

SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. Moreover, there are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors.” You should read the entire document carefully before you decide to [REDACTED] in the [REDACTED].

WHO WE ARE

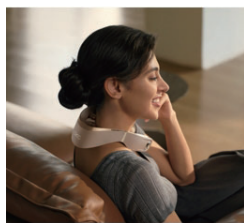
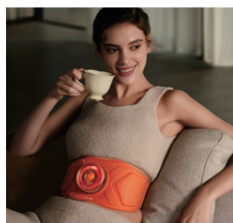
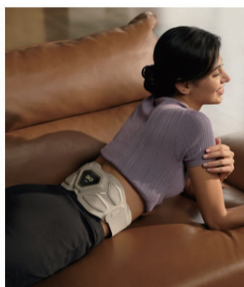
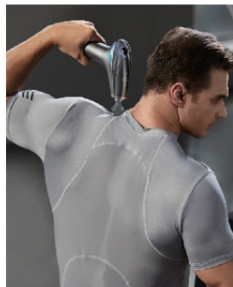
We are a health technology company that develops smart devices for soothing, recovery, and everyday health management across wearables and home products. Since 2016, we have developed a broad range of smart health devices and become a notable brand of smart soothing wearables in China and the world. Our product portfolio includes smart soothing wearables, fitness recovery and toning gear, smart health watches, and wellness-focused home products. Many of our products use well-established wellness technologies such as medium-frequency pulse and transcutaneous electrical nerve stimulation (TENS), both of which are commonly used therapies for pain relief and muscle rehabilitation, bringing proven technologies into lightweight consumer devices for everyday health management.

According to Frost & Sullivan, we ranked first among domestic players in China’s smart soothing wearables industry by GMV, with a 21.6% domestic market share in 2025. We also played a leading role in developing the national standard for “Household and Similar Use Low-Frequency Massage Instruments” under the guidance of the Ministry of Industry and Information Technology, contributing to the formalization of industry standards for smart soothing wearables.

OUR PRODUCTS

Our products, designed for everyday contexts, including home, office, fitness, and travel, address needs such as soothing discomfort, tracking key health metrics, supporting fitness recovery, and promoting household wellness, enabling both immediate relief and longer-term health management. We also apply technologies widely used in medical fields to consumer electronics, helping narrow the gap between professional healthcare standards and personal wellness tools. As of May 31, 2026, we had 1,554 registered patents worldwide, including 306 authorized invention patents, and we also filed 447 patent applications pending approval, including 384 invention patent applications. Our design capabilities have been recognized with numerous awards including the Red Dot Design Award and the iF Design Award.

The following diagram sets forth certain of our products under our major product categories:



Smart Soothing
Wearables

Fitness Recovery
and Toning Gears

Smart Health
Watches

Wellness-Focused
Home Products

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Smart soothing wearables. We are a notable provider of smart soothing wearable solutions for the neck and waist, and we offer smart soothing wearables for additional body areas, including the shoulder, waist, eyes, knees and legs. Our products combine pulse stimulation, kneading, heat therapy, and red-light technology to provide non-invasive relief for everyday discomfort. Users can control settings through a mobile app to adjust massage techniques and intensity, upgrade massage modes online, and personalize programs. We also incorporate technologies widely used in medical fields in lightweight and portable designs, such as TENS, an electrotherapy technique that delivers electrical stimulation through the skin to relieve pain by interrupting the transmission of pain signals from underlying nerve receptors.

Fitness recovery and toning gears. Our abdominal belt and fascia guns are designed for muscle relaxation, recovery, and toning, particularly after workouts. The abdominal belt uses Electrical Muscle Stimulation (EMS), an electrotherapy technique that uses electrical impulses to stimulate muscle contractions for muscle strengthening and wound healing, to trigger rhythmic muscle contractions for abdominal toning, and it also provides pulse vibration and heat therapy to enhance blood circulation, reduce fatigue, and provide comfort during menstruation. Our fascia guns use brushless motors to deliver high-frequency, deep-tissue percussion for deep muscle relaxation while maintaining quiet operation.

Smart health watches. Our smart health watches provide 24/7 vital sign monitoring and send automatic SMS and app alerts when abnormal changes in blood pressure, heart rate, or blood oxygen levels are detected. Using oscillometric technology (as used in professional blood pressure monitors) and a miniature air pump, the watches deliver blood pressure measurement accuracy of ± 3 mmHg. They also support millisecond heart rate monitoring and electrocardiogram (ECG) recording, one-touch blood pressure measurement, sleep analysis, multi-mode sports tracking, and medication and other personalized reminders.

Wellness-focused home products. Our wellness-focused home products include smart massage sofa chairs and sleep pillows. The smart massage sofa chair provides 3D flexible movement in horizontal, vertical, and forward directions to simulate hand-like massage for sore and stiff muscles. It delivers tailored massage programs for different body parts to reduce muscle fatigue after exercise or daily activity. The sleep pillow combines TENS and EMS pulse technologies with soothing heat therapy to provide ergonomic support and pain relief, including for neck discomfort associated with poor sleep posture.

See “Business – Our Products” for more details.

OUR BUSINESS MODEL

Business Segments

We engage in the design, development, branding and sale of smart, user-oriented health and wellness products. During the Track Record Period, we generated substantially all of our revenue from sales of our products. Among our four primary product categories, smart soothing wearables have historically been our largest segment, accounting for 85.3%, 82.4%, 70.9%, 76.2% and 69.2% of our revenue from product sales, respectively, in 2023, 2024, 2025 and for the five months ended May 31, 2025 and 2026, while fitness recovery and toning gears increased as a share of revenue over the same years/periods, accounting for 9.4%, 13.2%, 24.2%, 20.6% and 23.4% of our revenue from product sales, respectively.

Sales and Distribution

We sell through an integrated online and offline network, with a distributor-led model as our primary route to market, supplemented by growing direct sales. Under our distributor model, we have established long-term, mutually beneficial distributorships supported by a structured management system, leveraging distributors’ established channels and local market insight to scale efficiently and expand coverage. Distributor sales represented the majority of our product sales revenue during the Track Record Period, accounting for 90.8%, 88.1%, 80.9%, 83.4% and 78.4% in 2023, 2024, 2025 and for the five months ended May 31, 2025 and 2026.

Online distribution is conducted largely through authorized distributors operating stores on major e-commerce and social commerce platforms, such as Tmall, JD. and TikTok. Offline

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distribution is primarily conducted through offline distributors selling through physical retail stores and their networks. Beginning in late 2024, we also operate direct-to-consumer stores at select offline locations, which we use to strengthen brand presence, improve consumer engagement and support product iteration.

See “Business – Our Sales Network and Pricing” for more details.

Our Customers

Our customers comprise distributors, and direct sales customers, which include corporations and individuals. Our revenue is meaningfully concentrated among major channel partners. During the Track Record Period, our five largest customers in each year/period during the Track Record Period accounted for 52.0%, 44.4%, 34.3% and 35.7% of our revenue, respectively, in 2023, 2024, 2025 and for the five months ended May 31, 2026, and our largest customer in each year/period during the Track Record Period accounted for 16.4%, 14.0%, 11.1% and 9.2% of revenue in those years/periods, respectively.

See “Business – Customers” for more details.

Production and Supply Chain Management

We prioritize in-house production to support consistent quality, timely delivery and cost efficiency, while using outsourcing and procurement of certain finished goods to enhance operational flexibility, particularly when exploring new categories in established markets, such as knee and leg soothing wearables, and lumbar support cushions.

We have built the SKG Future Health Digital Manufacturing Base in Foshan, Guangdong, a comprehensive production facility designed to support the complete development-to-production lifecycle for our major products. Commencing operations in 2024, this manufacturing facility is equipped to perform key processes such as surface mount technology (“SMT”) assembly, component production (including ceramic air pump production for certain products), final assembly, and testing. We also engage third-party manufacturers primarily for certain non-core products, including certain soothing wearables, sleep pillows and fascia guns, while maintaining oversight through our design requirements, manufacturing standards and quality specifications. As of the Latest Practicable Date, as advised by our PRC legal advisor, our major products are not classified as medical devices and thus are not subject to medical device registration or filing obligations.

See “Business – Production and Supply Chain Management” for more details.

Our Suppliers

We procure raw materials and components from third-party suppliers and manage supplier risk through multi-sourcing and ongoing evaluation. We also rely on third-party logistics and warehousing service providers to support distribution efficiency and nationwide coverage. During the Track Record Period, we did not encounter any difficulties in sourcing suppliers for raw materials, nor did we experience any significant production disruptions due to shortages. In 2023, 2024, 2025 and for the five months ended May 31, 2026, our purchases from our five largest suppliers in each year/period during the Track Record Period accounted for 26.1%, 14.3%, 33.5% and 34.0% of our total purchases for the same years/periods, respectively. Our purchases from our largest supplier in each year/period accounted for 14.9%, 4.2%, 12.5% and 16.7% of our total purchases for the same years/periods, respectively.

See “Business – Suppliers” for more details.

Our business model also integrates user-centric product innovation, dynamic brand building, ongoing user engagement, into a cohesive system intended to drive sustainable competitiveness. Together, these capabilities help us track technological trends, respond quickly to customer needs, and continually improve product competitiveness and customer service, supporting sustainable growth and profitability. During the Track Record Period, our revenue remained relatively stable at RMB1,045.8 million in 2023 and RMB1,044.8 million in 2024, and further increased by 16.5% to RMB1,217.5 million in 2025. Revenue for the five months ended

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May 31, 2026 was RMB645.7 million, representing an increase of 52.0% from RMB424.9 million for the same period in 2025. Our net profit increased from RMB126.5 million in 2023 to RMB135.5 million in 2024, and remained relatively stable at RMB131.8 million in 2025. Our net profit for the five months ended May 31, 2026 was RMB61.6 million, up by 30.1% from RMB47.4 million for the same period in 2025. Our return on equity reached 20.1%, 18.4%, 17.1% in 2023, 2024 and 2025, respectively.

OUR TECHNOLOGIES

We have built our technology platform to translate physical therapy concepts into consumer wearables that are effective, comfortable, and safe for everyday use. At the core is our ability to miniaturize medium-frequency pulse stimulation – traditionally constrained by bulky electronics and power isolation – through waveform modulation circuits, compact power conversion, and proprietary waveform algorithms, enabling deeper-penetrating pulse performance in small devices without compromising effectiveness. Building on this stimulation engine, we enhance coverage with multi-channel waveform control, coordinating electrode position, waveform, frequency, and duration across 2/4/6/8 electrodes to better emulate three-dimensional massage sensations such as knocking and kneading. We translate these capabilities into products through our TENS and EMS application technologies: our TENS solutions deliver customized low-current, low-voltage pulses via skin-friendly electrodes with precise control and sensor feedback to help relieve soreness, while our EMS solutions use defined pulse width and frequency ranges to drive targeted muscle contractions that help reduce stiffness and fatigue associated with prolonged sitting and poor posture. Our TENS and EMS pulse technologies combine electrical stimulation with physical massage to deliver deep stimulation and human-like massage effects for dual-layer soothing relief, while the most competing products on the market only rely on physical kneading to provide relaxation of superficial muscles.

Our devices are supported by an IoT connectivity layer that enables app-based control, human-computer interaction, OTA updates, and secure data interconnection with our health data platform for real-time monitoring. We reinforce safety and comfort using impedance-based pulse transient protection, adaptive clamping structures and integrated multi-head “finger-like” massage assemblies.

We believe our technology accumulation is competitive within the industry. For example, according to Frost & Sullivan, we were one of the first to apply medium-frequency pulse technologies to smart soothing wearables, and one of the first to integrating oscillometric method with advanced piezoelectric ceramic technology. These technologies also constitute a kind of medical-grade applications. Collectively, our sustained investment in research and development has produced a cohesive portfolio of proprietary technologies that underpins our differentiation.

See “Business – Our Technologies” for more details.

MARKET OPPORTUNITY AND COMPETITION

As public awareness of proactive health management grows, consumer demand for technologies widely applied in medical fields and personalized health solutions is surging. This shift is fueling market expansion, positioning smart health wearables as a key growth driver within the broader health technology landscape.

Globally, the smart health wearables market was valued at US\$46.6 billion in 2025 and is projected to reach US\$94.7 billion in 2030, reflecting a CAGR of 15.1%. In China, the market reached RMB71.1 billion in 2024 and is expected to grow at a CAGR of 14.9%, reaching RMB142.1 billion in 2030.

We are well positioned to capture these growth opportunities. Leveraging our user-centric innovation, technology foundation, efficient distribution model and comprehensive manufacturing capabilities, we have built a competitive advantage in the smart soothing wearables market. According to Frost & Sullivan, based on GMV in 2025, we ranked first in China’s smart soothing wearables market with a 21.6% market share, and first globally with a 4.6% market share.

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We have faced, and expect to continue to face, competition from existing and emerging domestic and international players, some of which may benefit from stronger brand recognition, greater financial resources, more affordable and/or more advanced products, or a stronger ability to respond to evolving market trends. To remain competitive, we will continue to strengthen technological innovation while accelerating the development and deployment of medical-grade technologies to enhance product credibility and professionalism, reinforce brand trust and repeat purchase momentum, and translate our technological and design strengths into premium pricing. We believe these initiatives will enable us to set new industry benchmarks and help drive the next wave of adoption of smart health wearables.

OUR STRENGTHS

Our strengths include: (i) a leader in smart soothing wearables industry in China; (ii) product portfolio driven by user-centric innovation; (iii) innovation powered by high-performance technology engine; (iv) effective distribution model driving market reach; (v) smart manufacturing and supply chain synergy advantages; and (vi) our culture of simplicity, openness and innovation, and insightful management team.

See “Business – Strengths” for more details.

OUR STRATEGIES

Our strategies include: (i) drive portfolio expansion toward professional solutions; (ii) increase R&D investment; (iii) strengthen market presence and brand image; (iv) expand global footprint and enhance omni-channel sales network; and (v) pursuing strategic alliances to expand market reach.

See “Business – Strategies” for more details.

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, which are set out in the section headed “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to [REDACTED] in our Shares. Some of the major risks we face include: (i) we may fail to anticipate and respond to rapid changes in consumer preferences and demand in the smart health wearables market. If market adoption of our products does not continue to grow according to expectations, it could materially and adversely affect our business, financial condition and results of operations; (ii) failure to effectively maintain or enhance our brand value may materially and adversely affect our future success; (iii) our business and prospects depend on our ability to build our brand and reputation, which could be harmed by negative publicity regarding us, our Directors, employees, branding or products. Any negative publicity, whether warranted or not, could adversely affect our business; (iv) if we are unable to design, develop or introduce new products that adapt to changing market demand in a timely manner, our future business, financial condition, results of operations and competitive position would be materially and adversely affected; and (v) the industry in which we operate is highly competitive. If we fail to compete successfully with our existing or potential competitors, our business, financial condition and results of operations may be materially and adversely affected.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss

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

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	For the Year Ended December 31,						For the Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						(Unaudited)			
Revenue	1,045,822	100.0	1,044,792	100.0	1,217,540	100.0	424,908	100.0	645,683	100.0
Cost of sales	(532,086)	(50.9)	(534,393)	(51.1)	(614,795)	(50.5)	(209,646)	(49.3)	(334,721)	(51.8)
Gross profit	513,736	49.1	510,399	48.9	602,745	49.5	215,262	50.7	310,962	48.2
Other income and gains . . .	49,265	4.7	51,720	5.0	57,786	4.7	23,708	5.6	28,281	4.4
Selling and marketing expenses	(215,957)	(20.6)	(225,614)	(21.6)	(288,237)	(23.7)	(105,330)	(24.8)	(152,583)	(23.6)
Administrative expenses . . .	(112,695)	(10.8)	(101,507)	(9.7)	(142,770)	(11.7)	(48,729)	(11.5)	(68,379)	(10.6)
Research and development costs	(95,505)	(9.1)	(79,178)	(7.6)	(73,278)	(6.0)	(28,825)	(6.8)	(38,364)	(5.9)
Impairment losses on financial assets, net	(723)	(0.1)	(648)	(0.1)	(1,440)	(0.1)	(88)	(0.0)	(1,313)	(0.2)
Other expenses	(1,259)	(0.1)	(3,225)	(0.3)	(5,342)	(0.4)	(1,794)	(0.4)	(10,920)	(1.7)
Finance costs	(913)	(0.1)	(2,293)	(0.2)	(2,840)	(0.2)	(1,310)	(0.3)	(1,939)	(0.3)
Profit before tax	135,949	13.0	149,654	14.4	146,624	12.0	52,894	12.4	65,745	10.2
Income tax expense	(9,422)	(0.9)	(14,195)	(1.4)	(14,831)	(1.2)	(5,505)	(1.3)	(4,102)	(0.6)
Profit for the year/period .	126,527	12.1	135,459	13.0	131,793	10.8	47,389	11.2	61,643	9.5

For details, see “Financial Information – Key Components of Our Consolidated Statements of Profit or Loss.”

Non-IFRS Measures

To supplement our consolidated financial statements which are presented under IFRS, we also use adjusted net profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that such non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of certain items. These measures provide useful information to [REDACTED] and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net profit (non-IFRS measure) as profit for the year/period adjusted for (i) equity-settled share-based payment expenses, representing non-cash expenses arising from granting share options and restricted shares to eligible individuals, and (ii) [REDACTED] expenses, representing expenses incurred in connection with the [REDACTED], the previous application for the listing of our Shares on the ChiNext market of the Shenzhen Stock Exchange and the listing of our Shares on the NEEQ.

The following table sets forth a reconciliation of our profit for the year/period to adjusted net profit (non-IFRS measure) for the years/periods indicated.

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	For the Year Ended December 31,			For the Five Months Ended May 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			(Unaudited)	
Profit for the year/period . . .	126,527	135,459	131,793	47,389	61,643
Add back:					
Equity-settled share-based					
payment expenses	(8,385)	(9,491)	4,547	2,423	5,707
[REDACTED] expenses⁽¹⁾ . . .	4,799	–	20,402	–	2,700
Non-IFRS measures:					
Adjusted net profit					
for the year/period					
(non-IFRS measure)	122,941	125,968	156,742	49,812	70,050
Adjusted net profit margin					
(non-IFRS measure) (%) . . .	11.8	12.1	12.9	11.7	10.8

Note:

⁽¹⁾ The amounts include the [REDACTED] expenses in connection with previous A share listing attempts and the [REDACTED] that are expensed in profit or loss.

Our adjusted net profit (Non-IFRS measure) increased from RMB122.9 million in 2023 to RMB126.0 million in 2024, primarily attributable to the decrease in administrative expenses and research and development costs resulting from the optimization of our personnel structure and improved operational efficiency, despite our revenue remaining relatively stable during the same year. Our adjusted net profit (Non-IFRS measure) increased from RMB126.0 million in 2024 to RMB156.7 million in 2025, primarily attributable to the growth in our revenue and gross profit driven by the successful launch of new products. Our adjusted net profit (Non-IFRS measure) increased from RMB49.8 million for the five months ended May 31, 2025 to RMB70.1 million for the five months ended May 31, 2026, primarily attributable to the overall growth in our revenue and gross profit, partially offset by increases in selling and marketing expenses and administrative expenses driven by the expansion of our sales team and administrative team.

Our net profit increased from RMB126.5 million in 2023 to RMB135.5 million in 2024, primarily attributable to the decrease in administrative expenses and research and development costs as mentioned above. Our net profit remained relatively stable, decreasing slightly to RMB131.8 million in 2025. This stability was mainly due to the robust growth in our revenue and gross profit being largely offset by an increase in selling and marketing expenses to support market expansion, as well as substantial one-off [REDACTED] expenses incurred in connection with the [REDACTED]. Our net profit increased from RMB47.4 million for the five months ended May 31, 2025 to RMB61.6 million for the five months ended May 31, 2026, primarily attributable to the overall growth in our revenue and gross profit, partially offset by increases in selling and marketing expenses and administrative expenses.

Revenue

Our total revenue was RMB1,045.8 million, RMB1,044.8 million, RMB1,217.5 million, RMB424.9 million and RMB645.7 million in 2023, 2024 and 2025 and for the five months ended May 31, 2025 and 2026, respectively.

Revenue by Source

During the Track Record Period, our revenue was principally generated from the sale of our products. A small portion of our revenue was also generated from other sources, which primarily

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consists of revenue from the provision of product refurbishment services and the sale of accessories and materials. Product refurbishment services refer to services where our factory repairs and repackages non-defective products (whose issues are not caused by our product quality), restoring them to ready-to-sell condition, and charge customers a refurbishment fee for such services. Accessories sales refer to the sale of compatible spare parts of our products (exceeding the free allowance) to customers, for which we collect corresponding payments.

The following table sets forth a breakdown of our revenue by source for the years/periods indicated.

	For the Year Ended December 31,						For the Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						(Unaudited)			
Revenue										
Sale of products . . .	1,040,354	99.5	1,038,888	99.4	1,206,897	99.1	421,465	99.2	639,619	99.1
Others	5,468	0.5	5,904	0.6	10,643	0.9	3,443	0.8	6,064	0.9
Total	1,045,822	100.0	1,044,792	100.0	1,217,540	100.0	424,908	100.0	645,683	100.0

Revenue from the Sale of Products by Product Type

Our products are broadly categorized into four categories: (i) smart soothing wearables, (ii) fitness recovery and toning gears, (iii) smart health watches, and (iv) wellness-focused home products. Smart soothing wearables – our core product line and primary driver of our historical revenue growth – mainly include devices designed for shoulder and neck, waist, eyes, as well as devices for other body parts, primarily knees and legs. Fitness recovery and toning gears primarily comprise fascia guns and abdominal toners, as well as other products related to fitness recovery and toning.

The following table sets forth a breakdown of our revenue from the sale of products by product category for the years/periods indicated.

	For the Year Ended December 31,						For the Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						(Unaudited)			
Revenue from the sale of products										
Smart soothing wearables										
Shoulder and neck soothing wearables	509,167	48.9	522,158	50.3	500,119	41.4	192,435	45.7	237,398	37.1
Waist soothing wearables . . .	252,089	24.2	205,684	19.8	209,843	17.4	75,353	17.9	134,386	21.0
Eye soothing wearables	82,498	7.9	92,274	8.9	93,024	7.7	33,316	7.9	42,706	6.7
Other smart soothing wearables ⁽¹⁾	44,582	4.3	35,408	3.4	52,867	4.4	19,978	4.7	27,922	4.4
Subtotal	888,336	85.3	855,524	82.4	855,853	70.9	321,082	76.2	442,412	69.2
Fitness recovery and toning gears	97,213	9.4	138,248	13.2	291,935	24.2	86,700	20.6	149,353	23.3
Smart health watches	47,997	4.6	23,608	2.3	7,128	0.6	3,690	0.9	5,560	0.9
Wellness-focused home products⁽²⁾	6,808	0.7	21,508	2.1	51,981	4.3	9,993	2.4	42,294	6.6
Total	1,040,354	100.0	1,038,888	100.0	1,206,897	100.0	421,465	100.0	639,619	100.0

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Notes:

- (1) Other smart soothing wearables primarily include knee and leg soothing wearables.
- (2) Wellness-focused home products primarily consist of items such as smart massage sofa chairs and sleep pillows.

Among our four primary product categories, smart soothing wearables have historically been our largest segment. Revenue from smart soothing wearables remained relatively stable between 2023 and 2025, with a decrease of 3.7% in 2024 primarily due to lower sales of our waist soothing wearables after we reallocated resources toward the R&D and sales of waist fitness recovery devices. Revenue from this segment increased by 37.7% in the five months ended May 31, 2026 compared to the same period in 2025, primarily driven by a recovery in consumer demand stimulated by national subsidy policies and the expansion of our distribution channels.

Revenue from fitness recovery and toning gear increased by 42.2% in 2024 and by 111.2% in 2025, and further increased by 72.3% in the five months ended May 31, 2026. These increases were primarily driven by our successful launch of several new and upgraded products – most notably our waist fitness recovery devices and abdominal toning devices – supported by increased R&D investment and direct sales channels.

Revenue from smart health watches declined between 2023 and 2025 primarily because we shifted strategic focus and resources toward the R&D of next-generation products featuring advanced health alert capabilities in preparation for product upgrades. Revenue from this category increased by 50.7% in the five months ended May 31, 2026 compared to the same period in 2025, primarily driven by the sales contributions from our newly launched health-alert watches.

Revenue from wellness-focused home products increased throughout the Track Record Period primarily due to the increase in sales of sleep pillows and the enrichment of our product portfolio.

Revenue from the Sale of Products by Sales Channel

The following table sets forth a breakdown of revenue by our sales channels in an absolute amount and as a percentage of total revenue from product sales for the years/periods indicated.

	For the Year Ended December 31,						For the Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(in thousands, except for percentages)						(Unaudited)				
Revenue from the sale of products										
Distribution sales										
Online distribution	578,450	55.6	585,926	56.4	553,591	45.9	209,444	49.7	279,156	43.7
Offline distribution	366,577	35.2	329,820	31.7	423,060	35.0	141,984	33.7	222,061	34.7
Subtotal	945,027	90.8	915,746	88.1	976,651	80.9	351,428	83.4	501,217	78.4
Direct sales ⁽¹⁾	84,663	8.1	116,365	11.2	208,877	17.3	64,354	15.3	130,665	20.4
Others ⁽²⁾	10,664	1.1	6,777	0.7	21,369	1.8	5,683	1.3	7,737	1.2
Total	1,040,354	100.0	1,038,888	100.0	1,206,897	100.0	421,465	100.0	639,619	100.0

SUMMARY

Notes:

- (1) Revenue from direct sales is primarily generated through our self-operated online stores. We also commenced our direct sales through offline channels in late 2024.
- (2) Others represent revenue generated from ODM sales and consignment sales.

Our revenue from distribution sales decreased from RMB945.0 million in 2023 to RMB915.7 million in 2024, mainly because we streamlined our distribution structure by terminating our partnership with a major national distributor in early 2024 to directly manage regional distributors, which led to a temporary decrease in sales during the transition period. Our revenue from distribution sales then increased to RMB976.7 million in 2025, primarily reflecting the successful scaling up of our offline distribution network and the steady performance of our regional distribution model. Our revenue from direct sales experienced significant and continuous growth during the Track Record Period, increasing from RMB84.7 million in 2023 to RMB116.4 million in 2024, and further increasing to RMB208.9 million in 2025. This robust growth was primarily attributable to (i) our strategic transition to self-operated stores on major social e-commerce platforms, (ii) the strong performance of our high-end product series on international online platforms and (iii) our expanding offline retail self-operated stores following the consolidation of the acquired OTO entities in 2025. Our revenue from distribution sales increased from RMB351.4 million for the five months ended May 31, 2025 to RMB501.2 million for the five months ended May 31, 2026, primarily driven by the recovery of consumer demand stimulated by national subsidy policies benefiting our major e-commerce distribution channels, alongside the explosive growth of our offline distribution. Our revenue from direct sales also demonstrated robust growth, increasing from RMB64.4 million to RMB130.7 million over the same periods, largely attributable to the strong performance of our online self-operated stores, the rapid scale-up of our emerging international online direct sales channels, and the continued integration and full-period contribution of offline direct sales from the acquired OTO entities.

Gross Profit and Gross Margin

In 2023, 2024, 2025 and for the five months ended May 31, 2025 and 2026, our gross profit was RMB513.7 million, RMB510.4 million, RMB602.7 million, RMB215.3 million and RMB311.0 million, respectively, representing a gross margin of 49.1%, 48.9%, 49.5%, 50.7% and 48.2%, respectively.

Our gross profit remained relatively stable at RMB513.7 million in 2023 and RMB510.4 million in 2024. This stability was primarily due to the significant increase in gross profit from our fitness recovery and toning gears driven by the launch of new products, which partially offset the decrease in gross profit from our smart soothing wearables resulting from our strategic resource reallocation. Our gross profit increased to RMB602.7 million in 2025, primarily attributable to the substantial growth in gross profit from our fitness recovery and toning gears, as well as the stable performance of our smart soothing wearables. Our gross profit increased from RMB215.3 million for the five months ended May 31, 2025 to RMB311.0 million for the five months ended May 31, 2026, primarily attributable to the overall growth in our sales volume and revenue.

Our gross margin remained relatively stable at 49.1% in 2023 and 48.9% in 2024. The slight decrease was primarily due to the higher revenue contribution from fitness recovery and toning gears which carried relatively lower gross margin compared to smart soothing wearables, despite the increase in gross margins of both product categories individually. The lower margin in fitness recovery and toning gear was primarily due to intense competition and our relatively recent entry into the segment, which required more aggressive pricing. Our gross margin increased from 48.9% in 2024 to 49.5% in 2025, primarily driven by the robust revenue growth and the increased revenue contribution from our direct sales channels, particularly online e-commerce platforms such as Douyin and Amazon. By strategically expanding our online direct sales operations, we successfully optimized our channel mix and captured a higher margin profile by engaging directly with end consumers. Our gross profit margin decreased from 50.7%

SUMMARY

for the five months ended May 31, 2025 to 48.2% for the five months ended May 31, 2026, primarily attributable to the scaling up of our physical massage products, which generally carry relatively lower margins.

Gross Profit from the Sale of Products

The following table sets forth our gross profit from the sale of products and the corresponding gross margin by product type for the years/periods indicated.

	For the Year Ended December 31,						For the Five Months Ended May 31,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						(Unaudited)			
Sale of products										
Smart smoothing wearables . .	446,167	50.2	435,146	50.9	455,245	53.2	174,495	54.3	221,919	50.2
Fitness recovery and toning gears	39,941	41.1	59,316	42.9	123,033	42.1	38,463	44.4	66,305	44.4
Smart health watches	27,994	58.3	13,441	56.9	3,218	45.1	1,972	53.4	1,403	25.2
Wellness-focused home products	2,939	43.2	7,695	35.8	21,095	40.6	2,913	29.2	24,184	57.2
Total	517,041	49.7	515,598	49.6	602,591	49.9	217,843	51.7	313,811	49.1

Key Items on Consolidated Statements of Financial Position

The following table sets forth the selected information from our consolidated balance sheets as of the dates indicated.

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current assets				
Property, plant and equipment . .	298,886	301,194	309,855	327,747
Investment properties	638	577	515	489
Right-of-use assets	84,883	83,211	95,575	105,210
Intangible assets	25,396	27,204	35,424	33,108
Deferred tax assets	3,329	3,745	5,314	11,943
Prepayments, other receivables and other assets	12,946	4,591	6,827	6,341
Time deposits	—	142,452	146,092	—
Certificates of deposit	128,144	49,283	29,365	—
Restricted bank deposits	—	50,839	—	—
Total non-current assets	554,222	663,096	628,967	484,838
Current assets				
Inventories	70,104	60,941	87,484	97,709
Trade and bills receivables	45,001	43,390	86,997	106,529
Prepayments, other receivables and other assets	60,789	72,077	72,693	83,088
Financial assets at fair value through profit or loss	100,346	200,599	243,096	516,925
Time deposits	—	—	101,737	212,162
Certificates of deposit	—	132,391	21,358	51,319
Restricted bank deposits	76,661	40,803	123,937	35,661
Cash and cash equivalents	313,433	88,521	94,847	98,209
Total current assets	666,334	638,722	832,149	1,201,602

SUMMARY

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Current liabilities				
Trade and bills payables	278,595	253,203	360,407	479,552
Contract liabilities	8,980	22,817	18,756	13,511
Other payables and accruals ...	174,026	135,144	138,405	125,830
Interest-bearing bank borrowings	12,663	70,042	180,061	220,061
Lease liabilities	4,822	4,161	13,441	12,917
Tax payable	5,753	9,235	2,698	6,641
Provision	2,025	4,647	2,918	3,718
Total current liabilities	486,864	499,249	716,686	862,230
Net current assets	179,470	139,473	115,463	339,372
Total assets less current liabilities	733,692	802,569	744,430	824,210
Non-current liabilities				
Interest-bearing bank borrowings	57,400	—	—	—
Lease liabilities	985	1,229	5,397	17,076
Deferred income	727	640	1,187	1,145
Total non-current liabilities ..	59,112	1,869	6,584	18,221
Net assets	674,580	800,700	737,846	805,989

Our net current assets increased from RMB115.5 million as of December 31, 2025 to RMB339.4 million as of May 31, 2026, primarily due to (i) an increase in financial assets at FVTPL of RMB273.8 million, and (ii) an increase in time deposits of RMB110.4 million, partially offset by (i) an increase in trade and bills payables from RMB119.1 million, (ii) decrease in restricted bank deposits of RMB88.3 million, and (iii) an increase in interest-bearing bank borrowing of RMB40.0 million.

Our net current assets decreased from RMB139.5 million as of December 31, 2024 to RMB115.5 million as of December 31, 2025, primarily due to (i) an increase in trade and bills payables of RMB107.2 million and (ii) an increase in interest-bearing bank borrowings of RMB110.0 million, partially offset by (i) an increase in time deposits of RMB101.7 million and (ii) an increase in restricted bank deposits of RMB83.1 million.

Our net current assets decreased from RMB179.5 million as of December 31, 2023 to RMB139.5 million as of December 31, 2024, primarily due to (i) a decrease in cash and cash equivalents of RMB224.9 million, and (ii) an increase in interest-bearing bank borrowings of RMB57.4 million, partially offset by (i) an increase in certificates of deposit of RMB132.4 million, and (ii) an increase in financial assets at fair value through profit or loss of RMB100.3 million.

Our net assets increased to RMB800.7 million as of December 31, 2024, which was primarily due to profit for the year of RMB135.5 million. Our net assets decreased to RMB737.8 million as of December 31, 2025, which was primarily due to dividends declared of RMB199.4 million, partially offset by profit for the year of RMB131.8 million. Our net assets increased to RMB806.0 million, which was primarily due to profit for the period of RMB61.6 million.

SUMMARY

For details, see “Financial Information – Discussion of Certain Key Items on Consolidated Statements of Financial Position.”

Summary of the Consolidated Statements of Cash Flows

The following table sets forth our selected cash flow data for the years/periods indicated.

	For the Year Ended December 31,			For the Five Months Ended May 31,	
	2023	2024	2025	2025	2026
	<i>(RMB in thousands)</i>				
Net cash flows generated from operating activities	235,503	129,902	171,820	(24,471)	245,740
Net cash flows used in investing activities	(258,184)	(339,987)	(58,425)	(140,066)	(271,973)
Net cash flows (used in)/generated from financing activities	(43,225)	(15,286)	(106,874)	140,797	30,065
Net (decrease)/increase in cash and cash equivalents . .	(65,906)	(225,371)	6,521	(23,740)	3,832
Cash and cash equivalents at the beginning of the year/period	378,103	313,433	88,521	88,521	94,847
Effect of foreign exchange rate changes, net	1,236	459	(195)	116	(470)
Cash and cash equivalents at the end of the year/period	313,433	88,521	94,847	64,897	98,209

For details, see “Financial Information – Liquidity and Capital Resources – Cash Flows.”

Key Financial Indicators

The following table sets forth our selected financial indicators for the years/periods and as of the dates indicated.

	For the Year Ended/As of December 31,			For the Five Months Ended/As of May 31,
	2023	2024	2025	2026
Profitability indicators				
Gross margin (%) ⁽¹⁾	49.1	48.9	49.5	48.2
Adjusted net profit margin (non-IFRS measure) (%) ⁽²⁾	11.8	12.1	12.9	10.8
Return on equity (%) ⁽³⁾	20.1	18.4	17.1	N/A
Liquidity indicators				
Current ratio (times) ⁽⁴⁾	1.4	1.3	1.2	1.4
Quick ratio (times) ⁽⁵⁾	1.2	1.2	1.0	1.3

Notes:

- (1) Gross margin equals gross profit divided by revenue for the same year/period.
- (2) Adjusted net profit margin (non-IFRS measure) equals adjusted net profit for the year/period (non-IFRS measure) divided by revenue for the same year/period. Adjusted net profit is a non-IFRS measure derived from profit for the year/period by adjusting for certain items. See “Financial Information – Non-IFRS Measures” for more details and a reconciliation of this measure.
- (3) Return on equity equals profit for the year divided by the average of the beginning and ending equity balances of a year.
- (4) Current ratio equals current assets divided by current liabilities as of the end of each year/period.
- (5) Quick ratio equals current assets less inventories divided by current liabilities as of the end of each year/period.

SUMMARY

OUR SHAREHOLDING STRUCTURE

Controlling Shareholders

Our Controlling Shareholders comprise Mr. Liu, Ms. Xu, Little Swan Ballet and Future Life Investment. As of the Latest Practicable Date, Mr. Liu, Ms. Xu, Little Swan Ballet and Future Life Investment are entitled to exercise or control the exercise of an aggregate of approximately 85.94% voting rights at the general meeting of our Company pursuant to the acting-in-concert arrangements entered into among the parties. Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and no additional Shares are issued under the Share Option Schemes), our Controlling Shareholders will be entitled to exercise or control the exercise of an aggregate of approximately [REDACTED]% voting rights at the general meeting of our Company. For details, see “Relationship with Our Controlling Shareholders” and “History, Development and Corporate Structure – Acting-in-concert Arrangements.”

Pre-[REDACTED] Investor

Our Company obtained investment from the Pre-[REDACTED] Investor. For details of the principal terms of the Pre-[REDACTED] Investment and the identity and background of the Pre-[REDACTED] Investor, see “History, Development and Corporate Structure – Pre-[REDACTED] Investment.”

SHARE INCENTIVE SCHEMES

As of the Latest Practicable Date, we had the Equity Incentive Plans and the Share Option Schemes, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules. Given the underlying Shares under the Employee Incentive Plans were either transferred to or had already been issued by the Company to the relevant Employee Incentive Platforms in accordance with terms of the Employee Incentive Plans, there will not be any dilution effect on the issued share capital at our Company.

Pursuant to the Share Option Schemes, we have conditionally granted an aggregate of 4,320,905 options (representing the right to subscribe for 4,320,905 Shares) (the “**outstanding Share Options**”) to 145 grantees, who are our current employees, all of which will remain outstanding as of the [REDACTED]. The number of the Shares underlying the outstanding Share Options amounting to 4,320,905 will only be issued by our Company after the [REDACTED] if such outstanding Share Options are fully vested and exercised. Therefore, the outstanding Share Options will have potential dilution effect on the Shares held by our Shareholders as of the [REDACTED]. Immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) and assuming full vesting and exercise of all outstanding Share Options under the Share Option Schemes, the dilution effect on our earnings per Share will be diluted by approximately [REDACTED]%.

For further details, see “Statutory and General Information – D. Share Incentive Schemes – 2. Share Option Schemes” in Appendix V to this document.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED], and other fees incurred in connection with the [REDACTED]. The estimated total [REDACTED] expenses (based on the mid-point of the [REDACTED] range and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately [REDACTED] million (equivalent to approximately [REDACTED] million), accounting for approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED]. These expenses consist of (i) [REDACTED]-related expenses of approximately [REDACTED] million (approximately [REDACTED] million), and (ii) non-[REDACTED] related expenses of approximately [REDACTED] million (approximately [REDACTED] million), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately [REDACTED] million (approximately [REDACTED] million), and other fees and expenses of approximately [REDACTED] million (approximately [REDACTED] million). Approximately [REDACTED] million (equivalent to approximately [REDACTED] million) of the estimated [REDACTED] expenses is directly attributable to the [REDACTED] of new Shares to the public and will be accounted for as a deduction from equity upon completion of the [REDACTED]. During the Track Record Period, we incurred [REDACTED] expenses of [REDACTED] million

SUMMARY

(approximately [REDACTED] million), of which [REDACTED] million (approximately [REDACTED] million) was recognized in the consolidated statements of profit or loss. Approximately [REDACTED] million (equivalent to approximately [REDACTED] million) is expected to be charged in profit or loss before or upon completion of the [REDACTED]. This calculation is subject to adjustment based on the actual amount incurred or to be incurred. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and are for reference only. The actual amount may differ from such an estimate.

[REDACTED]

[REDACTED]

USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately [REDACTED] million, after deducting estimated [REDACTED], fees and expenses payable by us in connection with the [REDACTED], assuming an [REDACTED] of [REDACTED] per H Share, being the mid-point of the [REDACTED] of [REDACTED] to [REDACTED] per H Share, and assuming the [REDACTED] is not exercised.

In line with our strategies, we intend to use the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions: (i) Approximately [REDACTED]% of the [REDACTED], or [REDACTED] million, is expected to be used to fortify our fundamental R&D capabilities in health technology and accelerate our technological innovation; (ii) Approximately [REDACTED]% of the [REDACTED], or [REDACTED] million, is expected to be used for further integration of upstream and downstream industry resources and exploration of strategic partnerships; (iii) Approximately [REDACTED]% of the [REDACTED], or [REDACTED] million, is expected to be used for our brand building and omnichannel marketing to further enhance our brand awareness; (iv) Approximately [REDACTED]% of the [REDACTED], or [REDACTED] million, is expected to be allocated to working capital and general corporate purposes.

See “Future Plans and Use of [REDACTED]” in this document for further information relating to our future plans and use of [REDACTED] from the [REDACTED], including the adjustment on the allocation of the proceeds in the event that the [REDACTED] is fixed at a higher or lower level compared to the mid-point of the [REDACTED].

SUMMARY

DIVIDENDS

We have adopted a dividend policy as part of our Articles of Association. In 2023, a dividend of RMB30.0 million was declared by us to our equity shareholders, of which RMB30.0 million was paid in the same year. No dividend was declared or paid by us in 2024 to our equity shareholders. In 2025, a dividend of RMB199.4 million was declared by us to our equity shareholders, and was paid in September and October 2025.

According to applicable PRC laws and regulations, including the Company Law of the People’s Republic of China (《中華人民共和國公司法》), and our Articles of Association, when distributing our after-tax profit for a given year, we must allocate 10% of such profit to the statutory reserve, unless the accumulated amount of such reserve has reached 50% or more of our registered capital. If our statutory reserve is insufficient to make up for the losses of the previous year, we shall first use the profit of the current year to make up for such losses. After making up for the losses and making allocation to the statutory reserve, we may also make allocation to the discretionary common reserve subject to Shareholders’ approval. The remaining after-tax profit shall be distributed to the Shareholders in proportion to their shareholdings.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC Law and approval by our Shareholders in a general meeting. Our PRC Legal Advisor is of the opinion that we may pay dividends following approval by our Shareholders in a general meeting, in accordance with applicable laws, regulations, and our Articles of Association.

RECENT DEVELOPMENT NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that there has been no material adverse change in our financial or trading position or prospects since May 31, 2026, being the end date of our latest consolidated financial statements as set out in “Appendix I – Accountants’ Report” to this document, and up to the date of this document.