Business and Industry — Our business and financial position may be adversely affected if we are not able to continue servicing the Indonesian market effectively or if there is any adverse change in the regulatory environment, international trade policies or macroeconomic situation in Indonesia, given we derived 93.0% of revenue from Indonesian market in the six months ended June 30, 2026."

Our Directors have assessed the impact of international trade policies on our operations with reference to, among others, the major jurisdictions involved in our procurement and sales activities, the applicable import licensing requirements, tariffs, trade restrictions and import controls in Indonesia, the allocation of tariffs and import-related costs under our procurement arrangements, and the quantitative impact of customs duties and import taxes on our procurement costs, profitability and results of operations during the Track Record Period.

The following table sets out, for each of our principal product categories, the import tariff rates applicable in Indonesia prior to and following the implementation of preferential tariff arrangements under the ACFTA and the RCEP, including the corresponding Most-Favoured-Nation ("**MFN**") tariff rates and the preferential tariff rates available under such trade agreements.

Product Category	BTKI (MFN) Tariffs	ACFTA Tariffs	RCEP Tariffs
Consumer Electronics	0.0%–10.0%	0.0%–5.0%	0.0%–10.0%
Cosmetic Products	0.0%–15.0%	0.0%–5.0%	0.0%–15.0%
Home Appliances	0.0%–20.0%	0.0%	0.0%–10.0%
Hardware, Tools & Cutlery	5.0%–20.0%	0.0%	0.0%–20.0%
Textiles, Apparel & Footwear	5.0%–30.0%	0.0%–5.0%	0.0%–30.0%
Automotive Parts	5.0%–40.0%	5.0%–50.0%	0.0%–20.0%
Leather Goods	15.0%–20.0%	0.0%–5.0%	0.0%–20.0%
Plastic Products	5.0%–22.5%	0.0%–5.0%	0.0%–15.0%
Rubber Products	5.0%–15.0%	0.0%	0.0%–10.0%
Paper Products	0.0%–10.0%	0.0%	0.0%–5.9%
Optical Instruments & Timepieces	5.0%–10.0%	0.0%	0.0%–5.9%
Toys & Miscellaneous Products	5.0%–20.0%	0.0%–5.0%	0.0%–15.0%

Following the implementation of the ACFTA and the RCEP, a number of our product categories have become eligible for preferential tariff treatment, including reduced or nil tariff rates, compared with the corresponding MFN tariff rates that would otherwise have applied in the absence of such trade agreements. The extent of tariff reductions varies across product categories, with certain categories benefiting from a reduction to nil tariff rates. Our Directors are of the view that the availability of such preferential tariff treatment has reduced, and continues to reduce, our import tariff burden in respect of the relevant product categories and helps mitigate our exposure to import-related costs.

As advised by our Indonesian Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, we had complied with the applicable import licensing and regulatory requirements in all material respects. Most of our product categories are not subject to import quota requirements. However, certain textile products imported by one of our Indonesian subsidiaries are subject to import quota requirements under the LARTAS framework. The relevant subsidiary has obtained the necessary approvals and documentation in respect of the importation of such textile products. In addition, none of our product categories are subject to import prohibitions. We have not experienced any material customs clearance delays, disruptions or other customs-related issues in connection with the importation of our products. Taking into account the foregoing, our Directors are of the view that international trade policies, including applicable tariffs, trade restrictions and import controls, did not have any material adverse effect on our business, financial condition or results of operations during the Track Record Period.

Taking into account that (i) a substantial portion of our products are eligible for preferential tariff treatment under the ACFTA and the RCEP, (ii) most of our product categories are not subject to import quota requirements and none are subject to import prohibitions, (iii) we have complied with applicable import licensing and customs requirements in all material respects and have not experienced any material customs clearance issues during the Track Record Period, and (iv) we have the ability to adjust pricing and product mix in response to changes in procurement costs, our Directors are of the view that the international trade policies applicable to our product categories did not have, and are not expected to have, a material adverse effect on our business, financial condition or results of operations.

RISK MANAGEMENT AND INTERNAL CONTROL

We are exposed to various risks in the operations of our business and we believe that risk management is important to our success. We established and maintain a robust risk management and internal control system. We have adopted and continuously improved our internal control mechanisms to ensure the compliance of our business operations. In particular, in view of our Groups' geographical reach in respect of our cross-border retail business, we have established a set of extensive internal

policies for our cross-border retail business. We maintain dedicated teams responsible for cross-border customs matters and local legal matter to ensure that product import qualifications and sales comply with applicable local laws and regulations. We conduct regular trainings and require employees to be familiar with the legal and regulatory requirements governing the sale and distribution of consumer goods in our target markets, and we adhere to such requirements when selecting product categories for sale in specific markets. Our policies also established internal selection procedures for local logistic service providers, including conducting site visits if necessary, to ensure they are familiar with local laws and regulations with appropriate capacities and manpower in handling regulatory matters, and to include provisions in the agreements with logistic service providers that they will be responsible for the compliance of such local laws and regulations in the jurisdictions to which we sold and deliver products. We have been committed to promoting a compliance culture and will adopt policies and procedures on various compliance matters, including the Stock Exchange's requirements on corporate governance and matters. Our Board has established an Audit Committee responsible for the establishment and ongoing enhancement of our internal control and risk management systems. Our Internal Control and Audit Department conducts routine sampling inspections and implements dynamic audit projects to supervise and ensure the effective execution of internal control procedures and measures across our subsidiaries and functional departments.

In addition, in light of our expansion into emerging markets such as Vietnam, Thailand and the Philippines, we have implemented targeted measures to manage the risks associated with operating in such jurisdictions. We engage local legal and compliance advisers and maintain localised operating teams to monitor regulatory developments and ensure compliance with applicable laws and regulations in such markets. We also adopt a localised operating model, under which we tailor our product offerings, pricing strategies and marketing approaches to local consumer preferences and market conditions. Furthermore, we leverage our digitalised supply chain system and local warehousing and logistics capabilities to address infrastructure constraints and enhance operational efficiency. We also implement prudent treasury and cash flow management policies to mitigate foreign exchange and capital repatriation risks. Through these measures, we aim to enhance the resilience of our operations in emerging markets.

AWARDS AND RECOGNITION

As of the Latest Practicable Date, we had received a number of prestigious awards and rankings in recognition of our business success, the quality of our products and services. Certain of such awards and recognitions we received in recent years are set out below.

Year	Awards and Recognitions	Awarding Authority
2025	Globalization Investment Value Brand TOP10 (2025福布斯中國出海全球化投資價值品牌 TOP10)	Forbes China
2025	Ram Charan Management Practice Award — Globalization Enterprise Practice Award: Pioneer in Southeast Asia Brand Globalization and New Retail (拉姆·查蘭管理實踐獎：全球化企業實踐獎 — 東南亞品牌出海與新零售先鋒)	Harvard Business Review China Annual Conference
2025	Excellent Cases of Guangdong Cross-Border E-Commerce Brands Going Global (廣東跨境電商品牌出海優秀案例)	Guangdong Provincial Department of Commerce (廣東省商務廳)

Year	Awards and Recognitions	Awarding Authority
2024	2024 Top 100 Benchmark Specialised, Refined, Distinctive, Innovative Enterprises in Science and Technology (2024粵港澳大灣區科創專精特新標杆企業TOP100)	Shenzhen-Hong Kong-Macao Science and Technology Innovation Conference Organizing Committee (深港澳科創大會組委會)
2024	China's Top 100 Industrial Internet Enterprises 2024 (2024年中國產業互聯網百強企業)	2024 China Industrial Internet Industry Awards Selection Committee (2024年中國產業互聯網行業獎項評選組委會)
2022–2025	2022–2023 VIVAN and ROBOT Brands; 2024–2025 VIVAN/ROBOT/SAMONO Brands — Indonesia SUPERBRANDS Award (2022–2023年VIVAN及ROBOT品牌, 2024年–2025年VIVAN/ROBOT/SAMONO品牌印尼SUPERBRANDS獎)	SUPERBRANDS
2023	2023 Shenzhen Specialised, Refined, Distinctive and Innovative SMRs (2023年深圳市專精特新中小企業)	Shenzhen Municipal Bureau of Small and Medium Enterprises Services (深圳市中小企業服務局)
2019, 2022	National High-Tech Enterprise (2019–2021 and 2022–2024) (2019年至2021年及2022年至2024年國家高新技術企業)	Shenzhen Municipal Science, Technology and Innovation Commission, Shenzhen Municipal Finance Bureau, and Shenzhen Municipal Taxation Bureau of the State Taxation Administration (深圳市科技創新委員會、深圳市財政局、國家税務總局深圳市税務局)