RIDGE OUTDOOR

樂欣戶外國際有限公司

Ridge Outdoor International Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2720

GLOBAL OFFERING

Sole Sponsor, Sponsor-Overall Coordinator, Sole Overall Coordinator, Sole Global Coordinator, Joint Bookrunner and Joint Lead Manager

CICC 中金公司

Joint Bookrunners and Joint Lead Managers

(in alphabetical order)

富途證券 FUTU Securities International

富澤國際 FUZE SECURITIES

IMPORTANT

If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.

Ridge Outdoor International Limited
樂欣戶外國際有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**28,205,000 Shares**
Number of Hong Kong Offer Shares	**:**	**2,820,500 Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**25,384,500 Shares (subject to reallocation)**
Maximum Offer Price	**:**	**HK$12.25 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565% (payable in full on application, subject to refund)**
Nominal value	**:**	**US$0.0005 per Share**
Stock code	**:**	**2720**

Sole Sponsor, Sponsor-Overall Coordinator, Sole Overall Coordinator and Sole Global Coordinator

CICC 中金公司

Joint Bookrunners and Joint Lead Managers

CICC 中金公司　富途證券 FUTU Securities International　富澤國際 FUZE SECURITIES

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix VI to this Prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this Prospectus or any other document referred to above.

The Offer Price is expected to be fixed by agreement between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or around Friday, February 6, 2026 (Hong Kong time) and, in any event, not later than 12:00 noon on Friday, February 6, 2026 (Hong Kong time). The Offer Price will be not more than HK$12.25 and is currently expected to be not less than HK$11.25 per Offer Share. If, for any reason, the Offer Price is not agreed by 12:00 noon on Friday, February 6, 2026 (Hong Kong time) between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

Applicants for Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$12.25 for each Hong Kong Offer Share together with a brokerage fee of 1.0%, an SFC transaction levy of 0.0027%, an AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%, subject to refund if the Offer Price as finally determined is less than HK$12.25.

Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including the risk factors set out in "Risk Factors" in this Prospectus. The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. See "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Grounds for termination" of this Prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements under the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this Prospectus to the public in relation to the Hong Kong Public Offering.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk and our website at www.ridgeoutdoor.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

January 31, 2026

IMPORTANT NOTICE TO INVESTORS:
FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. The Company will not provide any printed copies of this Prospectus to the public.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews > New Listings > New Listing Information*" section, and our website at www.ridgeoutdoor.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(1) apply online through the **HK eIPO White Form** service at **www.hkeipo.hk**;

(2) apply through the **HKSCC EIPO** channel to electronically cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to submit **electronic application instruction(s)** on your behalf through the HKSCC's FINI system in accordance with your instructions.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this Prospectus are identical to the printed Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" in this Prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application must be for a minimum of 500 Hong Kong Offer Shares and in one of the numbers set out in the table. You are required to pay the amount next to the number you select. If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares. If you are applying through the HKSCC EIPO channel, you are required to prefund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
500	6,186.78	7,000	86,614.79	50,000	618,677.07	700,000	8,661,478.88
1,000	12,373.54	8,000	98,988.34	60,000	742,412.48	800,000	9,898,833.00
1,500	18,560.32	9,000	111,361.88	70,000	866,147.89	900,000	11,136,187.13
2,000	24,747.08	10,000	123,735.41	80,000	989,883.30	1,000,000	12,373,541.26
2,500	30,933.86	15,000	185,603.12	90,000	1,113,618.71	1,200,000	14,848,249.50
3,000	37,120.63	20,000	247,470.83	100,000	1,237,354.13	1,410,000(1)	17,446,693.17
3,500	43,307.39	25,000	309,338.53	200,000	2,474,708.26		
4,000	49,494.16	30,000	371,206.23	300,000	3,712,062.38		
4,500	55,680.93	35,000	433,073.94	400,000	4,949,416.50		
5,000	61,867.70	40,000	494,941.66	500,000	6,186,770.63		
6,000	74,241.24	45,000	556,809.36	600,000	7,424,124.76		

Note:

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on the websites of the Stock Exchange at ***www.hkexnews.hk*** *and our Company at* ***www.ridgeoutdoor.com****.*

If there is any change in the following expected timetable of the Hong Kong Public Offering, the Company will issue an announcement in Hong Kong to be published on the Company's website at **www.ridgeoutdoor.com** and the website of the Stock Exchange at **www.hkexnews.hk**.

Hong Kong Public Offering commences . . . . .9:00 a.m. on Saturday, January 31, 2026

Latest time to complete electronic applications under **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2] . . . . .11:30 a.m. on Thursday, February 5, 2026

Application lists of the Hong Kong Public Offering open[3] . . . . . .11:45 a.m. on Thursday, February 5, 2026

Latest time to (a) lodge completing payment of **HK eIPO White Form** applications by effecting Internet banking transfer(s) or PPS payment transfer(s) and (b) give **electronic application instructions** to HKSCC[4] . . . . .12:00 noon on Thursday, February 5, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant and will submit an **EIPO application** on your behalf through HKSCC's FINI system in accordance with your instruction, you are advised to contact your **broker** or **custodian** for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

Application lists of the Hong Kong Public Offering close[3] . . . . .12:00 noon on Thursday, February 5, 2026

Expected Price Determination Date[5] . . . . at or before 12:00 noon on Friday, February 6, 2026

Announcement of the final Offer Price, an indication of the level of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares to be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.ridgeoutdoor.com** on or before[6] . . . . 11:00 p.m. on Monday, February 9, 2026

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- in the announcement to be posted on our website and the website of the Hong Kong Stock Exchange at **www.ridgeoutdoor.com** and **www.hkexnews.hk**, respectively at or before . . . . Monday, February 9, 2026

- from "Allotment Results" page in the designated results of allocations website at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result** with a "search by ID" function from . . . . 11:00 p.m. on Monday, February 9, 2026 to 12:00 midnight on Sunday, February 15, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from . . . . Tuesday, February 10, 2026 to Friday, February 13, 2026 on a business day

Share certificates in respect of wholly or partially successful applications to be despatched or deposited into CCASS on or before[7] . . . . Monday, February 9, 2026

HK eIPO White Form e-Auto Refund payment instructions/refund cheques in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable) or wholly or partially unsuccessful applications to be despatched on or before[7] . . . . Tuesday, February 10, 2026

Dealings in the Shares on the Stock Exchange to commence at[7] . . . . 9:00 a.m. on Tuesday, February 10, 2026

Notes:

(1) All times and dates refer to Hong Kong local time and date, except as otherwise stated.

(2) You will not be permitted to submit your application through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained a payment reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is/are a "black" rainstorm warning signal, a tropical cyclone warning signal number 8 or above and/or Extreme Conditions, collectively ("**Bad Weather Signals**") in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, February 5, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Bad Weather Arrangements" in this prospectus.

(4) Applicants who apply for the Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via HKSCC's FINI system should refer to the section headed "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares".

(5) The Price Determination Date is expected to be on or around Friday, February 6, 2026 and, in any event, not later than 12:00 noon on Friday, February 6, 2026 or such other date as agreed between parties. If, for any reason, the Offer Price is not agreed between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company by 12:00 noon on Friday, February 6, 2026 or such other date as agreed between parties, the Global Offering will not proceed and will lapse.

(6) None of the websites or any of the information contained on the website forms part of this Prospectus.

(7) The Share certificates will only become valid at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its respective terms, which is scheduled to be around that time. Investors who trade the Shares on the basis of publicly available allocation details prior to the receipt of Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.

HK eIPO White Form e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and in respect of wholly or partially successful applications if the Offer Price is less than the price per Offer Share payable on application.

Further information is set out in the sections headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies" in this Prospectus.

The above expected timetable is a summary only. You should read carefully the sections headed "Underwriting", "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus for details relating to the structure of the Global Offering, procedures on the applications for Hong Kong Offer Shares and the expected timetable, including conditions, effect of bad weather and the despatch of refund cheques and Share certificates.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such case, the Company will make an announcement as soon as practicable thereafter.

IMPORTANT NOTICE TO INVESTORS

This Prospectus is issued by our Company solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this Prospectus pursuant to the Hong Kong Public Offering. This Prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this Prospectus in any jurisdiction other than Hong Kong.

You should rely only on the information contained in this Prospectus to make your investment decision. Our Company has not authorized anyone to provide you with information that is different from what is contained in this Prospectus. Any information or representation not made in this Prospectus must not be relied on by you as having been authorized by our Company, the Sole Sponsor, the Sponsor-Overall Coordinator, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their respective directors, officers, representatives or advisors or any other person involved in the Global Offering.

This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be in conjunction with, the full text of this prospectus. You should read the entire prospectus before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

Who We Are

We ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan. Fishing-related equipment market is a sub-sector of fishing gear market which encompasses fish tackle market. Fishing-related equipment market accounted for approximately 5.2% of the fishing gear market globally in terms of retail sales in 2024, according to Frost & Sullivan. We had a market share of 1.3% in the global fishing gear manufacturing market in terms of revenue in 2024, according to Frost & Sullivan. Fishing gear encompasses both fishing tackle and fishing-related equipment. Fishing tackle refers to the tools utilized for capturing fish from aquatic environments, such as fishing rods, reels, hooks, lines and baits. Fishing-related equipment, on the other hand, pertains to items designed to enhance anglers' convenience, comfort and efficiency in outdoor settings. Fishing-related equipment generally includes fishing chairs and bed chairs, seatboxes, barrows, backpacks, sleeping bags and tents. We have been focusing on fishing-related equipment and have cultivated a broad product portfolio primarily encompassing (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters. Our products are expertly crafted to serve a wide range of fishing scenarios such as carp fishing, match fishing, lure fishing, fly fishing and ice fishing.

We operate a dual business model, combining OEM/ODM manufacturing capabilities with a growing OBM presence to address diverse market demands. Capitalizing on our product portfolio, product design and development, supply chain and quality control, we offer outdoor fishing-related equipment brands with OEM/ODM solutions spanning across the entire process from product design to manufacturing. We have become a global leader in fishing-related equipment OEM/ODM solutions. During the Track Record Period, we primarily derived our revenue from the OEM/ODM model, which accounted for 94.1%, 90.2%, 92.3% and 93.1% of our total revenue in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. In addition, building on our solid experience in fishing-related equipment design and manufacturing, we strategically expanded into own brand operations. We acquired the renowned UK-based carp fishing brand, Solar, in 2017.

With more than 30 years of accumulated expertise, we have forged long-term, stable partnerships with prominent outdoor equipment brands worldwide, particularly fishing tackle brands. Our client network includes globally recognized outdoor equipment retailers such as Decathlon, globally recognized fishing brands such as Rapala VMC and Pure Fishing, well-known UK fishing brands such as Fox, Nash, Trakker, and Preston, as well as renowned U.S. outdoor equipment companies such as Ardisam. As of the Latest Practicable Date, our products had been sold to over 40 countries, including mature markets with rich fishing traditions such as the U.K. and U.S., as well as rapidly growing markets such as China and Southeast Asia.

Leveraging our competitive advantages built through years of experience, we have been strengthening our market position. In the fishing-related equipment manufacturing industry in China, our market share has steadily increased from 23.4% in 2022 to 28.4% in 2024, solidifying our position as a market leader with continued growth potential. During the Track Record Period, our gross profit margin increased from 23.2% in 2022 to 26.6% in 2024, and further increased to 27.7% in the eight months ended August 31, 2025.

OUR PRODUCTS

We have cultivated a broad product portfolio of fishing-related equipment and other products, primarily comprising (i) chairs, bedchairs and other accessories, (ii) bags and (iii) tents. Committed to user experience, we strive to provide professional and reliable solutions for rest, camping, storage, shelving and transportation. As of August 31, 2025, our product portfolio encompassed over 10,000 SKUs of fishing-related equipment ranging from fishing chairs, fishing bed chairs, rod pods, seat boxes, trolleys, bivvies, brollies, fishing bags and landing nets.

The following table sets forth a breakdown of our revenue by product category in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Sales of products										
– Chairs, bedchairs and other accessories	364,316	44.5	240,044	51.8	290,743	50.7	207,758	53.1	224,256	48.7
– Bags	198,342	24.2	108,501	23.4	144,000	25.1	98,532	25.2	131,540	28.6
– Tents	238,338	29.1	105,953	22.9	131,054	22.9	80,923	20.7	101,829	22.1
– Others[1]	17,335	2.2	7,782	1.7	6,735	1.2	3,195	0.8	2,077	0.5
Rental income	81	0.0	971	0.2	931	0.1	634	0.2	567	0.1
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Note:

(1) Others mainly include the sales of raw materials, material processing and sales of Solar products not in the categories of chairs, bedchairs and other accessories, bags and tents.

The following table sets forth a breakdown of our sales volume and average selling price by product category and selling price range for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sales volume in thousand pieces, RMB per piece)									
Chairs, bedchairs and other accessories										
Selling price more than $50	283	531.7	145	618.2	165	627.6	120	610.0	119	672.5
Selling price between $20 and $50	712	214.9	463	223.0	548	222.5	395	220.2	433	228.7
Selling price lower than $20	1,729	35.0	1,248	37.8	1,531	42.4	1,137	41.9	1,188	37.5
Bags										
Selling price more than $25	263	229.5	125	247.0	172	242.6	122	241.1	130	245.6
Selling price between $10 and $25	805	104.0	398	112.8	495	115.5	332	114.7	445	113.9
Selling price lower than $10	1,850	29.3	1,560	21.0	2,318	19.5	1,480	21.0	1,976	24.8
Tents										
Selling price more than $120	109	1,201.0	42	1,430.5	58	1,388.8	34	1,352.0	40	1,450.0
Selling price between $70 and $120	109	629.4	39	664.6	46	666.4	31	673.0	35	706.1
Selling price lower than $70	247	157.0	124	158.9	153	132.4	98	145.5	144	132.4
Others	17	146.5	19	150.4	16	300.9	12	164.0	8	243.2
Total	**6,124**	**131.2**	**4,163**	**109.9**	**5,502**	**103.7**	**3,761**	**103.5**	**4,518**	**101.6**

Note:

(1) Selling price for each product category is measured in USD.

(2) Selling price for products sold under OEM/ODM model represents the price to OEM/ODM customers. Selling price for products sold under OBM model represents the trade price.

The following table sets forth a breakdown of our sales volume and average selling price by sales channel for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sales volume in thousand pieces, RMB per piece)									
OEM/ODM model	5,996	128.4	4,007	104.3	5,382	98.4	3,669	98.0	4,445	96.4
OBM model	128	263.6	156	253.4	120	343.3	92	323.8	73	417.7
Total	**6,124**	**131.2**	**4,163**	**109.9**	**5,502**	**103.7**	**3,761**	**103.5**	**4,518**	**101.6**

Grounded in our deep understanding of user demands, we offer fishing-related equipment to anglers of all skill levels to meet their precise needs in diverse fishing scenarios such as carp fishing, match fishing, lure fishing, fly fishing and ice fishing. For example, we offer quality carp fishing-related equipment suitable for long fishing sessions and overnight camping, including fishing tents constructed from specialized fibers that ensure strong color fastness, water resistance and durability, as well as carp fishing chairs with ergonomic design and flexible adjustability for various terrains. We also offer professional equipment for match fishing, which is designed to meet the technical requirements of professional anglers and optimize their performance during intense competitive events. In addition, we offer specialized ice fishing-related equipment crafted from insulated, cold-resistant materials, ensuring safety, stability and warmth in extreme temperatures.

PRODUCT DESIGN AND DEVELOPMENT

Product design and development are essential to our long-term competitiveness. With a focus on quality, our product design and development team utilizes advanced technology and extensive industry knowledge to develop quality outdoor equipment with rugged durability and practical features aligning with evolving industry preferences. From concept to production, our rigorous development process involves thorough market research, product planning and development to ensure high standards of performance and durability. During the Track Record Period, our research and development costs totaled RMB11.8 million. As of the Latest Practicable Date, we held 86 patents, including 63 utility model patents, six invention patents and 17 design patents in China, as well as 41 patents in countries or regions outside China.

OUR PRODUCTION

As of the Latest Practicable Date, we operated three production plants in Deqing, Zhejiang, China, with a total gross floor area of 63,637.7 sq.m. and a combined production capacity of 6.2 million units. Our large-scale production capability enables us to respond effectively to market demand while benefiting from economies of scale.

We dedicate each of our production plants to the production of (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters, respectively. The specialization of each plant allows us to streamline production processes, optimize machinery and allocate workforce resources more effectively, ensuring that the specific requirements of each product category are met. This approach enhances production efficiency and enables us to consistently deliver quality products that align with market trends and customer specifications. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our production plants operated at utilization rates of 86.0%, 78.9%, 80.2% and 78.3%, respectively.

The following table sets forth the key information of our production plants as of the August 31, 2025:

Production Plants	Operation Commencement Date	Production Lines	Gross Floor Area	Major Products	Designed Annual Production Capacity
			(sq.m.)		*(Thousand Units)*
Chairs, bedchairs and other accessories production plant	January 2004	15	22,483.6	Chairs, bedchairs and other accessories	2,600
Bag production plant . .	January 2005	23	23,770.0	Bags	3,330
Tent production plant . .	January 2005	10	17,384.1	Tents	270
Total		**48**	**63,637.7**		**6,200**

The following table sets forth the details of our production lines for the periods indicated:

	Year ended December 31,									Eight months ended August 31,		
	2022			2023			2024			2025		
	Designed production capacity(1)	Actual production Volume	Utilization Rate(2)	Designed production capacity(1)	Actual production Volume	Utilization Rate(2)	Designed production capacity(1)	Actual production Volume	Utilization Rate(2)	Designed production capacity(1)	Actual production Volume	Utilization Rate(2)
	(Thousand Units)	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*
Chairs, bedchairs and other accessories	3,000	2,634	87.8	1,800	1,413	78.5	2,300	1,787	77.7	1,930	1,497	77.6
Bags	3,000	2,546	84.9	1,800	1,437	79.9	3,500	2,871	82.0	2,190	1,718	78.5
Tents	600	498	83.0	250	186	74.5	180	139	77.3	195	163	83.6
Total	**6,600**	**5,678**	**86.0**	**3,850**	**3,036**	**78.9**	**5,980**	**4,798**	**80.2**	**4,315**	**3,378**	**78.3**

Notes:

(1) Designed production capacity is calculated based on the budget of each operating season and effected by the adjustment of product line structure for each operating season. We estimate the design production capacity based on our demand forecast, venues, equipment, staffing and employee efficiency. At the beginning of each operating season, we prepare our designed production capacity by arranging venues, equipment and staff according to our estimation. For example, if we anticipate higher sales in the upcoming operating season, we allocate additional venues, equipment and staffing at the beginning of such operating season. In addition, we typically maintain a buffer in such arrangements to accommodate situations where actual demand exceeds our estimation. Specifically, when the actual demand exceeds our forecast, we provide additional incentives to our employees, such as additional bonuses, to increase our actual production volume. Designed production capacity for the year ended December 31, 2022, 2023 and 2024 is calculated based on the following assumptions: (i) our production facilities run for 8 hours per day; and (ii) we operate for 280 working days per year. Designed production capacity for the eight months ended August 31, 2025 is calculated based on the following assumptions: (i) our production facilities run for 8 hours per day; and (ii) we operate for 194 working days during the period. In 2022, we leased an additional production facility to accommodate increased demand driven by heightened consumer interest in fishing. In light of the market condition in 2023, we terminated the lease for this production facility. In 2024, we experienced a rebound in sales volume, driven by the recovery of market condition, as well as our efforts on the expansion of our sales channel and upgrade of its products. Considering the significant increase in customer demand, we increased our design production capacity through employing production staff and expanding production lines to guarantee sufficient product supply. See "Industry Overview — Overview of Global Fishing Gear Industry — Market Size of Global Fishing Gear Industry."

(2) The utilization rate is calculated by dividing the actual production volume for the year or period indicated by the designed production capacity for the year or period indicated. In 2022, our sales surged as consumer enthusiasm for fishing grew. In 2023, along with the phasing out of the public health incidents, our sales moderated with the rise of alternative entertainment options. In line with market demand for our products, our production volume and utilization decreased in 2023. See "Financial Information — Period-to-Period Comparison of Results of Operations — Year Ended December 31, 2023 Compared with Year Ended December 31, 2022 — Revenue." We increased our production volume in 2024 in anticipation of growing customer demand.

Subcontracting

In line with market practices, according to Frost & Sullivan, we outsource certain auxiliary production processes, such as sewing, hardware processing and silk-screening, to subcontractors, including third-party outdoor equipment manufacturers, Topsun Group and the Service Providers, see "Connected Transactions — Non-Exempt Continuing Connected Transactions — Products and Services Procurement Framework Agreement." By outsourcing certain auxiliary production processes to subcontractors, we alleviate pressure on our in-house production capacity, enable effective cost control and enhance our overall production efficiency.

See "Business — Our Production — Subcontracting."

SALES, MARKETING AND CUSTOMER SERVICE

Leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries and regions across Europe, North America, Australia, South Africa and East Asia as of the Latest Practicable Date. Our extensive network enables us to effectively reach a diverse customer base and adapt to varying market demand, establishing long-term, in-depth relationships with globally renowned outdoor equipment brands such as Decathlon, Pure Fishing, Rapala VMC, FOX, NASH, Preston, Trakker and Ardisam. We are able to effectively manage and maintain this broad network leveraging our profound industry expertise, skilled business development team, strong customer loyalty and proactive global outreach.

In 2022, our sales surged as consumer enthusiasm for fishing grew, driven by fishing's low social interaction that aligned with consumer preferences during the public health incidents. In 2023, along with the phasing out of the public health incidents, our sales moderated with the rise of alternative entertainment options, while consumer interest in our products remained strong, compared to the level before the public health incidents.

During the Track Record Period, we primarily sold our products to customers with their principal place of business in Europe, Chinese Mainland and North America. The following table sets forth our revenue breakdown by geographic region based on the locations where our services or products were delivered for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Europe[1]	537,561	65.7	325,684	70.3	420,435	73.3	290,782	74.4	347,410	75.5
Chinese Mainland[1]	102,983	12.6	78,545	17.0	87,446	15.2	60,726	15.5	70,032	15.2
North America[1]	154,053	18.8	46,228	10.0	49,959	8.7	28,812	7.4	29,736	6.5
Others[2]	23,815	2.9	12,794	2.7	15,623	2.8	10,722	2.7	13,091	2.8
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

The following table sets forth a breakdown of our gross profit and gross profit margin by geographic region based on the locations where our services or products were delivered for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Gross profit	*Gross profit margin*	*Gross profit*	*Gross profit margin*	*Gross profit*	*Gross profit margin*	*Gross profit*	*Gross profit margin*	*Gross profit*	*Gross profit margin*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Europe[(1)]	137,552	25.6%	93,198	28.6%	120,436	28.6%	80,689	27.7%	99,755	28.7%
Chinese Mainland[(1)]	13,388	13.0%	13,724	17.5%	16,441	18.8%	12,925	21.3%	15,452	22.1%
North America[(1)]	32,049	20.8%	11,526	24.9%	10,840	21.7%	5,519	19.2%	7,564	25.4%
Others[(2)]	7,144	30.0%	4,776	37.3%	4,963	31.8%	3,409	31.8%	4,744	36.2%
Total	**190,133**	**23.2%**	**123,224**	**26.6%**	**152,680**	**26.6%**	**102,542**	**26.2%**	**127,515**	**27.7%**

Notes:

(1) During the Track Record Period, some customers may specify product delivery to countries or regions outside their principal place of business. Therefore, the revenue breakdown by geographic region reflects the location where our services or products were delivered, rather than the customers' principal place of business.

(2) Others refer to Oceania, Africa, South America and Asia-Pacific (excluding Chinese Mainland).

Our revenue by geographic region was primarily impacted by local economic environment and industry conditions. From 2022 to 2024, our revenue generated from Europe and North America decreased by 21.8% and 67.6%, respectively, which was more significant than the 15.1% decrease in Chinese Mainland. The sharper decline in Europe and North America was primarily due to differing market dynamics as demand surged during the public health incidents and moderated in 2023 and 2024 after such incidents phased out. Our revenue decline in Chinese Mainland was less significant during the Track Record Period, mainly because certain customers in Chinese Mainland were still at growth stage and were expanding their business, while we also acquired new customers in Chinese Mainland, focusing on fishing brands and enterprise membership stores. The increased number of new customers in Chinese Mainland partially offset the decrease in revenue from 2022 to 2023, along with the phasing out of the public health incidents. In addition, our revenue from Chinese Mainland increased from RMB78.5 million in 2023 to RMB87.4 million in 2024, primarily due to an increase in number of new customers. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we acquired nil, 4, 13 and 4 new customers in Chinese Mainland, respectively.

Our revenue generated from Europe increased by 19.5% from RMB290.8 million in the eight months ended August 31, 2024 to RMB347.4 million in the same period of 2025, primarily due to (i) our customer base expansion in Europe; and (ii) the increase in procurement from certain major customer in Europe, such as Customer B and Customer D, driven by the market's recovery as well as enhanced product recognition from local markets. Our revenue generated from Chinese Mainland increased by 15.3% from RMB60.7 million in the eight months ended August 31, 2024 to RMB70.0 million in the same period of 2025, primarily due to the expansion of our customer base in Chinese Mainland in the second half of 2024 as well as our increase in demand of existing customers, driven by our strategic adjustment of customer structure in 2023. See "Financial Information — Description of Major Components of Our Results of Operations — Revenue — Revenue by Geographic Region."

Our gross profit margin in Chinese Mainland increased from 13.0% in 2022 to 17.5% in 2023, and further to 18.8% in 2024, driven by an initial competitive pricing strategy to support emerging clients and secure key accounts, followed by product advancement and structural adjustments that boosted sales of higher-margin products. Our gross profit margin in North America increased from 20.8% in 2022 to 24.9% in 2023, mainly because of USD appreciation against the RMB from enhanced RMB denominated margins on our USD-quoted overseas sales. Our gross profit margin in North America decreased from 24.9% in 2023 to 21.7% in 2024, primarily due to the increasing high-volume sales, typically with relatively lower profit margin, to certain customers. Our gross profit margin in North America increased from 19.2% in the eight months ended August 31, 2024 to 25.4% in the same period of 2025, primarily due to the sales of newly introduced tents with higher gross profit margin. See "Financial Information — Description of Major Components of Our Results of Operations — Gross Profit and Gross Profit Margin."

Our products exported to overseas markets may subject to tariffs, see "— Impacts of the U.S. Tariff Policies."

OUR STRENGTHS

We believe that the following strengths contribute to our success:

- Well-known fishing-related equipment manufacturer globally, with ongoing exploration into OBM operations, favorably positioned to capture market opportunities;
- Global customer network, built on long-term and stable partnerships with renowned outdoor equipment brands;
- Comprehensive product portfolio facilitating diverse fishing scenarios, underpinned by industry-leading product design and development;
- Mature and efficient supply chain, setting the industry standard for performance and reliability;
- Unwavering focus on quality, with stringent controls that guarantee exceptional product standards; and
- Seasoned management team with extensive industry experience, backed by a well-established and highly capable talent structure.

See "Business — Our Strengths."

OUR STRATEGIES

We intend to pursue the following strategies to further grow our business:

- Holistically strengthen OBM operations, expand own brand portfolio and increase direct market engagement;
- Advance the continuous development of a full-category, well-structured product range to cover diverse scenarios;
- Expand global market reach and build new growth engines; and
- Continuously optimize the supply chain and improve digital operations.

See "Business — Our Strategies."

OUR CUSTOMERS AND SUPPLIERS

Our Customers

During the Track Record Period, our OEM/ODM customers primarily comprised of outdoor equipment brands and retailers. Revenue from our five largest customers in each year or period during the Track Record Period represented 57.5%, 57.2%, 57.7% and 54.9% of our total revenue in the same respective periods. Revenue from our largest customer in each year or period during the Track Record Period represented 17.9%, 15.7%, 15.4% and 17.7% of our total revenue in the same respective periods. For risks relating to major customers, see "Risk Factors — Risks Related to our Business and Industry — Our success depends on our strong relationships with certain major customers. Any interruption of collaboration or deterioration of the relationship with our major customers could adversely affect our business, financial condition and results of operations."

See "Business — Sales, Marketing and Customer Service — Our Customers."

Our Suppliers

Our suppliers primarily comprised of raw material suppliers, including hardware and fabric suppliers. Purchases from our five largest suppliers in each year or period during the Track Record Period represented 30.9%, 27.2%, 31.7% and 34.9% of our total purchases in the same respective periods. Purchases from our largest supplier in each year or period during the Track Record Period represented 14.2%, 12.8%, 11.2% and 14.8% of our total purchases in the same respective periods. For risks relating to our major suppliers, see "Risk Factors — Risks Related to our Business and Industry — We rely on the stability of our supply chain. Any loss or deterioration in our relationship with our key suppliers, any disruption in the supply of raw materials and services or any significant increase in the prices of raw materials and services could materially and adversely affect our business, financial condition and results of operations." We did not experience any delay in or shortage of supply, price fluctuation on products sourced or product delivery issues which would have had a material impact on our business, financial condition or results of operations.

See "Business — Our Suppliers."

Overlapping of Customers and Suppliers

Topsun Group, one of our five largest customers in each year or period during the Track Record Period, was also one of our five largest suppliers in each respective periods. Customer B, one of our five largest customers in each year or period during the Track Record Period, was our supplier in each year or period during the Track Record Period. See "Business — Overlapping of Customers and Suppliers."

COMPETITION

We primarily compete with other fishing-related equipment manufacturers in China and globally. The fishing gear manufacturing industry in China is relatively fragmented, with the top five fishing gear manufacturers holding an aggregate market share of 10.4% in terms of revenue in 2024, according to Frost & Sullivan. We ranked second in China's fishing gear manufacturing industry in terms of revenue in 2024, with a market share of 1.8%, according to the same source. Within the fishing-related equipment manufacturing industry, we are the largest fishing-related equipment manufacturer globally with a market share of 23.1%, as well as the largest fishing-related equipment manufacturer in China with a market share of 28.4%, both in terms of revenue, according to Frost & Sullivan.

Grounded on our product design and development capabilities, advanced production technologies and integrated supply chain management, we believe we are well-positioned to further consolidate our leadership in the fishing-related equipment industry. By continuing to leverage our expertise, scale and reputation, we aim to expand both domestically and globally, while meeting the evolving demands of our customers and maintaining our competitive edge in the market. See "Industry Overview."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Summary of Consolidated Statements of Results of Operations

The following table sets forth a summary of our results of operations for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
				(Unaudited)	
Revenue	818,412	463,251	573,463	391,042	460,269
Cost of sales	(628,279)	(340,027)	(420,783)	(288,500)	(332,754)
Gross profit	190,133	123,224	152,680	102,542	127,515
Other net income/(loss)	6,267	(9,215)	(1,038)	(1,999)	2,605
Selling and distribution expenses	(12,332)	(14,196)	(16,939)	(10,805)	(14,895)
Administrative expenses	(30,893)	(30,596)	(51,215)	(26,391)	(33,608)
Research and development costs	(523)	(3,906)	(3,538)	(1,984)	(3,821)
(Provision)/reversal of impairment loss on trade receivables	(73)	(274)	(123)	33	(101)
Profit from operations	152,579	65,037	79,827	61,396	77,695
Finance costs	(171)	(359)	(822)	(183)	(3,076)
Profit before taxation	152,408	64,678	79,005	61,213	74,619
Income tax	(38,557)	(15,677)	(19,600)	(14,504)	(18,378)
Profit for the year/period	113,851	49,001	59,405	46,709	56,241

Our financial performance was positively impacted during the public health incidents in 2022, aligned with industry trends. Our revenue decreased by 43.4% from RMB818.4 million in 2022 to RMB463.3 million in 2023, primarily because in 2022, our sales surged as consumer enthusiasm for fishing grew, driven by fishing's low social interaction that aligned with consumer preferences during the public health incidents. In 2023 and 2024, along with the phasing out of the public health incidents, our sales moderated with the rise of alternative entertainment options, while consumer interest in our products remained strong, compared to the level before the public health incidents. Nevertheless, our gross profit margin increased from 23.2% in 2022 to 26.6% in 2023. Our revenue increased by 23.8% from RMB463.3 million in 2023 to RMB573.5 million in 2024, primarily due to our increased sales, derived from expansion of our sales channel and upgrade of our products as well as the market's recovery.

The following table sets forth a breakdown of our cost of sales by nature in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Raw material costs	379,421	60.4	202,794	59.6	252,269	60.0	174,211	60.5	193,127	58.1
Outsourcing production fees	122,537	19.5	43,555	12.8	63,491	15.1	42,104	14.6	58,706	17.6
Employment benefit expenses	61,832	9.8	56,926	16.7	67,617	16.1	45,873	15.9	55,625	16.7
Logistics and processing fees	50,870	8.1	19,251	5.7	21,046	5.0	16,648	5.8	16,394	4.9
Others[1]	13,619	2.2	17,501	5.2	16,360	3.8	9,664	3.2	8,902	2.7
Total	**628,279**	**100.0**	**340,027**	**100.0**	**420,783**	**100.0**	**288,500**	**100.0**	**332,754**	**100.0**

Note:

(1) Others mainly include depreciation and amortization expenses and utilities expenses.

During the Track Record Period, our cost of sales primarily consisted of raw material costs, outsourcing production fees, employment benefit expenses and logistics and processing fees. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, the raw material costs were RMB379.4 million, RMB202.8 million, RMB252.3 million, RMB174.2 million and RMB193.1 million, representing 60.4%, 59.6%, 60.0%, 60.5% and 58.1% of our total cost of sales, respectively. During the Track Record Period, our fluctuations in cost of sales were generally in line with our overall revenue fluctuations in the respective years or periods.

Our gross profit margin increased from 23.2% in 2022 to 26.6% in 2023, primarily due to (i) favorable exchange rate fluctuations, as the appreciation of the USD against the RMB from 2022 to 2023, enhanced RMB-denominated margins on our USD-quoted overseas sales; (ii) improved production efficiency driven by our efforts in expanding in-house production and reducing outsourcing production costs, particularly because we have been enhancing the automation of our in-house production procedures; (iii) the decreasing price of key raw materials, primarily including iron tubes; and (iv) our increased sales price of products. Our gross profit margin remained stable at 26.6% in 2023 and 2024. Our gross profit margin increased from 26.2% in the eight months ended August 31, 2024 to 27.7% in the same period of 2025, primarily due to an increase in gross profit margin of chairs, bedchairs and other accessories from 26.6% in the eight months ended August 31, 2024 to 30.2% in the same period of 2025, mainly as a result of our change in product selling structure with an increase in selling proportion of high-profit and high-end products such as power barrow and high-end fishing chairs and bedchairs. Such an increase was partially offset by a decrease in gross profit margin of bags from 30.2% in the eight months ended August 31, 2024 to 27.9% in the same period of 2025, primarily due to our change in product selling structure as the products sold in the eight months ended August 31, 2024 have higher gross profit margin.

Our profit for the year decreased from RMB113.9 million in 2022 to RMB49.0 million in 2023, and increased to RMB59.4 million in 2024. Our profit for the year increased from RMB46.7 million in the eight months ended August 31, 2024 to RMB56.2 million in the same period of 2025. Such changes in profit for the year generally align with the changes in our revenue in the respective years or periods.

See "Financial Information — Description of Major Components of Our Results of Operations."

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Non-current assets	67,317	57,497	51,193	48,163
Current assets	266,264	184,160	289,141	330,724
Total assets	333,581	241,657	340,334	378,887
Non-current liabilities	5,218	3,200	1,294	1,011
Current liabilities	173,820	101,471	384,345	367,226
Total liabilities	179,038	104,671	385,639	368,237
Net current assets/(liabilities)	92,444	82,689	(95,204)	(36,502)
Net assets/(liabilities)	154,543	136,986	(45,305)	10,650
Non-controlling interests	5,186	4,273	–	–

Our net current liabilities decreased by 61.7% from RMB95.2 million as of December 31, 2024 to RMB36.5 million as of August 31, 2025, primarily due to (i) the decrease in trade and other payables, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Payables;" and (ii) the increase in cash and cash equivalents, partially offset by the increase in bank loans, see "Financial Information — Indebtedness — Bank Loans."

We had net current liabilities of RMB95.2 million as of December 31, 2024 compared to net current assets of RMB82.7 million as of December 31, 2023, primarily due to (i) the increase in bank loans, see "Financial Information — Indebtedness — Bank Loans"; and (ii) the increase in trade and other payables, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Payables.

Our net current assets decreased by 10.6% from RMB92.4 million as of December 31, 2022 to RMB82.7 million as of December 31, 2023, primarily due to (i) the decrease in trade and other receivables, see "Financial Information — Discussion of Selected Items from the

Consolidated Statements of Financial Position — Trade and other Receivables;" and (ii) the decrease in inventories, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories"; and (iii) the increase in current taxation. Such decreases were partially offset by the decrease in trade and other payables, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Payables."

We had net assets of RMB10.7 million as of August 31, 2025 compared to net liabilities of RMB45.3 million as of December 31, 2024, primarily because we had profit for the period of RMB56.2 million in the eight months ended August 31, 2025.

We had net liabilities of RMB45.3 million as of December 31, 2024 compared to net assets of RMB137.0 million as of December 31, 2023, primarily because we had profit for the year of RMB59.4 million in 2024, offset by the deemed distribution of RMB19.5 million, the dividend declared and paid of RMB65.0 million and the deemed distribution arising from the Reorganization of RMB158.8 million in 2024.

Our net assets decreased by 11.4% from RMB154.5 million as of December 31, 2022 to RMB137.0 million as of December 31, 2023, primarily because we had profit for the year of RMB49.0 million in 2023, partially offset by the deemed distribution of RMB66.2 million in 2023.

We had net liabilities of RMB45.3 million as of December 31, 2024, primarily due to the dividend declared and paid of RMB65.0 million and the deemed distribution arising from the Reorganization of RMB158.8 million in 2024. See "— Recent Development" and "History, Reorganization and Corporate Structure — Reorganization — 4. Transfer of Solar UK and 5. Establishment of Zhejiang Ridge Creative and acquisition of Zhejiang Ridge Outdoor." As of the date of this Prospectus, our loan due to Zhejiang Topsun Holding of RMB150.0 million has been settled. We have returned to a net assets position subsequent to the Track Record Period, due to our continuous growth in revenue and net profit, driven by our continuous introduction of new fishing-related equipment products, enhanced marketing efforts on key customers and the expansion of customer base and sales channel.

See "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position."

Summary of the Consolidated Statements of Cash Flows

The following table sets forth our cash flow for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
				(Unaudited)	
Net cash generated from operating activities	254,320	90,017	47,625	29,776	68,939
Net cash used in investing activities	(5,017)	(6,046)	(8,540)	(6,270)	(888)
Net cash used in financing activities	(241,556)	(72,208)	(198)	(22,066)	(27,293)
Net increase in cash and cash equivalents	7,747	11,763	38,887	1,440	40,758
Cash and cash equivalents at beginning of the period	6,417	14,135	26,644	26,644	65,673
Effect of foreign exchange rate changes	(29)	746	142	(53)	(78)
Cash and cash equivalents at end of the period	14,135	26,644	65,673	28,031	106,353

Our net cash generated from operating activities decreased from RMB254.3 million in 2022 to RMB90.0 million in 2023, primarily due to (i) the decrease in profit before taxation, mainly as a result of (a) the decrease in revenue, and (b) the other net income turned into other net loss; and (ii) the increase in trade and other payables turned into decrease in trade and other payables, mainly attributable to higher level of inventories in 2022 as we had relatively high sales in 2022 compared with 2023, resulting in higher trade and other payables for inventory stock-up in 2022.

Our net cash generated from operating activities decreased from RMB90.0 million in 2023 to RMB47.6 million in 2024, primarily due to (i) the decrease in inventories turned into increase in inventories, primarily due to our increasing production volume in anticipation of increasing customer demand; and (ii) the decrease in trade and other receivables turned into increase in trade and other receivables, primarily because (a) we had relatively high sales in late 2024 compared with the same period in 2023; and (b) we strategically granted more favorable credit terms to major customers taking into consideration our long-term relationships.

Our net cash generated from operating activities increased from RMB29.8 million in the eight months ended August 31, 2024 to RMB68.9 million in same period of 2025, primarily due to (i) the decrease in increase in trade and other receivables, primarily because we strategically granted more favorable credit terms to major customers in the eight months ended August 31, 2024 taking into consideration our long-term relationships; and (ii) the increase in inventories turned into the decrease in inventories, primarily due to (a) the sell-down of previously stocked inventory along with our increase in sales from the eight months ended August 31, 2024 to the same period of 2025, and (b) our increasing efforts to improve our inventory management capabilities.

See "Financial Information — Liquidity and Capital Resources — Cash Flow" and Note 18(c) of Appendix I to this Prospectus.

KEY FINANCIAL RATIOS

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

	Year ended/As of December 31,			Eight months ended/As of August 31,
	2022	2023	2024	2025
Gross profit margin(1)	23.2%	26.6%	26.6%	27.7%
Net profit margin(2)	13.9%	10.6%	10.4%	12.2%
Current ratio(3)	1.5	1.8	0.8	0.9
Quick ratio(4)	0.8	1.0	0.4	0.6

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Net profit margin is calculated based on net profit divided by revenue and multiplied by 100%.

(3) Current ratio is calculated based on total current assets divided by total current liabilities. As of December 31, 2024, our current ratio was relatively low because our total current liabilities was relatively high due to the increase in trade and other payables in 2024. See "Financial Information — Indebtedness — Non-trade Payables due to Related Parties."

(4) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities. As of December 31, 2024, our quick ratio was relatively low because our total current liabilities was relatively high due to the increase in trade and other payables in 2024. See "Financial Information — Indebtedness — Non-trade Payables due to Related Parties."

DIVIDEND

Except the dividend distribution described below, no dividends have been paid or declared by our Company during the Track Record Period. On July 29, 2024, a dividend distribution plan was approved, pursuant to which Zhejiang Ridge Outdoor shall distribute a cash dividend of RMB65.0 million to Zhejiang Topsun Industrial, and we paid the total amount of such dividend in September 2024. You should note that the historical dividend distributions are not indicative of our future dividend distribution policy and may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future.

We are an exempted company incorporated under the laws of the Cayman Islands. Under the Cayman Companies Act and the Articles of Association, our Company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. We have no fixed dividend policy, and the declaration and payment of any dividends in the future will be determined by our Board of Directors in its discretion. In addition, our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. A decision to declare or to pay any dividends in the future, and the amount of any such dividends, will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that our Board may consider important. We do not have a predetermined dividend payout ratio. There can be no assurance that dividends of any amount will be declared or distributed in any year.

RISK FACTORS

Our business and the Global Offering involve certain risks as set out in "Risk Factors." You should read that section in its entirety carefully before you decide to invest in our Shares. Some of the major risks we face include:

- We face significant competition in the fishing-related equipment industry. If we are unable to compete effectively, our business, financial condition and results of operations may be materially and adversely affected;

- We rely on the stability of our supply chain. Any loss or deterioration in our relationship with our key suppliers, any disruption in the supply of raw materials and services or any significant increase in the prices of raw materials and services could materially and adversely affect our business, financial condition and results of operations;

- Our success depends on our strong relationships with certain major customers. Any interruption of collaboration or deterioration of the relationship with our major customers could adversely affect our business, financial condition and results of operations;

- Our success depends on our capability to efficiently design, develop and produce quality products catering to customer demand. If we fail to successfully launch or upgrade products in a timely manner to capture market trends, we may not be able to continuously stimulate customer demand and remain competitive;

- Our production capabilities are crucial to our business. If we fail to properly plan production in accordance with business needs, effectively maintain and upgrade our production equipment, or promptly advance our production technologies, we may not be able to meet customer demand or improve our operational efficiency; and

- Unsatisfactory performance of or defects in our products may harm our reputation, lead to product returns or recalls and materially and adversely affect our business, financial condition and results of operations.

See "Risk Factors."

RECENT DEVELOPMENT

After August 31, 2025 and up to the Latest Practicable Date, our sales volume has been on an upward trajectory and we have successfully expanded our customer base. Our sales volume was 5,463.3 thousand pieces in the eleven months ended November 30, 2025, compared to 4,355.9 thousand pieces in the same period of 2024. In the eleven months ended November 30, 2025, we had 8,644 confirmed orders, accounting for RMB576.8 million, and 7,814 confirmed orders, accounting for RMB599.4 million, in the same period of 2024. In the eleven months ended November 30, 2025, we had 10,262 delivered orders, accounting for RMB620.0 million, and 9,512 delivered orders, accounting for RMB506.4 million in the same period of 2024.

Save as disclosed above there had been no material adverse change in our financial or trading position or prospects since August 31, 2025, being the end date of the periods reported in Appendix I to this Prospectus, and there had been no event since August 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this Prospectus.

As advised by our PRC Legal Advisor, subject to the Provisional Measures for the Administration of Domestic Enterprises' Overseas Issuance of Securities and Listing (《境內企業境外發行證券和上市管理試行辦法》), we are required to go through the filing procedures with the CSRC after the submission of our application for the initial public offering to the Stock Exchange and to obtain the CSRC notification of filing completion with respect to the Listing. We submitted the filing application to the CSRC on November 18, 2024 for the Global

Offering and the listing of the Shares on the Stock Exchange, and the CSRC issued a notification on our completion of the PRC filing procedures for the listing of our Shares on the Stock Exchange and the Global Offering on December 19, 2025. See "Regulatory Overview — Laws and Regulations on Overseas Listing."

IMPACTS OF THE U.S. TARIFF POLICIES

The U.S. government has been rolling out a series of tariffs and relevant new policies since 2025, affecting various countries and regions as well as industries. The U.S. Supreme Court is currently considering the legality of the 2025 U.S. IEEPA tariff actions and is expected to issue its ruling in early 2026. See "Regulatory Overview — Laws and Regulations of the U.S. — The U.S. Tariff Policies." Our exports to the U.S. are primarily tent products. Based on our export records to the U.S. and the relevant HTSUS codes of our products exported to the U.S., the applicable tariff rates of our the major tent products exported to the U.S. range from approximately 34.5% to 36.3% as of the Latest Practicable Date.

Ultimately, substantially all of our contractual obligations with customers for these U.S.-bound sales of products manufactured and packaged in China are structured under Incoterms® 2020 of Free On Board ("FOB"), pursuant to which we are not the importer of record who bears the responsibility for tariffs. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our revenue from North America was RMB154.1 million, RMB46.2 million, RMB50.0 million and RMB29.7 million, representing 18.8%, 10.0%, 8.7% and 6.5% of our total revenue in the same respective periods.

Taking into consideration (i) our revenue from the U.S. accounts for a relatively small proportion, and our revenue and sales volume from North America remained relatively stable in the eight months ended August 31, 2025 compared with the same period of 2024; (ii) our industry-leading position and the limited number of comparable suppliers of fishing-related equipment for the U.S. customers in the fishing-related equipment industry, with no order cancellations or requests to suspend delivery of our products due to the U.S. tariffs from any customers as of the Latest Practicable Date; (iii) our U.S. customers are acting as the U.S. importers of record and have the legal obligation to pay import duties; (iv) our contractual framework with U.S. customers; (v) our stable and long-term relationship with U.S. customers; and (vi) our continuous efforts to mitigate the impact of U.S. tariff, including expansion of our customer base in Europe, Asia and South America, our Directors are of the view and the Sole Sponsor concurs that the recent U.S. tariff policies do not have any significant direct or indirect impacts on our business operations and financial performance.

See "Business — Impacts of the U.S. Tariff Policies."

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Our Controlling Shareholders

As of the Latest Practicable Date, Mr. Yang was (i) indirectly interested in approximately 88.06% of the total issued share capital of the Company through GreatCast, a company wholly owned by him; and (ii) deemed to be interested in approximately 6.71% of the total issued share capital of the Company held by Outrider Partnership, by virtue of his role as the sole shareholder of Taihong, the general partner of Outrider Partnership. Accordingly, Mr. Yang, GreatCast, Taihong and Outrider Partnership constitute our Controlling Shareholders holding in aggregate approximately 94.77% of the total issued share capital of the Company.

Immediately following the completion of the Global Offering, the Controlling Shareholders will in aggregate hold approximately 73.92% of the total issued share capital of the Company. Therefore, Mr. Yang, GreatCast, Taihong and Outrider Partnership will remain as our Controlling Shareholders upon Listing.

Business Delineation with Our Controlling Shareholders and Their Close Associates

We believe that our Group's business can be clearly delineated from the business of the Topsun Group in terms of, among others, industry positioning, differentiated scenarios, target end consumers and direct customers, and product functions and features. We focus on fishing-related equipment offering to anglers of all skill levels. In terms of revenue in 2024, we ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1%, according to Frost & Sullivan. Our product portfolio primarily encompasses quality fishing-related equipment that offer reliable and well-designed outdoor solutions to anglers of all skill levels. By contrast, Topsun Group is a global and diversified large-scale enterprise group, principally engaged in R&D, manufacturing and sale of leisure outdoor products (not including fishing gear), investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism. The main leisure outdoor products it manufactures include camping bags, camping tents, camping furniture and garden furniture and their target end consumers are mostly individuals with interests in camping and hiking. During the Track Record Period, more than half of the revenue of the Group were generated from sales to customers with the principal place of business in Europe, while more than half of the revenue of the Topsun Group were generated from sales to customers with principal place of business in North America.

The Group's products are always featured with functionality, comfort and durability for fishing purpose following the functionality-driven design philosophy, which could be demonstrated by, among others, (i) the expandable accessories, telescopic feet and muddy feet equipped with fishing lounge chair to enable easy access to the rod and use in muddy ground or sloped river bank; (ii) the various unique functions and features of our fishing bags such as the top of certain fishing bags could serve as a temporary platform for fishing boxes or as working platform for anglers to tie fishing lines and hang lures; (iii) the one-wheel or three-wheel design of our fishing barrow to prevent anglers from tipping and ensure flexible and efficient movement and transportation; (iv) the detachable front door and high top design as well as the materials featuring warmth retention, the high-strength aluminum alloy pole featuring stability and durability deployed in our fishing tents. By contrast, the leisure outdoor equipment offered by the Topsun Group target at consumers interested in hiking and camping. Its camping chairs are normally not equipped with expandable accessories, telescopic feet and muddy feet considering the camping-use scenarios; the camping bags are normally designed with simple storage function for camping purpose; the camping cart is normally equipped with four wheels considering the camping site is normally flat; and the camping tents are generally designed with lower top and light weight for privacy and transportation convenience. For details, see "Relationship with Controlling Shareholders — Delineation of Business."

In particular, save for the transactions under the Products Provision Framework Agreement and the Products and Services Procurement Framework Agreement, Topsun Group is not engaged in manufacturing or sales of fishing gear in any kind and our Group is not engaged in investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism. See "Connected Transactions" for further details. Notwithstanding Topsun Group engages in manufacturing and sale of leisure outdoor products mainly including camping bags, camping tents and camping furniture such as camping cart and camping chair, our business and those of Topsun Group are distinct from each other. See "Relationship with Controlling Shareholders — Delineation of Business" for further details.

Connected Transactions with our Controlling Shareholders and Their Associates

We have entered into certain continuing connected transactions with Topsun Group or Mr. Yang. See "Connected Transactions" for further details of, and the reasons for entering into, these transactions.

We entered into the Products Provision Framework Agreement with Topsun Group, pursuant to which we may provide our products to Topsun Group for its sales to its customers, if we consider it is in the interest of our Company and the Shareholders as a whole. During the Track Record Period, the sales revenue generated from sales of our products to Topsun Group amounted to RMB66.2 million, RMB50.3 million, RMB55.0 million and RMB50.4 million, representing approximately 8.1%, 10.9%, 9.6% and 11.0% of our revenue for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025. While the expected caps under the Products Provision Framework Agreement is expected to increase, we expect that such revenue contribution from Topsun Group as a percentage of our total revenue will decline in the near to mid term. See "Connected Transactions" for further details.

In addition, we entered into the Products and Services Procurement Framework Agreement with Mr. Yang, pursuant to which we may procure various supporting and/or ancillary services, including but not limited to (i) warehousing services; (ii) processing services; (iii) IT services; (iv) testing services; and (v) property management service and other supporting and/or ancillary services, products such as folding table, folding cabinet, heat-pressing fishing bags, and materials such as plastic parts, screws and nuts from the Topsun

Group and Mr. Yang's other associates. Services provided Mr. Yang's associates and the work outsourced/allocated to Topsun Group do not involve decision-making or strategic thinking, most of them are charged based on volume and/or cost incurred. During the Track Record Period, the transaction amounts in respect of our procurement of such services and products were approximately RMB78.9 million, RMB32.1 million, RMB47.0 million and RMB20.0 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively. See "Connected Transactions" for further details.

GLOBAL OFFERING STATISTICS

The Global Offering by us consists of:

- the offer by us of initially 2,820,500 Hong Kong Offer Shares, for subscription by the public in Hong Kong, referred to in this Prospectus as the Hong Kong Public Offering; and
- the offer by us of initially 25,384,500 International Offer Shares, outside the U.S. (including to professional, institutional and other investors within Hong Kong) in offshore transactions in reliance on Regulation S or another exemption from the registration requirements under the U.S. Securities Act, referred to in this Prospectus as the International Offering.

	Based on the Offer Price of HK$11.25	**Based on the Offer Price of HK$12.25**
Market capitalization of our Shares(1)	HK$1,442 million	HK$1,571 million
Unaudited pro forma adjusted net tangible assets per Share(2)(3)	HK$2.28	HK$2.49

Notes:

(1) The calculation of market capitalization is based on 128,205,000 Shares expected to be in issue immediately upon completion of the Global Offering.

(2) For details, please refer to "Appendix II – Unaudited Pro Forma Financial Information – A. Unaudited Pro Forma Statement of Adjusted Net Tangible Assets – Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share" to this Prospectus.

(3) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect our trading results or other transactions entered into subsequent to August 31, 2025.

USE OF PROCEEDS

After deducting the underwriting fees and commissions and other estimated offering expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$11.75 per Share (being the mid-point of the indicative Offer Price range of HK$11.25 and HK$12.25), we estimate that we will receive net proceeds of approximately HK$271.8 million from the Global Offering. In line with our strategies, we intend to use our proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 45.0% of the net proceeds, or HK$122.3 million, is expected to be used for our brand development and promotion;
- approximately 25.0% of the net proceeds, or HK$67.9 million, is expected to be used for product design and development and the establishment of a global fishing gear innovation center;
- approximately 20.0% of the net proceeds, or HK$54.4 million, is expected to be used to upgrade our production facilities and enhance our digitalization capabilities; and
- approximately 10.0% of the net proceeds, or HK$27.2 million, is expected to be used for working capital and general corporate uses.

See “Future Plans and Use of Proceeds.”

LISTING EXPENSES

Listing expenses consist of professional fees, underwriting commissions and other fees incurred in connection with the Global Offering. We expect to incur total listing expenses of approximately RMB53.5 million (HK$59.6 million), comprising: (i) underwriting fees of RMB14.9 million (HK$16.6 million); and (ii) non-underwriting-related expenses of RMB38.6 million (HK$43.1 million), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB26.6 million (HK$29.6 million); and (b) other fees and expenses of RMB12.0 million (HK$13.4 million), based on the Offer Price of HK$11.75 per Offer Share (being the mid-point of the Offer Price range). During the Track Record Period, listing expenses in aggregate of RMB21.0 million (HK$23.4 million) were incurred as of August 31, 2025 and charged to our consolidated statement of profit or loss. Approximately RMB13.1 million (HK$14.6 million) of the total listing expenses is expected to be charged to our consolidated statements of profit or loss after the Track Record Period. Approximately RMB19.4 million (HK$21.6 million) of the total listing expenses is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses are expected to represent approximately 18.0% of the gross proceeds of the Global Offering, assuming an Offer Price of HK$11.75 per Offer Share (being the mid-point of the indicative Offer Price range). The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2025

On the basis set out in Appendix IIA to this prospectus, and in the absence of unforeseen circumstances, we estimate that our unaudited consolidated profit attributable to equity shareholders of our Company for the year ended December 31, 2025 is as follows:

Estimated consolidated profit attributable to equity shareholders of our Company	Not less than RMB73.0 million

In this prospectus, unless the context otherwise requires, the following expressions shall have the following meanings.

"Accountants' Report"	the accountants' report from the reporting accountants of our Group, the text of which is set out in Appendix I to this prospectus
"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association"	the amended and restated articles of association of our Company, conditionally adopted on January 27, 2026 with effect from the Listing Date, a summary of which is set out in Appendix III to this prospectus
"Audit Committee"	the audit committee of our Company, the details of which are described in "Corporate Information" in this prospectus
"Board" or "Board of Directors"	the board of directors of our Company
"business day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
"Capital Market Intermediary(ies)" or "CMI(s)"	has the meaning ascribed to it in the Listing Rules and, unless the context requires otherwise, refers to the capital market intermediaries named in "Directors and Parties Involved in the Global Offering" in this prospectus
"Cayman Companies Act"	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"CCASS"	The Central Clearing and Settlement System established and operated by HKSCC

"China" or the "PRC"	the People's Republic of China, which for the purpose of this prospectus and for geographical reference only, excludes Hong Kong, Macau and Taiwan region
"CID"	client identification data
"CIS"	collective investment scheme
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company" or "the Company"	Ridge Outdoor International Limited (樂欣戶外國際有限公司), formerly known as Ridge International Limited, an exempted company incorporated in Cayman Islands with limited liability on July 17, 2024
"Compliance Advisor"	Guotai Junan Capital Limited
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Mr. Yang, GreatCast, Taihong and Outrider Partnership
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"Discretionary Fees"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"East Asia"	a region in the eastern part of Asia, the west coast of the Pacific Ocean, mainly including China, Japan, South Korea and other regions
"Encumbrance"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus

"Europe"	a continent in northwest Eurasia including 45 countries and regions, such as the United Kingdom, France, Italy, Spain
"Extreme Conditions"	the occurrence of "extreme conditions" as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below
"FINI"	"Fast Interface for New Issuance", the online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for the Listing
"First Creator Investment"	First Creator Investment Limited (創傑投資有限公司), a company incorporated under the laws of Hong Kong with limited liability, which is wholly owned by Zhejiang Topsun Holding
"First Six-Month Period"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"First Twelve-Month Period"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"Fixed Fees"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market research consultant, which is an Independent Third Party
"Future Trade Network"	Future Trade Network Limited, our Pre-IPO Investor and a company incorporated under the laws of Hong Kong with limited liability, which is wholly owned by Mr. Drees Uwe

"General Rules of HKSCC"	the terms and conditions regulating the use of HKSCC's services, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering
"GreatCast"	GreatCast International Limited, a company incorporated under the laws of the BVI with limited liability, which is wholly owned by Mr. Yang, one of the Controlling Shareholders
"Group," "our Group," "the Group," "we," "us" or "our"	the Company and its subsidiaries or, where the context so requires, in respect of the period prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"HK$" or "HKD" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HKID"	Hong Kong identity card
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited

"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is an HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominee"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operation and functions of CCASS, FINI or any other platform, facility or systems established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Offer Shares"	the 2,820,500 Shares initially being offered for subscription in the Hong Kong Public Offering, subject to reallocation as described in "Structure of the Global Offering" in this prospectus
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong, on the terms and subject to the conditions described in this prospectus as further described in "Structure of the Global Offering" in this prospectus
"Hong Kong Share Registrar"	Tricor Investor Services Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in "Underwriting" in this prospectus

"Hong Kong Underwriting Agreement"	the underwriting agreement dated January 30, 2026 relating to the Hong Kong Public Offering and entered into by our Company, the Controlling Shareholders, the Sole Sponsor, the Sole Overall Coordinator and the Hong Kong Underwriters, as further described in "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Hong Kong Underwriting Agreement" in this prospectus
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which is/are not connected person(s) (within the meaning of the Listing Rules) of the Company
"International Offer Shares"	the 25,384,500 Shares being initially offered for subscription under the International Offering subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus
"International Offering"	the offer of the International Offer Shares at the Offer Price by the International Underwriters outside the United States in offshore transactions as defined in and in accordance with Regulation S, as further described in "Structure of the Global Offering" in this prospectus
"International Underwriters"	the underwriters of the International Offering listed in the International Underwriting Agreement
"International Underwriting Agreement"	the international underwriting agreement, expected to be entered into on or about the Price Determination Date, relating to the International Offering, by our Company, the Sole Sponsor, the Sole Overall Coordinator and the International Underwriters, as further described in "Underwriting — Underwriting Arrangements — The International Offering" in this prospectus
"Joint Bookrunners"	the joint bookrunners as named in "Directors and Parties Involved in the Global Offering" of this prospectus
"Joint Lead Managers"	the joint lead managers as named in "Directors and Parties Involved in the Global Offering" of this prospectus

"Latest Practicable Date"	January 25, 2026, being the latest practicable date for ascertaining certain information in this prospectus before its publication
"LEI"	Legal Entity Identifier
"Listing"	the listing of the Shares on the Main Board
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date, expected to be on or around Tuesday, February 10, 2026, on which our Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"M&A Rules"	Regulations on Merger with and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) jointly issued by the MOFCOM, the SASAC, the SAT, the CSRC, the SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Maximum Offer Price"	HK$12.25 per Offer Share, being the maximum subscription price in the indicative Offer Price range stated in this prospectus
"MAYYA"	MAYYA International Limited, a company incorporated under the laws of the BVI with limited liability, which is wholly owned by Mr. Cai
"Memorandum of Association"	the amended and restated memorandum of association of our Company, conditionally adopted on January 27, 2026, with effect from the Listing Date, a summary of which is set out in Appendix III to this prospectus

"MOF"	the Ministry of Finance of the People's Republic of China (中華人民共和國財政部)
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"Mr. Cai"	Mr. Cai Charles Qihua (蔡其華)
"Mr. Yang"	Mr. Yang Baoqing (楊寶慶), our chairman of the Board and non-executive Director, one of the Controlling Shareholders
"Ms. Yuan"	Ms. Yuan Liping (袁利平), the spouse of Mr. Yang
"NDRC"	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
"Nomination Committee"	the nomination committee of our Company, the details of which are described in "Corporate Information" in this prospectus
"Northern America"	a region in the northern part of the Western Hemisphere, mainly consisting of the United States, Canada, and Greenland
"Offer Price"	the final offer price per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) of not more than HK$12.25 and expected to be not less than HK$11.25, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering, to be determined in the manner further described in "Structure of the Global Offering — Pricing of the Global Offering" in this prospectus
"Offer Related Document"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"Offer Shares"	the Hong Kong Offer Shares and the International Offer Shares, being the Shares of the Company

"Ordinary Share(s)" or "Share(s)"	(i) prior to the Share Subdivision, ordinary share(s) of a par value of US$1.00 each in the share capital of our Company; or (ii) after the Share Subdivision, ordinary share(s) of a par value of US$0.0005 each in the share capital of our Company
"Outrider Partnership"	Outrider Investment Limited Partnership is a limited partnership with legal personality established under the laws of the BVI, one of our Controlling Shareholders
"PBOC"	the People's Bank of China
"Personal Data (Privacy) Ordinance"	the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"PRC Legal Advisor"	Grandall Law Firm (Hangzhou), the PRC legal advisor to our Company
"Pre-IPO Investment"	the Pre-IPO investment in our Company undertaken by the Pre-IPO Investor prior to the Listing, details of which are set out in the section headed "History, Reorganization and Corporate Structure" in this prospectus
"Pre-IPO Investor"	the investor who participated in our Pre-IPO Investments, details of which are set out in the section headed "History, Reorganization and Corporate Structure" in this prospectus
"Price Determination Agreement"	the agreement to be entered into between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company on or about the Price Determination Date to record and fix the Offer Price
"Price Determination Date"	the date on which the Offer Price is to be determined, which is expected to be on or before 12:00 noon on Friday, February 6, 2026
"Regulation S"	Regulation S under the U.S. Securities Act
"Relevant Jurisdictions"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus

"Relevant Persons"	has the meaning ascribed to it in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus
"Relevant Securities"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"Remuneration Committee"	the remuneration committee of our Company, the details of which are described in "Corporate Information" in this prospectus
"Reorganization"	the reorganization arrangements undergone by our Group in preparation for the Listing, as further described in "History, Reorganization and Corporate Structure — Reorganization"
"Ridge Holding (HK)"	Ridge Holding (HK) Limited (樂欣控股(香港)有限公司), a company incorporated under the laws of Hong Kong with limited liability, which is a direct wholly owned subsidiary of the Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAMR", or formerly known as "SAIC"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局), and formerly known as State Administration of Industry and Commerce of the PRC (中華人民共和國工商行政管理局)
"Second Six-Month Period"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share Subdivision"	the subdivision of each of our Shares with a par value of US$1.00 each in the authorized share capital of our Company (including the issued and unissued share capital) into 2,000 Shares with a par value of US$0.0005 each

"Shareholder(s)"	holder(s) of our Shares
"Solar HK"	Solar Outdoors Investment Limited, a company incorporated under the laws of Hong Kong with limited liability, which is wholly owned by Ms. Yuan
"Solar UK"	Solar Tackle Limited, a company incorporated under the laws of the United Kingdom with limited liability, which is a wholly owned subsidiary of the Company
"Sole Global Coordinator"	the sole global coordinator as named in "Directors and Parties Involved in the Global Offering" of this prospectus
"Sole Overall Coordinator"	has the meaning ascribed to it in the Listing Rules and, unless the context requires otherwise, refers to the overall coordinator named in "Directors and Parties Involved in the Global Offering" in this prospectus
"Sole Sponsor"	China International Capital Corporation Hong Kong Securities Limited
"Southeast Asia"	a region located in southeast Asia, mainly consisting of 10 countries, such as Indonesia, Malaysia, Singapore, Thailand and Vietnam
"Sponsor-Overall Coordinator"	China International Capital Corporation Hong Kong Securities Limited
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
"State Council"	the PRC State Council (中華人民共和國國務院)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subject Securities"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus
"subsidiary(ies)"	has the meaning ascribed to it under the Companies Ordinance
"Syndicate Members"	has the meaning ascribed to it in the section headed "Underwriting" in this prospectus

"Synergy Investment"	Synergy Investment Holding Limited (致合投資控股有限公司), a company incorporated under the laws of Hong Kong with limited liability, which is owned as to (i) 66.7% by Mr. Cai and (ii) 33.3% by First Creator Investment
"Taihong"	Taihong International Limited, a company incorporated under the laws of the BVI with limited liability, which is wholly owned by Mr. Yang, one of the Controlling Shareholders
"Takeovers Code"	the Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Topsun Group"	Zhejiang Topsun Holding and its subsidiaries from time to time
"Track Record Period"	the period comprising the three years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025
"Underwriters"	the Hong Kong Underwriters and International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States", "U.S." or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"United Kingdom", "U.K." or "UK"	the United Kingdom of Great Britain and Northern Ireland
"U.S. Securities Act"	United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"US$", "USD" or "U.S. dollars"	United States dollars, the lawful currency for the time being of the United States
"Zhejiang Ridge Creative"	Zhejiang Ridge Creative Industry Co., Ltd (浙江樂欣創意產業有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly owned subsidiary of the Company

"Zhejiang Ridge Outdoor"	Zhejiang Ridge Outdoor Co., Ltd (浙江樂欣戶外用品有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly owned subsidiary of the Company
"Zhejiang Topsun Holding"	Zhejiang Topsun Holding Group Co. Ltd. (浙江泰普森控股集團有限公司), a company established under the laws of the PRC with limited liability, which is held as to (i) 99.0% by Mr. Yang and (ii) 1.0% by Ms. Yuan
"Zhejiang Topsun Industrial"	Zhejiang Hengfeng Top Leisure Co., Ltd. (浙江泰普森實業集團有限公司), a company established under the laws of the PRC with limited liability, which is owned as to (i) 75.0% by Zhejiang Topsun Holding, (ii) 17.5% by First Creator Investment and (iii) 7.5% by Synergy Investment
%	percent

In this prospectus, the terms "associate", "close associate", "connected person", "core connected person", "connected transaction", "Exchange Participant" and "substantial shareholder" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this prospectus have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

For the ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. The company name which is marked with "" is for identification purpose only.*

This glossary of technical terms contains explanations of certain terms used in this prospectus in connection with our Group and our business. The meaning of these terms may not necessarily correspond to standard industry meaning or the usage of these terms.

"AI"	artificial intelligence
"BIFMA-X5.1-2017"	a standard released by Business Institutional Furniture Manufacturers Association of U.S., providing a common basis for manufacturers, specifiers, and users to evaluate the safety, durability, and structural adequacy of general-purpose office chairs
"CAGR"	compound annual growth rate
"CNAS"	China National Accreditation Service for Conformity Assessment (中國合格評定國家認可委員會)
"EN581-2:2015"	an European standard specifying the minimum requirements for the safety, strength and durability of all types of outdoor seating for adults, without regard to materials, design/construction or manufacturing processes
"ERP"	enterprise resource planning, a business process management software that allows an organization to use a system of integrated applications to manage the business and digitalize back-office functions relating to technology, services, and human resources
"EXW"	Ex Works, where seller assumes responsibility until the products are made available for pickup by customers at warehouses or other designated locations
"FOB"	Free on Board, where seller assumes responsibility until the products are loaded onto the shipping vessel
"GDP"	gross domestic product
"IP"	intellectual property

"ISO"	the International Organization for Standardization, a non-governmental organization based in Geneva, Switzerland, for assessing the quality systems of business organizations
"ISO 14001:2015"	a standard published by ISO, prescribing specific requirements for an environmental management system in an organization
"ISO 45001:2018"	a standard published by ISO, prescribing specific requirements for an occupational health and safety management system in an organization
"ISO 9001: 2015"	a standard published by ISO, prescribing specific requirements for a quality management system in an organization
"IT"	information technology
"KOL"	key opinion leader
"LED"	light-emitting diode, a semiconductor diode that emits light when voltage is applied
"MES"	manufacturing execution system
"MWh"	megawatt, unit of electricity
"NQC"	non-qualified cost, the cost of resolving customer complaints (including labor costs and material costs from reworking and product replacement) as a percentage of total revenue
"OBM"	original brand manufacturer, a company that sells its manufactured products under its own brands
"ODM"	original design manufacturer, a company that designs and manufactures products eventually be sold under third-party brands
"OEM"	original equipment manufacturer, a company that manufactures a product in accordance with its customer's designs which ultimately will be branded by its customer for sale

"OMS"	order management system
"PVC"	polyvinyl chloride, a versatile thermoplastic polymer commonly utilized for the manufacturing of a wide range of other products, including water pipes
"R&D"	research and development
"SKU"	stock keeping unit
"WMS"	warehouse management system

This Prospectus includes forward-looking statements. All statements other than statements of historical facts contained in this Prospectus, including, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals, targets and future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual performance or achievements to differ materially from those in the forward-looking statements include, among other things, the following:

- general political and economic conditions, including those related to the PRC;
- our ability to successfully implement our business plans and strategies;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- our business operations and prospects;
- our capital expenditure plans;
- the actions and developments of our competitors;
- our financial condition and performance;
- capital market developments;
- our dividend policy;
- any changes in the laws, rules and regulations of the central and local governments in the PRC and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans;
- various business opportunities that we may pursue; and

- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and Hong Kong and the industry and markets in which we operate.

Additional factors that could cause actual performance or achievements to differ materially include, but are not limited to, those discussed in “Risk Factors” and elsewhere in this Prospectus. We caution you not to place undue reliance on these forward-looking statements, which reflect our management’s view only as of the date of this Prospectus. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Prospectus might not occur. All forward-looking statements contained in this Prospectus are qualified by reference to the cautionary statements set out in this section.

An investment in our Shares involves significant risks. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our Shares could decline, and you may lose all or part of your investment.

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed "Forward-looking Statements" in this Prospectus.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

We face significant competition in the fishing-related equipment industry. If we are unable to compete effectively, our business, financial condition and results of operations may be materially and adversely affected.

We primarily operate in the fishing-related equipment industry with increasing competition. We primarily compete with Chinese and overseas fishing-related equipment manufacturers in a variety of aspects including market experience, product portfolio, production scale, cost efficiencies, financial, sales and marketing strengths, product design and development and technological resources. Our existing competitors and new market entrants may seek to develop new product offerings, technologies or capabilities that could render certain of our products obsolete or less competitive. Our competitors may adopt more aggressive pricing policies or devote more resources to marketing and promotional campaigns. They may also have longer corporate operating history, sophisticated technological capabilities and broader customer base. In addition, our competitors may establish cooperative relationships among themselves or with third parties to further enhance their product offerings or resources and competitiveness. The occurrence of these circumstances may cause stronger competition, hindering our growth, reducing our market share or harming our brand recognition. If we fail to respond to these circumstances in a timely and effective manner, our business, financial condition and results of operations may be materially and adversely affected.

We rely on the stability of our supply chain. Any loss or deterioration in our relationship with our key suppliers, any disruption in the supply of raw materials and services or any significant increase in the prices of raw materials and services could materially and adversely affect our business, financial condition and results of operations.

The stability of our supply chain is crucial to our operations. We rely on our suppliers to provide us with a wide range of raw materials, such as steel tube, aluminum tube and fabric. In line with market practices, according to Frost & Sullivan, we outsource certain auxiliary production processes, such as sewing, hardware processing and silk-screening, to subcontractors. Any disruption to our supply chain could impair our ability to manufacture products as scheduled. Moreover, we expect our demand for raw materials and services to increase as we expand our business scale and commercialize our product candidates, and we cannot guarantee that current suppliers will have the capacity to meet our standards and demand in the future.

During the Track Record Period, we relied on a few key suppliers for the majority of our supplies. Purchase amount from our five largest suppliers in each year or period during the Track Record Period amounted to RMB181.1 million, RMB71.6 million, RMB136.2 million and RMB93.6 million, respectively, representing 30.9%, 27.2%, 31.7% and 34.9% of our total purchase amount for the same periods, respectively. If our relationship with key suppliers deteriorates or terminates, or if our key suppliers face operational difficulties that hinder their ability to provide raw materials on time and with consistent quality, our ability to deliver products to customers in a timely manner could be impacted. In such cases, we cannot assure you that we will be able to identify an alternative qualified supplier in a timely manner, which would materially and adversely affect our business, financial condition and results of operations.

Our profitability also depends in part on our ability to source raw materials at competitive prices. Raw materials used in our products are subject to price volatility caused by external conditions, such as market supply and demand, changes in governmental policies and natural disasters. According to Frost & Sullivan, the raw materials of the fishing gear industry mainly include polyester, nylon, aluminum and strip steel. The prices of nylon fluctuated during the Track Record Period, which was, on average, RMB36,688 per ton, RMB28,245 per ton and RMB25,361 per ton, in 2022, 2023 and 2024, respectively. See "Industry Overview — Trends in Raw Material Prices." Any unforeseen changes in raw material costs could adversely affect our profitability and results of operations. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our raw material costs were RMB379.4 million, RMB202.8 million, RMB252.3 million and RMB193.1 million, respectively, representing 60.4%, 59.6%, 60.0% and 58.1% of our total cost of sales in the same respective periods. If we are unable to obtain raw materials at competitive prices, our product quality and profit margins could be adversely affected.

Our success depends on our strong relationships with certain major customers. Any interruption of collaboration or deterioration of the relationship with our major customers could adversely affect our business, financial condition and results of operations.

We primarily serve as the OEM/ODM provider for leading outdoor equipment brands, offering solutions for product design, development and production. As such, our ability to maintain strong and trusted relationships with major customers is critical to our long-term success. Revenue from our five largest customers in each year or period during the Track Record Period amounted to RMB470.9 million, RMB264.9 million, RMB331.1 million and RMB252.8 million, respectively, representing 57.5%, 57.2%, 57.7% and 54.9% of our total revenue in the same respective periods.

Our reliance on these major customers subjects us to the concentration and counterparty risk from these customers. We cannot assure you that we will always be able to maintain our relationships with our major customers in the future. Moreover, we cannot guarantee that our major customers will not have a change of business scope or business model or will continue to maintain their market position and reputation. If certain of our major customers interrupt collaboration or deteriorate their relationship with us, there can be no assurance that we will be able to find a replacement with similar revenue contribution on comparable commercial terms within a reasonable period of time. Should this situation occur, our business, financial condition and results of operations may be adversely affected.

Our success depends on our capability to efficiently design, develop and produce quality products catering to customer demand. If we fail to successfully launch or upgrade products in a timely manner to capture market trends, we may not be able to continuously stimulate customer demand and remain competitive.

Our business operations and future growth rely on our ability to efficiently design, develop and produce quality products that meet customer demand and market trends. To cater to varying market demand, we are consistently launching new products and upgrading existing products. The success of new and upgraded products depends on multiple factors, such as industry trends, market demand, regulatory approvals, production efficiency, competition and customer acceptance. Any failure to successfully launch or upgrade products that capture market trends in a timely manner may result in customer loss and compromise our competitive edge and market share, further adversely affecting our business, financial condition and results of operations.

Our production capabilities are crucial to our business. If we fail to properly plan production in accordance with business needs, effectively maintain and upgrade our production equipment, or promptly advance our production technologies, we may not be able to meet customer demand or improve our operational efficiency.

Our ability to maintain and further improve production capabilities is critical to our sustained success. To satisfy customer demands and boost operational efficiency, our ability to plan production effectively in accordance with business needs, maintain and upgrade our production equipment and advance our production capabilities in a timely manner is crucial. As of the Latest Practicable Date, we operated production facilities in Deqing, Zhejiang, China with a combined designed production capacity of 6.2 million units. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our production plants operated at utilization rates of 86.0%, 78.9%, 80.2% and 78.3%, respectively. Any failure to properly plan production based on our business needs could lead to overproduction or underproduction, which may result in excessive inventory or inability to timely deliver products to our customers or meet customer needs.

Moreover, it is essential to effectively maintain and update our production equipment to avoid unexpected breakdowns and ensure continuous, efficient production. Any significant downtime or inefficiency in our production lines could disrupt our supply chain, delay product deliveries, and negatively impact our relationships with customers. Our capacity expansion and equipment upgrades have required and will continue to require substantial capital investment, timely delivery of manufacturing equipment and dedicated management attention. These efforts are subject to risks such as exceeding budgets, construction delays and issues with production equipment. If we fail to maintain or upgrade our production equipment effectively, it could result in higher production costs, production inefficiencies and the inability to meet customer demand.

Further, failure to advance our production technologies could hinder our ability to achieve economies of scale and satisfactory utilization rates. Additionally, if our new equipment fails to perform as expected or if we are unable to advance our production technologies promptly, we may not be able to lower our manufacturing costs or improve our operational efficiency.

Unsatisfactory performance of or defects in our products may harm our reputation, lead to product returns or recalls and materially and adversely affect our business, financial condition and results of operations.

Our products may contain defects that are not detected until they are shipped or inspected by our customers. Our failure to maintain consistent and quality production process could result in substandard quality or performance of our products. Product defects could cause significant damage to our market reputation, reducing our sales and market share. If we deliver any defective products, or if there is a perception that our products are of substandard quality, we may incur substantial costs associated with returns, recalls or replacements of our products, adversely affecting our credibility, market reputation and market share. In addition, we may, as a result of defective products, encounter additional compliance issues that could subject us to administrative proceedings or production rectification. In such events, our business, financial conditions and results of operations could be materially affected.

In addition, as our customers sell our products to the end consumers, we are exposed to potential product liability claims, including class action lawsuits, from end consumers of our products in the relevant jurisdiction in the event that the use of our products results in any safety issue or damage. We cannot assure you that a product liability claim will not be brought against us in the future or that we will not see increasing litigation over our products as the regulatory regimes surrounding these products develop, and we cannot assure you as to the outcome of any legal proceedings. Successful product liability claims against us could result in a substantial amount of damages payable by us. Such disputes may also bring negative publicity that could severely damage our reputation and affect the marketability of our products, and could result in substantial costs and diversion of our resources and management's attention. All of the above impact would in turn materially and adversely affect our business, financial conditions and results of operations.

We have purchased product liability insurance for claims of personal injury and property damage caused by our products. See "Business — Insurance." However, there can be no assurances that we will be able to maintain our product liability insurance on acceptable terms, and our insurance coverage may not be sufficient to cover any or all of our potential losses in product liability claims. If we cannot maintain our product liability insurance on reasonable terms or our insurance does not or cannot sufficiently compensate for the losses we sustain in the event of a lawsuit, our business, financial conditions and results of operations would be adversely affected.

We have diverse sales channels. Our sustainable growth depends on our capability to effectively develop, manage and optimize our global sales network.

Our sustainable growth depends partially on our ability to effectively develop, manage and optimize our global sales network and cultivate stable customer relationships worldwide. As of the Latest Practicable Date, we sold our products to over 40 countries and regions. Our multiple sales channels presents several risks. Ineffective development or management of these channels could lead to suboptimal sales performance, inefficiencies, and increased operational costs. For instance, failure to adequately support our OEM/ODM partners may result in decreased orders and weakened business relationships. Similarly, any shortcomings in managing our OBM sales channels could lead to reduced brand recognition and customer loyalty. Furthermore, it requires continuous monitoring and adaptation to market trends, customer preferences and competitive landscape to optimize our global sales network. Inability to swiftly respond to these factors may result in omission of market opportunities and loss of market share. In addition, the integration and coordination of our sales channels are crucial for maintaining a consistent brand image and customer experience. If we fail to effectively develop, manage and optimize our sales network or maintain strong relationships with our customers, our business, financial condition and results of operations could be adversely affected.

Our international operation may expose us to risks and other uncertainties associated with international trade policies, trade protection measures and geopolitics, as well as additional compliance and regulatory requirements, especially related to tariffs.

Leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries and regions. As of the Latest Practicable Date, we sold our products to over 40 countries and regions, including, among others, Europe, Chinese Mainland and North America. In 2022, 2023, 2024 and the eight months ended August 31, 2025, revenue generated from overseas markets (regions excluding Chinese Mainland) was RMB715.4 million, RMB384.7 million, RMB486.0 million and RMB390.2 million, respectively, representing 87.4%, 83.0%, 84.8% and 84.8% of our total revenue in the respective periods. The U.S. government has been rolling out a series of tariffs and relevant new policies since 2025, affecting various countries and regions as well as industries. For example, the U.S. announced a series of reciprocal tariffs under the IEEPA authority since 2025. The U.S. Supreme Court is currently considering the legality of the 2025 U.S. IEEPA tariff actions. Lower courts have held that the IEEPA tariff actions are unlawful. The U.S. Supreme Court is expected to issue its ruling in early 2026. If the U.S. Supreme Court finds the IEEPA tariff actions unlawful then refunds may be owed to the U.S. importers from the U.S. government. See "Regulatory Overview — Laws and Regulations of the U.S. — The U.S. Tariff Policies." Our exports to the U.S. are primarily tent products. Based on our export records to the U.S. and the relevant HTSUS codes of our products exported to the U.S., the applicable tariff rates of our the major tent products exported to the U.S. range from approximately 34.5% to 36.3% as of the Latest Practicable Date. Ultimately, however, our U.S. customers are acting as the U.S. importers of record and have the legal obligation to pay import duties. In addition, as we are not the U.S. importers of record, we do not possess the actual tariff rates applied to our products exported to the U.S. See "Business — Impacts of the U.S. Tariff Policies."

The aforementioned tariff policies have been rapidly evolving. We cannot predict how tariff policies may further evolve or anticipate any potential impacts of subsequent developments in such policies on our business. If the U.S. government imposes additional tariff on China in the future, it may increase the end retail price of our product. As a result, certain U.S. customers may choose to procure from other suppliers outside China, potentially affecting our sales volume to the U.S. Besides, if our customers or other partners are affected, our business, financial condition and results of operations may be affected.

In addition, with our broad outreach to global customers, we may be subject to risks, such as increased competition, uncertain enforcement of our intellectual property rights, more complex distribution logistics, and the complexity of compliance with foreign laws and regulations, such as import and export requirements, anti-dumping policies, anti-corruption laws, tax laws, foreign exchange regulation and cash repatriation restrictions, data privacy requirements, environmental laws, labor laws, restrictions on foreign investment, and anti-competition regulations. We may also be negatively affected by the changes in the political and economic relationships among countries where we operate and our sales destination, which may result in stricter international trade policies and trade protection measures, including sanctions and export control measures, and geopolitical challenges, including increased duties, taxes and other costs, deteriorated economic and labor conditions and political instability. We cannot assure you that we are able to anticipate and mitigate all such risks as we continuously expand our business, the failure of which will materially and adversely affect our business, financial condition and results of operations.

Our future strategic acquisitions or investments, if any, may not be successful, and we may not realize anticipated strategic benefits and financial returns from such transactions.

We may engage from time to time in acquisitions and other strategic investments in order to expand our production capacity, diversify our product portfolio, gain access to new markets and stable sources of raw materials or acquire new technologies. For example, we may develop our OBM operations through the acquisition of additional fishing gear brands. However, there can be no assurance that our efforts, or any future acquisitions or investments, will be successful or that we will achieve the anticipated strategic benefits and financial returns from such transactions.

There are various risks associated with our acquisitions and investments, which include the following:

- inherent valuation risks in connection with acquisitions or investments;
- challenges related to integration of acquired company's or investee's operations into our business;
- events beyond our control, including changes in regulations, technology and economic conditions, which could adversely affect our ability to realize the anticipated benefits, synergies, cost savings or efficiencies from such transaction;
- potential increase in indebtedness that could constrain our operations;
- exposure to unknown or contingent liabilities that could require significant expenditures and capital injections;
- failure to train, motivate, integrate and retain employees of acquired company or investee;
- diversion of management time and attention from our existing operations to address the transactions and related challenges or those associated with integration processes; and
- unanticipated write-offs or charges and impairment of goodwill.

If we fail to address any of the foregoing risks, our business, financial condition and results of operations may be materially and adversely affected.

Our performance during the Track Record Period may not be indicative of our future performance, and we have a relatively limited history in operating our own brand.

Our financial performance was positively impacted during the public health incidents in 2022, aligned with industry trends, as increased consumer interest in fishing due to its low-social-interaction nature drove a surge in demand for our products. Our revenue decreased from RMB818.4 million in 2022 to RMB463.3 million in 2023 and increased to RMB573.5 million in 2024. Our revenue further increased from RMB391.0 million in the eight months ended August 31, 2024 to RMB460.3 million in the same period of 2025. Our performance during the Track Record Period may not be indicative of our future performance.

In addition, though we have deep industry insights and experience through OEM/ODM operations, we have expanded our business under the OBM model with our proprietary fishing brand, Solar, since 2017. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our revenue generated from the OBM model was RMB33.7 million, RMB39.6 million, RMB41.3 million and RMB30.4 million, respectively, accounting for 4.1%, 8.5%, 7.2% and 6.6% of our total revenue in the same periods. Operating our existing brand and launching new brands is critical to our future business and prospects. We believe that brand recognition will become increasingly important as our OBM model develops and competition in our industry intensifies. However, our relatively limited history in operating our own brand may expose us to unexpected challenges in the development and management of our brand. These challenges could include difficulties in brand positioning, supply chain management, marketing and customer acceptance. Furthermore, the process of establishing and maintaining brand recognition requires significant investment in advertising, promotions and other marketing activities. If these efforts do not resonate with consumers or fail to differentiate our brand from competitors, we may not achieve the desired level of market penetration or customer loyalty. As a result, we may incur additional expenses without achieving the anticipated benefits or market success, which may adversely affect our business, financial condition and results of operations.

We recorded net current liabilities and net liabilities in the past, which could expose us to liquidity risks.

We had net current assets of RMB92.4 million and RMB82.7 million as of December 31, 2022 and 2023, respectively, which changed to net current liabilities of RMB95.2 million as of December 31, 2024 and RMB36.5 million as of August 31, 2025. Our net current liabilities were primarily related to non-trade payables due to related parties incurred by loans from related parties for the payment of reorganization and listing expenses payables. We had net assets of RMB92.4 million and RMB82.7 million as of December 31, 2022 and 2023, respectively, which changed to net liabilities of RMB95.2 million as of December 31, 2024. We had net assets of RMB10.7 million as of August 31, 2025. The net current liability and net liability position can expose us to the risk of shortfalls in liquidity. This may require us to seek adequate financing, which may not be available on commercially reasonable terms, or at all. Any difficulty or failure to meet our liquidity needs may hinder us from sufficiently funding our business operations and capital expenditures, which could materially and adversely affect our business, financial position and results of operations.

If we fail to effectively manage our inventory, our business, financial condition and results of operations may be materially and adversely affected.

Our inventories primarily consist of raw materials, semi-finished products and works in progress and finished products. As of December 31, 2022, 2023 and 2024 and August 31, 2025, we had inventories of RMB129.1 million, RMB87.3 million, RMB122.0 million and RMB113.4 million, respectively. Maintaining an optimal level of inventory is important for the success of our business. We determine our level of inventory based on experience, number of orders from customers and assessment of customer demand. Nevertheless, we cannot guarantee that such policies will continue to be extensive in managing our inventory risk.

Meanwhile, we may be exposed to inventory obsolescence and inventory shortage risks as a result of a variety of factors beyond our control, including but not limited to changes of customer needs and the inherent uncertainty of the success of product launches. In 2022, 2023, 2024 and the eight months ended August 31, 2025, the inventory turnover days were 90.9 days, 115.2 days, 90.1 days and 85.4 days, respectively, see “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories”. Inventory levels in excess of demand may result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would have an adverse effect on our profitability. We recognized write down of inventories of RMB0.8 million, RMB0.4 million, RMB0.8 million and RMB0.6 million as of December 31, 2022, 2023 and 2024 and August 31, 2025, respectively. In addition, if we underestimate the demand for our products, we may not be able to produce a sufficient number of products to meet such unanticipated demand, which could result in delays in the delivery of our products and harm our reputation. Any of the above may materially and adversely affect our business, financial condition and results of operations. As we plan to continue to expand our offerings, we may continue to face challenges in effectively managing our inventory.

We are subject to credit risk in respect of our trade and other receivables.

We are exposed to credit risk related to delays in payment and defaults of our various customers. As of December 31, 2022, 2023 and 2024 and August 31, 2025, our trade and other receivables were RMB121.7 million, RMB69.9 million, RMB101.4 million and RMB109.9 million, respectively. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our trade receivables turnover days were 49.4 days, 68.0 days, 48.8 days and 48.7 days, respectively. See “Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and Other Receivables.” Our customers may not be able to make timely payment, due to their adverse operating conditions or financial conditions and their inability to pay as a result of the delays in payment from end customers. If our customers delay or default on their payments to us, we may need to make impairment provisions and write off the relevant receivables. This would materially and adversely affect our business, financial condition and prospects.

We are exposed to market risk from changes in foreign currency exchange rates which could materially and adversely impact our profitability.

We derived the majority of our sales from overseas customers. As a result, we face risks resulting from currency exchange rate fluctuations, particularly between Renminbi and USD. During the Track Record Period, we had net foreign exchange gain of RMB8.0 million, RMB2.0 million, RMB1.3 million and RMB1.8 million in 2022 and 2024 and in the eight months ended August 31, 2024 and 2025. We had net foreign exchange loss of RMB2.2 million in 2023. We also had net realized and unrealized gain or loss on derivative financial instruments which reflected our arrangements with certain banks for mitigating our currency risks arising from receivables denominated in USD. We recorded net realized and unrealized losses on derivative financial instruments of RMB1.7 million, RMB7.4 million, RMB3.4 million, RMB3.4 million and nil in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. Any future significant fluctuations in exchange rates will result in increases or decreases in our reported revenue and earnings, and, accordingly, our business, financial condition, results of operations and prospects. In particular, the exchange rates between other currencies and the USD are subject to fluctuations, influenced by factors such as changes in economic and currency policies. We may not be able to predict how market forces or US government policies, including potential interest rate increases by the Federal Reserve of the US, may impact the exchange rate between other currencies and the US dollar in the future. Based on management's assessment, the impact of a 5% increase or decrease in RMB against USD on the profit after tax and retained profit and net parent investment of our Company would amount approximately RMB6.2 million, RMB5.9 million and RMB 2.9 million, respectively. For details of the sensitivity analysis of currency risk, see Note 26 of Appendix I to this Prospectus. If USD experiences devaluation against RMB, it could affect our RMB-denominated margins. If there is any material fluctuation in the exchange rates of one currency that we use to settle our payables against the other currency we received from our customers, and if our currency risk control measures cannot achieve the effective result, our results of operations and financial condition may be adversely affected.

We may have limited control over the quality, availability and costs of our subcontractors.

In line with market practices, according to Frost & Sullivan, we outsource certain of our production process. Under our cost of sales, we had outsourcing production fees of RMB122.5 million, RMB43.6 million, RMB63.5 million and RMB58.7 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. We evaluate a number of factors when selecting subcontractors, including price, quality, production capabilities, location, financial stability and overall reputation. However, our limited control over the quality, availability and costs of our subcontractors poses risks that could materially and adversely affect our operational efficiency, customer satisfaction and financial performance. If our subcontractors fail to meet our quality standards, the quality of our products may be adversely affected, thereby damaging our business reputation and potentially exposing us to litigation and damages claims from our customers. Moreover, the availability of subcontractors is essential to ensuring the timely delivery of our products. Any disruptions in the operations of our subcontractors, whether due to financial instability, labor disputes or other unforeseen circumstances, could lead to delays in our supply chain. Such delays could hinder our ability to meet customer demand and fulfill orders on time, potentially resulting in lost sales and strained business relationships. In addition, the costs associated with subcontracting can be volatile and subject to market fluctuations. Increases in subcontractor costs, whether due to rising labor costs, material prices or other factors, could erode our profit margins. Our limited control over these costs may also restrict our ability to negotiate favorable terms, further impacting our financial performance.

Any interruption, damage or loss of our production facilities could affect our business operation, and any accident in the production process may result in personal injury, damage to property or loss of life and expose us to claims, legal liability, reputational damage, production delays and loss of revenue.

Our production facilities are critical to manufacturing our products and meeting customer demand. Any interruption, damage or loss of our production facilities could have a material adverse effect on our business operations. Interruptions to our production facilities, whether due to natural disasters, equipment failures, power outages or other unforeseen events, could lead to significant operational disruptions. Such interruptions may result in production delays, missed delivery deadlines, and an inability to fulfill customer orders, thereby damaging our reputation and customer relationships. In addition, damage to or complete loss of our production facilities could incur substantial repair or replacement costs and lead to prolonged downtime. If any one or more of these risks were to materialize, our daily operations would be interrupted, and results of operations could be adversely affected.

In addition, we use production equipment which are potentially dangerous and may cause accidents and personal injuries to our employees. Our employees may also inadvertently violate safety measures or other related rules, regulations and standard operating procedures, which may cause personal injuries or damage to property. Any significant accident could materially interrupt our production schedules or result in personal injuries or facilities or damage to properties and equipment, as well as legal and regulatory liabilities. Potential accidents leading to significant property loss or personal injury may subject us to claims and legal proceedings, and we may be liable for medical expenses and other payments to employees and their families beyond insurance coverage, as well as fines or penalties. We cannot assure you that personal injuries, damage to property or loss of life will not happen, as a result of which our reputation, brand, business, financial condition and results of operations may be materially and adversely affected.

Our performance depends on our relationship with employees. Any material deterioration in labor relations, shortage of labor or material increase in labor costs may have a material adverse effect on our business, financial condition and results of operations.

As our business operations involve extensive labor, our performance is largely dependent on maintaining strong relationships with our employees. Our employment benefit expenses under the cost of sales, selling and distribution expenses, administrative expenses and research and development costs were approximately RMB94.7 million, RMB91.0 million, RMB108.6 million and RMB88.6 million in total in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. Any material deterioration in labor relations, a shortage of labor, or a substantial increase in labor costs could have a material adverse effect on our business, financial condition and results of operations.

Effective labor relations are crucial for ensuring a motivated and productive workforce. Any disputes, strikes, or other forms of industrial action could disrupt our operations, leading to delays, reduced productivity, and potential financial losses. Poor labor relations could also result in higher employee turnover, which would necessitate additional recruitment and training costs. Moreover, a shortage of skilled labor could impede our ability to meet production targets and fulfill customer orders. Labor shortages could force us to increase wages or offer other incentives to attract and retain employees, thereby increasing our operational costs. Additionally, any significant increase in labor costs, whether due to wage inflation, changes in labor laws, or increased benefits requirements, could erode our profit margins. Our ability to pass on these increased costs to customers may be limited by competitive pressures, further impacting our financial performance.

Our success relies on key management and other key personnel with specialized skills.

Our success is reliant on the expertise and contributions of our key management and other personnel with specialized skills. The loss of these individuals could have an adverse effect on our business operations and strategic initiatives. Key management personnel are instrumental in formulating and executing our business strategies, making critical decisions, and maintaining relationships with key stakeholders. Their industry knowledge, leadership and experience are invaluable assets that drive our company's growth and competitive positioning. Similarly, our specialized personnel possess unique skills and expertise that are crucial to our product development, technological advancements, and overall operational efficiency. The loss of such personnel could lead to delays in project timelines, fewer design advancements, and diminished quality of our products. The retention of key management and specialized personnel is subject to various factors, including competitive job markets, compensation expectations and job satisfaction. Failure to retain these individuals could result in a loss of institutional knowledge and negatively impact our ability to achieve our business objectives. In addition, the process of recruiting and training new personnel with equivalent skills and experience can be time-consuming and costly, while the limited availability of personnel with the necessary expertise, know-how and experience, coupled with intense competition, may lead to higher staff recruitment costs, which could negatively impact our profitability and results of operations.

Our key personnel are subject to confidentiality terms and non-compete arrangements. However, there can be no assurance that such terms or arrangements can be fully enforced. If any of our management or other key personnel joins or establishes a competing business, we may lose some of our customers, which may have a material adverse effect on our business, financial condition and results of operations.

We may not be successful in executing our business plans and strategies effectively or at all, and our business, financial condition and results of operations may be materially and adversely affected.

We strive to achieve sustainable growth and further strengthen our competitiveness in the fishing gear industries by holistically strengthening OBM operations, expanding own brand portfolio and increasing direct market engagement. See "Business — Our Strategies." Successful implementation of our business plans will be key for us to achieve our development goals. Nonetheless, our business plans and strategies are based on assumptions of future events which may entail certain risks and are inherently subject to uncertainties. These assumptions may not be correct, and there may be unforeseen changes in circumstances such as change in market conditions, evolution of technology or change in laws and regulations. Moreover, the dynamic nature of the markets in which we operate requires us to be agile and responsive to changes. Inability to adapt our strategies in response to evolving market conditions, competitive pressures, or regulatory changes could undermine our growth prospects and competitive position.

Any negative publicity and allegations involving us, our Shareholders, Directors, officers, employees or business partners may affect our reputation and, as a result, our business, financial condition and results of operations may be negatively affected.

We, our Shareholders, Directors, officers, employees and business partners may be subject to negative publicity or allegations. Such negative publicity or allegations, whether substantiated or not, could lead to a loss of customer confidence, decreased sales and strained business relationships. This could also result in increased scrutiny from regulators and potential legal actions. Moreover, our reputation is a critical asset that influences our ability to attract and retain customers, business partners, and talented employees. Any damage to our reputation could undermine these relationships and hinder our growth prospects. As a result, we may be required to spend significant time and incur substantial costs in response to allegations and negative publicity, and may not be able to diffuse them to the satisfaction of our investors and customers. Any of these events would materially and adversely affect our business, financial condition and results of operations.

In late 2007, an employee of a subsidiary of Zhejiang Topsun Holdings (the "**Former Topsun Employee**") was granted 5% equity interests in Zhejiang Topsun Holdings with nil consideration borne by or paid by the Former Topsun Employee in substance. The Former Topsun Employee ceased his employment at the subsidiary of Zhejiang Topsun Holdings in early 2011. In June 2021, an equity transfer agreement was entered into, among others, Mr. Yang and the Former Topsun Employee, pursuant to which the Former Topsun Employee agreed to transfer the 5% equity interest he held in Zhejiang Topsun Holdings to Mr. Yang at a consideration of RMB40 million (the "**Topsun Equity Transfer**"). The equity transfer agreement further provided that, in the event of a future listing of Zhejiang Topsun Holdings, any of its subsidiaries, branch companies, or any enterprise under the actual control of Mr. Yang including the Company (泰普森控股集團及其分子公司或楊先生實際控制的任一企業包括本公司將來若上市), the Former Topsun Employee is entitled to repurchase the 5% equity interest in Zhejiang Topsun Holdings at a consideration of RMB40 million and restore his rights and proceed with joint stock company conversion (the "**Repurchase Clause**"). The SAMR registration in respect of the Topsun Equity Transfer was completed in June 2021, and the consideration was fully settled in July 2021.

Recently, the Former Topsun Employee claimed to the Controlling Shareholders alleging his entitlement to the Shares of the Company, by virtue of the Repurchase Clause (the "**Former Topsun Employee Claim**"). The PRC legal advisor is of the view that: (i) under the Repurchase Clause, the Former Topsun Employee is only entitled to require for the repurchase of 5% equity interest in Zhejiang Topsun Holdings held by Mr. Yang; and (ii) the Repurchase Clause concerns equity interests in Zhejiang Topsun Holdings rather than the Company. Therefore, such repurchase arrangement is unrelated to the Company and will not result in any change to the Company's shareholding structure. In October 2025, Mr. Yang and Zhejiang Topsun Holdings issued a notice to the Former Topsun Employee requesting a written confirmation by a specified deadline as to whether he would like to exercise the repurchase under the Repurchase Clause. As of the Latest Practicable Date, the specified deadline has expired, and no clear written confirmation has been issued by the Former Topsun Employee to

Mr. Yang or Zhejiang Topsun Holdings. Furthermore, there is an indemnity in favor of the Company. Mr. Yang and Zhejiang Topsun Holdings will indemnify against the Company for loss arising from matters relating to the Former Topsun Employee Claim and assume full responsibility.

As of the Latest Practicable Date, to the best knowledge of the Company, the Former Topsun Employee has filed a lawsuit against Mr. Yang which claimed for, among others, partial exercise of the repurchase under the Repurchase Clause, while none of Mr. Yang, the Company or Zhejiang Topsun Holdings has received notice from any court in connection with such lawsuit. However, we cannot assure as to the results of any such proceedings or any potential reputational impact on our Company.

We may not be able to protect our intellectual property rights or may be subject to infringement claims of third parties' intellectual property rights, which could harm our ability to compete and our business operation.

We rely on a combination of patent, trademark, copyright and other intellectual property protections laws in the jurisdictions in which we operate, fair trade practices, contractual arrangements and confidentiality procedures to establish and protect our proprietary technologies, know-how and other intellectual property rights. We held patents as of the Latest Practicable Date, see "Business — Intellectual Property." Although we have existing and pending trademark and patent registrations in the jurisdictions in which we operate, we may not be successful in asserting trademark or patent protection in all jurisdictions. We also have not applied for intellectual property protection in all relevant foreign jurisdictions and cannot assure you that our pending applications will be approved. We also use contractual arrangements with employees and trade secret protections to protect our intellectual property and proprietary rights. Nevertheless, contractual arrangements afford only limited protection and the actions we may take to protect our intellectual property and proprietary rights may not be adequate. If we fail to effectively protect our intellectual property, our reputation, business, financial condition and results of operations could be materially and adversely affected.

In addition, we may from time to time be involved in intellectual property infringement or misappropriation claims brought by our competitors or third parties. The costs related to defense of intellectual property suits, patent opposition proceedings and other legal and administrative proceedings, including legal fees and expenses, could be substantial. The relevant legal proceedings may also be time-consuming and may significantly divert the efforts and resources of our technical and management personnel. We cannot assure you that we will achieve a favorable outcome. If any claim is adversely determined against us in any legal proceedings, we may be subject to significant liability to third parties. As a result, we may be required to seek licenses from third parties, pay ongoing royalties or redesign our products. We could further be subject to injunctions prohibiting the production or sale of our products or the use of our technologies. Time-consuming litigation could also result in our existing or potential customers deferring or limiting their purchase or use of our products until the resolution of such litigation. Any of the above consequences may adversely affect our reputation and business.

We may be subject to complaints, disputes and lawsuits in the ordinary course of our business.

From time to time, we may be involved in complaints, disputes and lawsuits in our ordinary course of business. Our customers may file complaints or claims against us regarding our products. We may also be involved in disputes or lawsuits relating to issues including, among others, intellectual properties, breach of contract, environmental matters and labor disputes. Any complaints against us or any disputes or lawsuits brought by or against us, with or without merit, may result in substantial costs and diversion of resources and, if we are unsuccessful, could materially harm our reputation. In addition, if any verdict or award is rendered against us, we could be required to pay significant monetary damages and assume other liabilities. Consequently, our business, financial condition and results of operations may be materially and adversely affected. Furthermore, complaints, disputes and lawsuits against us may be due to actions taken by our counterparties. Even if we are able to seek indemnity from them, they may not be able to indemnify us in a timely manner, or at all, for any costs that we incur as a result of such complaints, disputes and lawsuits.

Our business operates under various permits, licenses, approvals and/or qualifications and the loss of or failure to obtain or renew any or all of these permits, licenses, approvals and/or qualifications may materially and adversely affect our business, financial condition and results of operations.

We are required to obtain certain governmental approvals in the form of permits, licenses, approvals, qualifications or other approvals and filings in order to provide our products. Generally, they are only issued or renewed after certain conditions have been satisfied. We cannot assure you that we will not encounter obstacles toward fulfilling such conditions that delay us in obtaining or renewing, or result in our failure to obtain or renew, the required governmental approvals. Moreover, relevant authorities may promulgate new policies in relation to the conditions for issuance or renewal from time to time. We cannot guarantee that such new policies will not present unexpected obstacles toward our ability to obtain or renew the required permits, licenses and certificates, or that we will be able to overcome these obstacles in a timely manner, or at all. Loss of or failure to obtain or renew our permits, licenses and certificates may stall our business operations, possibly leading to material adverse effects on our business and results of operations.

If we fail to fulfill our obligations under our contracts with customers in respect of contract liabilities, our business, financial condition and prospects may be materially and adversely affected.

As of December 31, 2022, 2023 and 2024 and August 31, 2025, our contract liabilities were RMB6.9 million, RMB5.4 million, RMB12.4 million and RMB7.9 million, respectively. Our contract liabilities represent advance payments from our customers while the underlying products have yet to be provided. If we fail to fulfill our obligations under our contracts with customers, we may not be able to convert such contract liabilities into operating revenue, and our customers may also require us to refund the payments we have received, which may adversely affect our cash flows and liquidity condition, our ability to meet our working capital requirements, our business, financial condition and prospects. In addition, if we fail to fulfill our obligations under our contracts with customers, our relationship with such customers may be materially and adversely affected, which may also affect our business, financial condition and prospects in the future.

Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the countries and regions where we operate.

Under the laws and regulations in Chinese Mainland and the U.K., arrangements and transactions among related parties may be subject to audit or challenge by the relevant tax authorities. During the Track Record Period, there were intra-Group cross-border transactions among our subsidiaries in Chinese Mainland and the U.K., see "Business — Intra-Group Transactions." Our intra-Group cross-border transactions during the Track Record Period were all product sales in nature, amounting to RMB7.8 million, RMB14.0 million, RMB16.6 million and RMB12.2 million in 2022, 2023, 2024 and eight months ended August 31, 2025, respectively. We could face material and adverse tax consequences if the relevant tax authorities determine that the certain intra-Group cross-border transactions of us do not represent arm's length negotiations and consequently adjust any of those entities' income in the form of a transfer pricing adjustment. A transfer pricing adjustment could, among other things, increase our tax liabilities. If we fail to rectify such incident within the limited timeframe required by the relevant tax authorities, the relevant tax authorities may impose late payment interest or surcharge and other penalties on us for any unpaid taxes. In addition, a transfer pricing arrangement may give rise to tax recoverable by the tax authorities in certain jurisdictions as a result of tax adjustments. There is no assurance that we could, in turn, successfully recover that tax from the relevant tax authorities. Our business, financial position and results of operations may therefore be materially and adversely affected.

Failure to fully pay social insurance and housing provident funds for and on behalf of our employees in accordance with applicable laws and regulations may materially and adversely affect our business, financial position and results of operations.

During the Track Record Period, we did not make full contribution of amount or full coverage of people of social insurance and housing provident funds for our employees in the PRC. See "Business — Legal Proceedings and Compliance Matters — Social Insurance and Housing Provident Funds." Based on the estimation of our Directors, our shortfall of social insurance and housing provident fund contributions was approximately RMB16.4 million, RMB13.3 million, RMB15.4 million and RMB9.5 million as of December 31, 2022, 2023 and 2024 and August 31, 2025, respectively. We may be ordered by the relevant governmental authorities in the PRC to pay outstanding social insurance and housing contributions within a prescribed period. Failure to do so in a prescribed period may subject our PRC subsidiaries to penalties. As advised by our PRC Legal Advisor, considering that: (i) we were not subject to any complaints, disputes or litigations from employees and administrative penalties with respect to the payment of social insurance and housing provident funds; (ii) our Controlling Shareholder and Zhejiang Topsun Industrial have undertaken to, pursuant to the terms and conditions of their confirmation, indemnify us against any losses and penalties which we may suffer as a result of the failure of our Group to comply with relevant laws, rules and regulations concerning social insurance and housing provident fund contributions; (iii) we have obtained confirmation letters issued by the relevant authorities confirming that no administrative penalty was imposed on us in this regard, as confirmed by our PRC Legal Advisor; (iv) pursuant to policies such as the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Insurance Payment (關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知) promulgated on September 21, 2018 by the Ministry of Human Resources and Social Security, administrative enforcement authorities are prohibited from organizing and conducting centralized collection of enterprises' historical social insurance arrears; and (v) no significant changes had occurred to such policies and their implementations up to the Latest Practicable Date. Our PRC Legal Advisor is of the view that the likelihood of our PRC subsidiaries as a whole being fined or requested by the competent authorities to pay any historical outstanding amount of social insurance and housing provident fund contributions or late payment fees for our employees is remote.

As required by the PRC laws, a company that enters into an employment contract with an employee shall be the one to make the social insurance and housing provident fund contribution in full for the employee. During the Track Record Period, we engaged third party to make contributions of social insurance and housing provident fund for some of our employees. See "Business — Legal Proceedings and Compliance Matters — Social Insurance and Housing Provident Funds." As advised by our PRC Legal Advisor, we may be ordered to pay employees' social insurance and housing provident funds under our own official accounts rather than under the accounts of other parties. As of the Latest Practicable Date, we had paid nearly full coverage of our employees' social insurance and housing provident funds under our own official accounts. As advised by our PRC Legal Advisor, the likelihood of our PRC subsidiaries as a whole being fined or requested by the competent authorities to pay any historical outstanding amount of social insurance and housing provident fund contributions, or late payment fees, due to our practice of paying employees' social insurance and housing provident funds under third parties' accounts, is remote.

We may not have sufficient insurance to cover our business risks.

We maintain insurance coverage over our daily operations. See "Business — Insurance." We cannot assure you that our insurances will provide adequate coverage for all the risks in connection with our business operations. If we were to incur substantial losses and liabilities that are not covered by our insurance policies, we may be required to bear our losses to the extent that our insurance coverage is insufficient. As a result, we could suffer significant costs and diversion of our resources, which could have a material and adverse effect on our business, financial condition and results of operations.

We are subject to national and local environmental, health and safety policies, laws and regulations.

We are subject to environmental protection, health and labor safety laws, regulations and decrees that impose fines for violation of such laws, regulations or decrees. In addition, there is a growing awareness of environmental, health and labor safety issues, and we may sometimes be expected to meet a standard which is higher than the compulsory requirements. We cannot guarantee that more stringent environmental protection, health and labor safety requirements or standards will not be imposed in the future. We cannot assure you that our procedures and training will be completely effective in satisfying all relevant environmental and safety requirements. If we are unable to comply with existing or future environmental, health and labor safety laws and regulations or are unable to meet public expectations in relation to relevant matters, our reputation may be damaged or we may be required to pay penalties or fines or take remedial actions and our operations may be suspended, any of which may adversely impact our business, financial position, results of operations and growth prospects.

Any natural disasters, health epidemics and other public health incidents could significantly adversely affect our operations.

Our business could be affected by force majeure events, natural disasters, or other adverse public health developments, such as snowstorms, earthquakes, fires or floods, the outbreak of a widespread health epidemic, including the Severe Acute Respiratory Syndrome or SARS, the H5N1 avian flu, the human swine flu, also known as Influenza A (H1N1) or other events, such as wars, acts of terrorism, environmental accidents, power shortage or communication interruptions. Any natural disasters, epidemics and other public health incidents that are beyond our control may be expected to affect the economy, restrict the level of business activities in the affected areas and directly impact our and our customers' operations, including straining facilities and employees, exposing employees to personal risks, temporarily closing office spaces, imposing additional health or safety measures upon office spaces, or exposing us to potential liabilities for actions taken or not taken.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

Failure to respond to changes in the economic or social conditions or government policies in the jurisdictions where we operate could affect our business, financial condition and results of operations.

We primarily sold our products to customers with principal place of business in Europe, Chinese Mainland, North America, the U.K. and other countries or regions, our business, financial condition and results of operations are affected by general economic and social conditions. Any economic downturn, whether actual or perceived, further decrease in economic growth rates or an otherwise uncertain economic outlook in the global market could affect our business, financial condition and results of operations. Changes in the economic or social environment could increase our costs, increase our exposure to legal and business risks, disrupt our operations and affect our results of operations. In addition, social conditions, including changes in customer preferences, social norms or demographic trends, can also affect the demand for our products. Accordingly, our ability to anticipate and effectively respond to these changes is crucial for our business success. However, predicting or influencing these factors is often beyond our control. Failure to adapt to changes in economic or social conditions or government policies could adversely affect our business, financial condition and results of operations.

The legal systems of the jurisdictions in which we operate may change from time to time, and this could affect our business, financial condition and results of operations.

Our business requires compliance with many laws and regulations in the jurisdictions where we operate, such as Europe, the U.K., Chinese Mainland, North America and other countries or regions. It is possible that there could be certain changes in the legal systems of these jurisdictions. Laws and regulations that are recently enacted may not sufficiently cover all aspects of economic activities in the market. In particular, the application of some of these laws and regulations to our business is still evolving. Similar to many other jurisdictions, since local administrative and court authorities have certain discretion in interpreting and implementing statutory provisions and contractual terms in accordance with relevant laws and regulations, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have. Furthermore, administrative and court proceedings in the jurisdictions where we operate may be time-consuming, resulting in additional costs and diversion of resources and management's attention.

It is possible that a number of laws and regulations may be adopted or construed to apply to us in the market where we operate and elsewhere that could affect our business and operations. Scrutiny and regulation of the industry in which we operate may further change, and we may be required to devote additional legal and other resources for compliance with these regulatory requirements. Changes in current laws or regulations or the imposition of new laws and regulations in the market where we operate may slow the growth of the industry in which we operate and affect our business, financial condition and results of operations.

You may face uncertainty in effecting service of legal process or enforcing foreign judgments against us, our Directors and our senior management.

We are an exempted company incorporated in the Cayman Islands, with substantially all of our assets located in Chinese Mainland. Judgments rendered by Hong Kong courts may be recognized and enforced in the PRC if the requirements set forth by the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) are met. Nonetheless, it may be difficult for you to effect service of process within Hong Kong upon us or these persons, or to bring an action in Hong Kong against us or against these individuals in the event that you believe that your rights have been infringed under the applicable securities laws or otherwise. In addition, it may face uncertainty to effect service of process upon us or those persons in the PRC for disputes brought in courts outside the PRC. The PRC has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions.

Although we will be subject to the Listing Rules and the Codes on Takeovers and Mergers and Share Repurchases of Hong Kong upon the Global Offering of our Shares on the Stock Exchange, the holders of the Shares will not be able to bring actions on the basis of violations of the Listing Rules and must rely on the Stock Exchange to enforce its rules. The Listing Rules and the Codes on Takeovers and Mergers and Share Repurchases of Hong Kong do not have the force of law in Hong Kong.

Our payment of dividends is subject to restrictions under applicable laws and regulations.

As our Company is a holding company, we rely on dividends from our subsidiaries for cash requirements, including servicing any debts our Group may incur. Under the current PRC law, dividends may be paid only out of our PRC subsidiaries' accumulated after-tax profits, if any, determined in accordance with PRC accounting standards and regulations. Moreover, each of our PRC subsidiaries is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserves, except where such reserve has reached 50% of its registered capital. These reserves are not distributable as cash dividends. In addition, in the future, if any of our PRC subsidiaries incurs debt on its own behalf, the instruments governing the debt may impose restrictions on its ability to pay dividends or other payments to our Company. The inability of our PRC subsidiaries to distribute dividends or other payments to our Company could affect the amount of capital available to supply the development and growth of our business.

Certain of our foreign exchange transactions are subject to regulatory requirements over foreign currency conversion.

We receive substantially all of our revenue in USD, the conversion and remittance of which are subject to certain foreign exchange regulations. We may convert a portion of our revenue into other currencies to meet our foreign currency obligations, such as payments of dividends declared in respect of our Shares, if any. Shortage in the availability of foreign currency may impact the ability of our PRC subsidiaries to remit sufficient foreign currency out of China, or otherwise fulfill their foreign currency-denominated obligations.

It cannot be guaranteed that, under a certain exchange rate, we would have sufficient foreign exchange to meet our foreign exchange needs. For example, under the PRC current foreign exchange regulation system, foreign exchange transactions under the current account conducted by us do not require advance approval from the SAFE; however, we are required to present relevant documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that have licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account, however, normally need to be approved by or registered with SAFE or its local branch, unless otherwise permitted by law.

Any insufficiency of foreign exchange may impact our ability to obtain sufficient foreign exchange for dividend payments to Shareholders or to fulfill any other foreign exchange obligation. If we fail to obtain approvals from SAFE to convert RMB into any foreign exchange for any of the above purposes, our potential offshore capital expenditure plans and even our business may be affected. Moreover, non-compliance with any applicable foreign exchange regulations could subject us to administrative penalties and fines, and could affect our business and reputation.

We may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, and our offshore subsidiaries may be subject to PRC income tax on their worldwide taxable income.

Under the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) ("EIT Law") and its implementation rules, an enterprise established outside the PRC with its "de facto management body" within the PRC is considered a "resident enterprise" and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control and overall management over the business, productions, personnel, accounts and properties of an enterprise. The STA issued the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as People's Republic of China Tax Resident Enterprises on the Basis of De Facto Management Bodies (《關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》) ("STA Circular 82") on April 22, 2009, and most recently amended on December 29, 2017. STA Circular 82 provides certain specific criteria for determining whether the "de facto management body" of an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group is located in China.

Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the STA's general position on how the "de facto management body" text should be applied in determining the tax resident status of all offshore enterprises. According to STA Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China, and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the senior management in charge of day-to-day operational and the location where they perform their duties are mainly in the PRC; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC;

(iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

As most of the operational management of our Company is currently based in China, our offshore subsidiaries may be deemed to be "PRC resident enterprises" for the purpose of the EIT Law. If our offshore subsidiaries are deemed PRC resident enterprises, they could be subject to the EIT at 25% of their global income, except that the dividends they receive from our PRC subsidiaries, if any, may be exempt from the EIT to the extent such dividend income constitutes "dividends received by a PRC resident enterprise from its directly invested entity that is also a PRC resident enterprise." Nonetheless, it remains subject to future interpretation as to what type of enterprise would be deemed a "PRC resident enterprise" for such purposes. The EIT on our subsidiaries' global income could significantly increase our tax burden and affect our cash flows and profitability.

You may be subject to PRC withholding tax on dividends from us and PRC income tax on any gain realized on the transfer of our Shares.

Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides otherwise, PRC withholding tax at a rate of 10% is normally applicable to dividends from a PRC source paid to investors that are "non-resident enterprises" which do not have an establishment or place of business in China, or which have such establishment or place of business but whose relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is generally subject to 10% PRC income tax if such gain is regarded as income derived from sources within China. Under the PRC Individual Income Tax law (中華人民共和國個人所得稅法) and its implementation rules, dividends from sources within China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to PRC income tax at a rate of 20% for individuals. Any PRC tax may be reduced or exempted under applicable tax treaties or similar arrangements. If we are treated as a PRC resident enterprise, dividends we pay with respect to our Shares, or the gain realized from the transfer of our Shares, may be treated as income derived from sources within China and, as a result, be subject to the PRC income taxes described above. If PRC income tax is imposed on gains realized through the transfer of our Shares or on dividends paid to our non-resident Shareholders, the value of your investment in our Shares may be adversely affected.

Our operations are subject to and may be affected by changes in tax laws and regulations of the jurisdictions where we operate.

To the extent there are any changes in the laws and regulations governing preferential tax treatment or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, applicable governmental authorities may amend or restate regulations on income, withholding, value-added and other taxes. Non-compliance with applicable tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to applicable tax laws and regulations and tax penalties or fines could affect our business, financial condition and results of operations.

Regulation of loans to and direct investments in PRC entities by offshore holding companies may delay or prevent us from using the proceeds of the Global Offering to make loans or additional capital contributions to certain of our subsidiaries.

Any funds we transfer to our PRC subsidiaries, either as a shareholder loan or as an increase in registered capital, are subject to approval by or registration with relevant government authorities in China. According to the relevant PRC regulations on foreign invested enterprises in China, the increasing of capital contributions to our PRC subsidiaries is subject to the reporting requirement to the MOFCOM or its local branches and registration with other government authorities in China. In addition, (i) any foreign loan procured by our PRC subsidiaries is required to be registered with SAFE or its local branches, and (ii) our PRC subsidiaries may not procure loans which exceed a statutory limit. We may not be able to complete such reporting or registrations on a timely basis, or at all, with respect to future capital contributions or foreign loans by us directly to our PRC subsidiaries. If we fail to complete such reporting or registration, our ability to use the proceeds of this Global Offering and to capitalize our PRC operations may be adversely affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

The indirect transfers of equity interests in our PRC resident enterprises through transfers made by our Shareholders or our non-PRC holding companies are subject to regulations.

On February 3, 2015, the STA promulgated the Public Announcement on Several Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (國家稅務總局關於非居民企業間接轉讓財產企業所得稅若干問題的公告) ("Circular 7"), which abolished certain provisions in the Notice on Strengthening the Administration of Enterprise Income Tax on Equity Transfers of Non-resident Enterprises (國家稅務總局關於加強非居民企業股權轉讓所得企業所得稅管理的通知) ("Circular 698"). Circular 7 provided comprehensive guidelines relating to, and also heightened the Chinese tax authorities' scrutiny over, indirect transfers by a non-resident enterprise of assets (including equity interests) of a Chinese resident enterprise ("Chinese Taxable Assets"). For example, Circular 7 specifies that where a non-resident enterprise transfers Chinese Taxable Assets indirectly by disposing of equity interests in an overseas holding company directly or indirectly holding such Chinese Taxable Assets, and such transfer is deemed for the purpose of avoiding EIT payment obligations and without any other bona fide commercial purpose, the transfer may be reclassified by the Chinese tax authorities as a direct transfer of Chinese Taxable Assets and the non-resident enterprise is subject to a 10% rate of PRC enterprise income tax.

Although Circular 7 contains certain exemptions, we can not assure whether any exemptions under Circular 7 will be applicable to the transfer of our Shares or to any future acquisition by us outside of China involving Chinese Taxable Assets, or whether the Chinese tax authorities will classify such transaction by applying Circular 7. Therefore, the Chinese tax authorities may deem any transfer of our Shares by our Shareholders that are non-resident enterprises, or any future acquisitions by us outside of China involving Chinese Taxable Assets, to be subject to the foregoing regulations, which may subject our Shareholders or us to Chinese tax reporting obligations or tax liabilities.

On October 17, 2017, the STA issued the Announcement of the State Administration of Taxation on Issues Concerning the Withholding of Non-resident Enterprise Income Tax at Source (《關於非居民企業所得税源泉扣繳有關問題的公告》) ("**Circular 37**"), which came into effect on December 1, 2017. Circular 37 further clarifies the practice and procedure of the withholding of non-resident enterprise income tax.

We face uncertainties as to the reporting and other implications of future transactions where PRC Taxable Assets are involved, such as offshore restructuring, sale of the shares in our offshore subsidiaries and investments. As a result, we may be required to expend valuable resources to comply with Circular 7 and/or Circular 37 or to request the relevant transferors from whom we purchase taxable assets to comply with these circulars, or to establish that we should not be taxed under these circulars, which could have a material and adverse impact on our business, results of operations and financial condition.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for the Shares, and the liquidity and market price of our Shares may be volatile.

Prior to the completion of the Global Offering, there has been no public market for our Shares. There can be no guarantee that an active trading market for our Shares will develop or be sustained after the completion of the Global Offering. The Offer Price is the result of negotiations between our Company and the Sole Overall Coordinator (for itself and on behalf of the Underwriters), which may not be indicative of the price at which our Shares will be traded following the completion of the Global Offering. The market price of our Shares may drop below the Offer Price at any time after completion of the Global Offering.

The trading price of the Shares may be volatile, which could result in substantial losses to you.

The trading price of our Shares may be volatile and could fluctuate widely in response to factors beyond our control. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in Chinese Mainland that have listed their securities in Hong Kong may affect the volatility in the price of and trading volumes for our Shares. A number of Chinese Mainland-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. The share price of some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment toward Chinese Mainland-based companies listed in Hong Kong and consequently may impact the trading performance of our Shares. In addition to market and industry factors, the price and trading volume of our Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, regulatory developments, relationships with our suppliers, movements or activities of key personnel or actions taken by competitors. Moreover, shares of other companies listed on the Stock Exchange with significant operations and assets in China have experienced price volatility in the past, and it is possible that our Shares may be subject to changes in price not directly related to our performance.

You will incur immediate dilution and may experience further dilution in the future.

In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the Shares may experience dilution in the net tangible asset value per share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares pursuant to the share incentive schemes, which would further dilute Shareholders' interests in our Company.

Future issues, offers, or sale of our Shares may adversely affect the prevailing market price of our Shares and our ability to raise future capital at a favorable time and price.

Prior to the Global Offering, there has not been a public market for our Shares. Future sales or perceived sales by our Directors, executive officers and existing Controlling Shareholders of our Shares after the Global Offering could result in a significant decrease in the prevailing market price of our Shares. Only a limited number of the Shares currently outstanding will be available for sale or issuance immediately after the Global Offering due to contractual and regulatory restrictions on disposal and new issuance. Nevertheless, after these restrictions lapse or if they are waived, future sales of significant amounts of our Shares in the public market or the perception that these sales may occur could significantly decrease the prevailing market price of our Shares and our ability to raise equity capital in the future.

We may be unable to declare dividends on our Shares in the future.

Except the dividend paid in September 2024, no dividends have been paid or declared by our Company and there can be no assurance that we will declare and distribute any amount of dividends in the future. The declaration, payment, and amount of any future dividends are subject to the discretion of our Directors, after taking into account our results of operations, financial condition, cash requirements and availability, and other factors as they may deem relevant, and subject to the approval at a Shareholders' meeting. We may not have sufficient or any profits to enable us to distribute dividends to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable.

If we retain most, or all, of our available funds and any future earnings after the Global Offering to fund the development and commercialization of our new product candidates, we may not expect to pay any cash dividends in the foreseeable future. Therefore, you may not be able to rely on an investment in our Shares as a source for any future dividend income. Even if our Board decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on our future results of operations and cash flow, our financial condition, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions and other factors deemed relevant by our Board. Accordingly, the return on your investment in our Shares will likely depend entirely upon any future price appreciation of our Shares. There is no guarantee that our Shares will appreciate in value after the Global Offering or even maintain the price at which you purchased the Shares. You may not realize a return on your investment in our Shares and you may even lose your entire investment in our Shares.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our Shares, the market price and trading volume of our Shares may decline.

The trading market for our Shares may be affected by research reports about us or our business published by the industry or securities analysts. The market price of our Shares would possibly decline if one or more analysts who cover us downgrade our Shares or publish negative opinions about us regardless of the accuracy of the information. We may lose visibility in the financial markets if one or more of these analysts cease coverage of us or fail to regularly publish reports on us, which could cause the market price or trading volume of our Shares to decline.

The laws of the Cayman Islands relating to the protection of the interests of minority shareholders may be different from those in Hong Kong or other jurisdictions.

We are an exempted company incorporated in the Cayman Islands with limited liability. Cayman Islands law differs in some respects from the laws of Hong Kong and other jurisdictions where investors may be located. Our corporate affairs are governed by our Memorandum and Articles of Association, the Cayman Companies Act and the common law of the Cayman Islands. The rights of our Shareholders to take legal actions against us and/or our Directors, actions by minority shareholders and the fiduciary duties of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedents in the Cayman Islands, and from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our Shareholders and the fiduciary duties of our Directors under the Cayman Islands law may not be as clearly established as they would be under statutes or judicial precedents in Hong Kong, the United States or other jurisdictions where investors may be located. In particular, the Cayman Islands has a less developed body of securities law than in Hong Kong. As a result, our Shareholders may have more difficulty in protecting their interests in the face of actions taken by our management, Directors or Controlling Shareholders than they would as shareholders of a Hong Kong company, a United States company or companies incorporated in other jurisdictions.

We cannot assure you of the accuracy or completeness of certain facts, forecasts and other statistics obtained from official government sources contained in this Prospectus.

This Prospectus, particularly the section headed "Industry Overview" contains information and statistics relating to the industries in which we operate. Such information and statistics have been derived from various official government. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Sole Sponsor, the Sole Overall Coordinator, the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as or consistent with similar statistics presented elsewhere or similar metrics we used, and such information may not be complete or up-to-date. In any event, you should consider carefully the importance placed on such information or statistics.

Forward-looking statements contained in this Prospectus are subject to risks and uncertainties.

This Prospectus contains certain statements and information that are forward-looking and uses forward-looking terminology such as "believe," "expect," "predict," "aim," "intend," "will," "may," "plan," "consider," "anticipate," "seek," "should," "could," "would," "continue," and other similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this Prospectus should not be regarded as representations or warranties by us that our plans and objectives will be achieved, and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Prospectus are qualified by reference to this cautionary statement.

You should read the entire Prospectus carefully and should not rely on any information contained in press articles or other media regarding us and the Global Offering.

There may have been, prior to the publication of this Prospectus, and there may be, subsequent to the date of this Prospectus but prior to the completion of the Global Offering, press and media coverage regarding us, our business, our industry and the Global Offering. Such press and media coverage may include references to certain information that does not appear in this Prospectus, including certain operating and financial information and projections, valuations and other information. None of us or any other person involved in the Global Offering has authorized the disclosure of any such information in the press or media coverage, or accepts any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication.

We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this Prospectus, we disclaim responsibility for it. Accordingly, prospective investors are cautioned to make their decisions on the basis of the information contained in this Prospectus only and should not rely on any other information.

In preparation for the Listing, our Company has sought for the following waivers from strict compliance with the relevant provisions of the Listing Rules and certificates of exemption from strict compliance with the relevant provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong, which normally means that at least two executive directors must be ordinarily resident in Hong Kong. Given that (i) our core business operations are principally located, managed and conducted out of Hong Kong; and (ii) none of the executive Directors has been, is or will in the near future be based in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules, we consider that it would be more practical for our executive Directors to remain ordinarily reside out of Hong Kong. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 8.12 of the Listing Rules. We will ensure that there are adequate and efficient arrangements to achieve regular and effective communication between us and the Stock Exchange as well as compliance with the Listing Rules by way of the following arrangements:

1. **Authorized representatives**: we have appointed Ms. Lei Yang ("**Ms. Yang**"), our executive Director, and Ms. Wong Wai Yee, Ella ("**Ms. Wong**"), one of our joint company secretaries, as the authorized representatives ("**Authorized Representatives**") for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our principal channel of communication with the Stock Exchange and would be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange. Ms. Wong is ordinarily resident in Hong Kong. Although Ms. Yang resides in the PRC, she possess or can apply for valid travel documents and is able to renew such travel documents when they expire in order to visit Hong Kong. Accordingly, the Authorized Representatives will be able to meet with the relevant members of the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time. See "Directors and Senior Management" for more information about Ms. Yang and Ms. Wong.

2. **Directors**: to facilitate communication with the Stock Exchange, we have provided the Authorized Representatives and the Stock Exchange with the contact details (such as mobile phone numbers, office phone numbers and email addresses) of each of our Directors. In the event that any Director expects to travel or otherwise be out of the office, he or she will provide the phone number of the place of his/her accommodation to the Authorized Representatives. Accordingly, the Authorized Representatives have means for contacting all directors promptly at all times as and

when the Stock Exchange wishes to contact the Directors on any matters. To the best of our knowledge and information, each Director who is not an ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period after being requested to do so by the Stock Exchange.

3. **Compliance advisor**: we have appointed Guotai Junan Capital Limited as our compliance advisor (the "**Compliance Advisor**") in compliance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will, among other things and in addition to the Authorized Representatives, provide us with professional advice on continuing obligations under the Listing Rules and act as an additional channel of communication of our Company with the Stock Exchange during the period from the Listing Date to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the Listing. The Compliance Advisor will be available to answer enquiries from the Stock Exchange and will act as the principal channel of communication with the Stock Exchange when the Authorized Representatives are not available.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Rule 8.17 of the Listing Rules provides that an issuer must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules.

According to Rule 3.28 of the Listing Rules, an issuer must appoint an individual, who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

(a) a member of The Hong Kong Chartered Governance Institute;

(b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and

(c) a certified public accountant as defined in the Professional Accountants Ordinance Chapter 50 of the Laws of Hong Kong.

In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience," the Stock Exchange will consider the individual's:

(a) length of employment with the issuer and other issuers and the roles he played;

(b) familiarity with the Listing Rules and other relevant law and regulations including the SFO, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(d) professional qualifications in other jurisdictions.

We have appointed Ms. Xue Yuanyuan ("**Ms. Xue**") as the one of the joint company secretaries of our Company. Ms. Xue has been responsible for the company secretarial matters of our Group and has served as the Board secretary since August 2024, through which Ms. Xue has gained a thorough understanding of the management and business operation of our Group. As Ms. Xue has substantial experience in handling the company secretarial matters of our Group, and is familiar with our Group's business operations, the Board believes that appointment of Ms. Xue as our joint company secretary would be beneficial for our Company. See "Directors and Senior Management" for further biographical details of Ms. Xue. However, Ms. Xue personally does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, our Company has appointed Ms. Wong Wai Yee, Ella ("**Ms. Wong**") (a Chartered Secretary, a Chartered Governance Professional and a Fellow of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom), who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as one of our joint company secretaries and to provide assistance to Ms. Xue for an initial period of three years from the Listing Date to enable Ms. Xue to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See "Directors and Senior Management" for further biographical details of Ms. Wong which satisfy the requirements under Note 1(a) to Rule 3.28 of the Listing Rules.

The following arrangements have been, or will be, put in place to assist Ms. Xue in acquiring the qualifications and experience as the company secretary of our Company required under Rule 3.28 of the Listing Rules:

(a) Ms. Xue will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules, which will be organized by our Company's Hong Kong legal advisers on an invitation basis, and seminars organized by the Stock Exchange for listed issuers from time to time;

(b) Ms. Wong will assist Ms. Xue to enable her to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of our Company;

(c) Ms. Wong will communicate regularly with Ms. Xue on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Ms. Wong will work closely with, and provide assistance for, Ms. Xue in the discharge of her duties as our company secretary, including organizing our Company's Board meetings and Shareholders' general meetings; and

(d) Upon expiry of Ms. Wong's initial term of appointment as the joint company secretary of our Company, we will evaluate Ms. Xue's experience in order to determine if she has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Ms. Xue's appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules. Such waiver will be revoked immediately if and when Ms. Wong ceases to provide assistance to Ms. Xue or there are material breaches of the Listing Rules by our Company. Before the expiry of the initial three-year period, the qualification of Ms. Xue will be re-evaluated to determine whether the requirements as stipulated in Note 2 to Rule 3.28 of the Listing Rules can be satisfied.

WAIVER IN RESPECT OF NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have entered into and are expected to continue with certain transactions after the Listing which will constitute non-exempt continuing connected transactions under Chapter 14A of Listing Rules. We have applied for, and the Hong Kong Stock Exchange has granted us, waivers from strict compliance with the announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in the section headed "Connected Transactions — Non-Exempt Continuing Connected Transactions."

WAIVER IN RESPECT OF STRICT COMPLIANCE WITH RULE 4.04(1) OF THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1) IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires, subject to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, all prospectuses to state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and set out the reports specified in Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, a listing applicant is required to include in its prospectus a statement as to the gross trading income or sales turnover (as may be appropriate) of the listing applicant during each of the three financial years immediately preceding the issue of its prospectus, as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, a listing applicant is required to include in its prospectus a report by the auditors of the listing applicant with respect to profits and losses and assets and liabilities in respect of each of the three financial years immediately preceding the issue of the prospectus.

According to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as it thinks fit, a certificate of exemption from compliance with the relevant requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with the relevant requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

Chapter 1.1A of the Guide for New Listing Applicants has provided the conditions for granting a waiver from strict compliance with Rule 4.04(1) of the Listing Rules.

The Accountants' Report for each of the three years ended December 31, 2024 and the eight months ended August 31, 2025 has been prepared and is set out in Appendix I to this prospectus.

Pursuant to the relevant requirements set out above, our Company is required to include three full years of audited accounts for the three years ended December 31, 2025 in this prospectus. As such, an application has been made to the Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules, and such waiver has been granted by the Stock Exchange on the conditions that:

(a) this prospectus will be issued on or before January 31, 2026 and the Company's Shares will be listed on or before March 31, 2026, i.e. three months after the latest financial year-end;

(b) in accordance with Chapter 1.1A of the Guide for New Listing Applicants, a profit estimate for the financial year ended December 31, 2025 has been included in this prospectus, in compliance with Rules 11.17 to 11.19 of the Listing Rules and a Directors' statement that there is no material and adverse change to the financial and trading positions or prospects of our Company, with specific reference to the trading results from September 1, 2025 to December 31, 2025; and

(c) our Company obtains a certificate of exemption from the SFC on strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

An application has also been made to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and a certificate of exemption has been granted by the SFC under section 342A(1)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

(a) the particulars of the exemption are disclosed in this prospectus;

(b) the prospectus will be issued on or before January 31, 2026; and

(c) our Company's Shares will be listed on the Stock Exchange on or before March 31, 2026 (i.e., within three months of the end of the Company's latest financial year immediately preceding the issue of the prospectus).

The applications to Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules and to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance have been made on the grounds, among others, that strict compliance with the above requirements would be unduly burdensome and the waiver and exemption would not prejudice the interests of the investing public as:

(a) there would not be sufficient time for our Company and the reporting accountants of our Company (the "**Reporting Accountants**") to finalize the audited financial statements for the year ended December 31, 2025 for inclusion in this prospectus. If the financial information for the year ended December 31, 2025 is required to be audited, our Company and the Reporting Accountants would have to carry out substantial volume of work to prepare, update and finalize the Accountants' Report and this prospectus, and the relevant sections of the prospectus will need to be updated to cover such additional period. This would involve additional time and costs since substantial work is required to be carried out for audit purposes. It would be unduly burdensome for the audited results for the year ended December 31, 2025 to be finalized in a short period of time. Our Directors consider that the benefits of such work to the existing and prospective shareholders of our Company may not justify the additional work and expenses involved and the delay of the listing timetable;

(b) our Directors and the Sole Sponsor confirms, after performing sufficient due diligence work up to the date of this prospectus, that there has been no material adverse change to the financial and trading positions or prospects of the Group since September 1, 2025 (immediately following the date of the latest audited statement of financial position in the Accountants' Report set out in Appendix I to this prospectus) up to the date of this prospectus, and there has been no event since September 1, 2025 which would materially affect the information contained in the Accountants' Report as set out in Appendix I to this prospectus, the financial information section, the profit estimate as set out in Appendix IIA to this prospectus and information regarding the Company's recent development subsequent to the Track Record Period and up to the date of this prospectus;

(c) our Company and the Sole Sponsor are of the view that the Accountants' Report covering the three years ended December 31, 2024 and the eight months ended August 31, 2025, together with the profit estimate for the year ended December 31, 2025 (in compliance with Rules 11.17 to 11.19 of the Listing Rules) included in this prospectus have already provided the potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our Company; and our Directors confirm that all information which is necessary for the investing public to make an informed assessment of the activities, assets and liabilities, financial position, trading position, management and prospects has been included in this prospectus. Therefore, the waiver and exemption would not prejudice the interests of the investing public; and

(d) our Company will comply with the requirements under Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the publication of our annual results and annual report. Our Company currently expects to issue our annual results and annual report for the financial year ended December 31, 2025 on or before March 31, 2026 and April 30, 2026, respectively. In this regard, our Directors consider that the Shareholders, the investing public as well as potential investors of our Company will be kept informed of the financial results of our Group for the financial year ended December 31, 2025.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors (including any proposed Director who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) for the purpose of giving information to the public with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

CSRC FILING REQUIREMENT

We are required to complete the filing procedures with the CSRC in connection with the proposed Listing. Our Company submitted a filing to the CSRC for application for the Listing on November 18, 2024. On December 19, 2025, the CSRC issued a notification on our Company's completion of such filing. As advised by our PRC Legal Advisor, no other approvals from the CSRC are required to be obtained for the Listing.

GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by (i) our Company, the Sole Sponsor, the Sole Overall Coordinator, the Capital Market Intermediaries, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and any of the Underwriters, (ii) any of the respective directors, agents, employees or advisers, or (iii) any other party involved in the Global Offering.

The Listing is sponsored by the Sole Sponsor and the Global Offering is managed by the Sole Overall Coordinator. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement, subject to agreement on the Offer Price to be determined between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company on the Price Determination Date. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or about the Price Determination Date.

The Offer Price is expected to be fixed among the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or before 12:00 noon on Friday, February 6, 2026. If, for whatever reason, the Offer Price is not agreed between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company by 12:00 noon on Friday, February 6, 2026, the Global Offering will not become unconditional and will lapse immediately.

Further information regarding the structure of the Global Offering, including its conditions, are set out in the section headed "Structure of the Global Offering" in this prospectus, and the procedures for applying for the Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus. See the section headed "Underwriting" in this prospectus for further information about the Underwriters and the underwriting arrangements.

Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

SELLING RESTRICTIONS ON OFFERS AND SALE OF SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of Offer Shares to, confirm that he/she is aware of the restrictions on offers for the Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the general distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, (a) the Shares in issue; and (b) the Shares to be issued pursuant to the Global Offering.

Assuming the Global Offering becomes unconditional at or before 8:00 a.m. on Tuesday, February 10, 2026 (Hong Kong time), dealings in the Shares on the Stock Exchange are expected to commence on Tuesday, February 10, 2026. The Shares will be traded in board lots of 500 Shares each. The stock code of the Shares will be 2720. No part of our Shares or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought. All Offer Shares will be registered on the Hong Kong Share register of members of our Company in order to enable them to be traded on the Stock Exchange.

Under section 44B (1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by the Stock Exchange.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional advisor for details of those settlement arrangements and how such arrangements will affect their rights and interests.

SHARE REGISTER OF MEMBERS AND STAMP DUTY

Our principal register of members will be maintained by our principal registrar, Campbells Corporate Services Limited, in the Cayman Islands, and our Hong Kong Share register of members will be maintained by our Hong Kong Share Registrar, Tricor Investor Services Limited, in Hong Kong.

All Offer Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on the Hong Kong Share register of members of our Company to be maintained in Hong Kong by our Hong Kong Share Registrar. Dealings in the Shares registered in our Hong Kong Share register of members will be subject to Hong Kong stamp duty. For further details of Hong Kong stamp duty, please seek professional tax advice.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, holding and dealing in the Shares or exercising any rights attached to them. It is emphasized that none of us, the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our/their respective affiliates, directors, supervisors, employees, agents or advisers or any other party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of holders of the Shares resulting from the subscription, purchase, holding or disposal of the Shares or exercising any rights attached to them.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus includes translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars. No representation is made that any amounts could actually be converted into another currency at the rates indicated, or at all. Unless otherwise indicated: (i) the translation between Renminbi and Hong Kong dollars was based on the rate of RMB0.89676 to HK$1, the exchange rate prevailing on January 23, 2026 published by the PBOC for foreign exchange transactions, (ii) the translation between Renminbi and U.S. dollars was based on the rate of RMB6.99290 to US$1, the exchange rate prevailing on January 23, 2026 published by the PBOC for foreign exchange transactions, and (iii) the translations between U.S. dollars and Hong Kong dollars were based on the rate of US$1 to HK$7.79796, as calculated according to the rates indicated in (i) and (ii).

LANGUAGE

If there is any inconsistency between this English prospectus and the Chinese translation of this prospectus, the English version of this prospectus shall prevail. However, the translated English names of PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations (including the Company's subsidiaries) and the like included in this prospectus and for which no official English translation exists are unofficial translations for your reference only. If there is any inconsistency, the Chinese name prevails.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Ms. Lei Yang	Room 1, Block 6, Shuixiexiangdi, Xixi Fengqing Garden, Yuhang District, Hangzhou, Zhejiang Province, PRC	Canadian
Mr. Wu Guihua (吳桂華)	Room 1703, Building 3, Yungu Apartment, Xihu District, Hangzhou, Zhejiang Province, PRC	Chinese
Non-executive Directors		
Mr. Yang Baoqing (楊寶慶)	Room 802, Unit 2, Building 3, Jirujiayuan, Gongshu District, Hangzhou, Zhejiang Province, PRC	Chinese
Ms. Wen Meixia (溫美霞)	Room 102, Unit 2, No. 27, Wen'er Road, Hangzhou, Zhejiang Province, PRC	Chinese
Independent non-executive Directors		
Mr. Ding Feng (丁鋒)	Room 2301, Unit 3, Building 4, Kunlun Apartment, Gongshu District, Hangzhou, Zhejiang Province, PRC	Chinese
Mr. Han Hongling (韓洪靈)	Room 602, Unit 1, Building 18, Fuxin Garden West, Xihu District, Hangzhou, Zhejiang Province, PRC	Chinese
Mr. Shu Yuanchao (舒元超)	Room 2-1401, Zijing Xinyuan, No. 388 Zijinghua Road, Xihu District, Hangzhou, Zhejiang Province, PRC	Chinese

For more information on our Directors, please refer to the section headed "Directors and Senior Management" of this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Sole Sponsor	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
Sponsor-Overall Coordinator, Sole Overall Coordinator and Sole Global Coordinator	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
Joint Bookrunners and Joint Lead Managers	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Futu Securities International (Hong Kong) Limited** 34/F, United Centre No. 95 Queensway Admiralty Hong Kong **Fuze Securities (International) Limited** Room 1004, 10/F OfficePlus@Sheung Wan No. 93-103 Wing Lok Street Sheung Wan Hong Kong
Capital Market Intermediaries	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

Fuze Securities (International) Limited
Room 1004, 10/F OfficePlus@Sheung Wan
No. 93-103 Wing Lok Street
Sheung Wan
Hong Kong

Reporting Accountants

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

Legal Advisors to the Company

As to Hong Kong and U.S. laws:

Clifford Chance
27/F, Jardine House
One Connaught Place
Central
Hong Kong

As to PRC laws:

Grandall Law Firm (Hangzhou)
Grandall Building, No. 2 & No. 15
Block B, Baita Park
Old Fuxing Road
Hangzhou, Zhejiang
PRC

As to Cayman Islands laws:

Campbells
3001-04 & 3010, 30/F
Gloucester Tower, The Landmark
15 Queen's Road Central
Hong Kong

Legal Advisors to the Sole Sponsor and the Underwriters	*As to Hong Kong and U.S. laws:* **Haiwen & Partners LLP** Suites 601-602 & 610-616, 6/F One International Finance Centre 1 Harbour View Street Central Hong Kong *As to PRC laws:* **Commerce & Finance Law Offices** 12-15th Floor, China World Office 2 No. 1 Jianguomenwai Avenue Beijing PRC
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 Nanjing West Road Jing'an District Shanghai PRC
Transfer Pricing Consultant	**KPMG Advisory (China) Limited Hangzhou Branch** 11F, Building A Ping An Finance Centre 280 Minxin Road Shangcheng District Hangzhou PRC
Compliance Advisor	**Guotai Junan Capital Limited** 27/F, Low Block Grand Millennium Plaza 181 Queen's Road Central Hong Kong
Receiving Bank	**Industrial and Commercial Bank of China (Asia) Limited** 33/F., ICBC Tower 3 Garden Road Central Hong Kong

Registered Office	Floor 4, Willow House Cricket Square Grand Cayman KY1-9010 Cayman Islands
Head Office and Principal Place of Business in the PRC	8th Floor, Building 1 Lok Fu Creative Center No. 818, Pingshui East Street Hangzhou, Zhejiang Province PRC
Principal Place of Business in Hong Kong	Room 1915, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	www.ridgeoutdoor.com *(Information contained on this website does not form part of this prospectus)*
Joint Company Secretaries	**Ms. Xue Yuanyuan** 8th Floor, Building 1 Lok Fu Creative Center No. 818, Pingshui East Street Hangzhou, Zhejiang Province PRC **Ms. Wong Wai Yee, Ella** Room 1915, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong

Authorized Representatives	**Ms. Lei Yang** 8th Floor, Building 1 Lok Fu Creative Center No. 818, Pingshui East Street Hangzhou, Zhejiang Province PRC
	Ms. Wong Wai Yee, Ella Room 1915, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Mr. Han Hongling *(Chairperson)* Mr. Yang Baoqing Mr. Ding Feng
Remuneration Committee	Mr. Ding Feng *(Chairperson)* Mr. Yang Baoqing Mr. Han Hongling
Nomination Committee	Mr. Ding Feng *(Chairperson)* Ms. Lei Yang Mr. Shu Yuanchao
Principal Share Registrar and Transfer Office in the Cayman Islands	**Campbells Corporate Services Limited** Floor 4, Willow House Cricket Square Grand Cayman KY1-9010 Cayman Islands
Hong Kong Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Bank	**Citibank N.A., Hong Kong Branch** 3 Garden Road Central Hong Kong

The information and statistics set out in this section and other sections of this prospectus were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan (the "Frost & Sullivan Report"). We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources, including government data and statistics, has not been independently verified by us, the Sole Sponsor, the Sole Overall Coordinator, the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy.

OVERVIEW OF GLOBAL OUTDOOR EQUIPMENT INDUSTRY

Outdoor activities refer to recreational activities in open environments, typically in natural settings such as parks, forests, mountains or bodies of water. They often involve physical exertion and include a wide range of activities such as camping, climbing, bicycling, fishing, and hiking. The growing awareness of healthy living has increased public interest in outdoor activities, leading to a continuous rise in participants and driving the sales of outdoor equipment.

Outdoor equipment refers to a variety of products designed for outdoor activities, including sports gear, protective equipment and other equipment that enhance comfort and safety while participating in outdoor activities. Key categories of outdoor equipment mainly include camping gear, fishing gear, outdoor cooking supplies and equipment designed to withstand harsh environmental conditions.

According to Frost & Sullivan and public information from authoritative institution, the market size of the global outdoor equipment industry in terms of retail sales grew from RMB524.3 billion in 2019 to RMB645.8 billion in 2024, representing a CAGR of 4.3%. Due to the low entry barriers and the social appeal of outdoor activities, these activities are attracting an increasing number of participants, further driving the growth in retail sales of outdoor equipment. According to Frost & Sullivan and public information from authoritative institution, the market size of global outdoor equipment industry is expected to reach RMB875.4 billion in terms of retail sales in 2029, representing a CAGR of 6.8% from 2025. Fishing is a popular outdoor activity and global fishing gear market accounted for approximately 21.8% of the global outdoor equipment market in terms of retail sales in 2024.

OVERVIEW OF GLOBAL FISHING GEAR INDUSTRY

Definition

Fishing gear refers to tools used by anglers in fishing, as well as equipment designed to enhance their user convenience and comfort while fishing. Fishing gear includes both fishing tackle and fishing-related equipment. Fishing tackle refers to the tools utilized for capturing fish from aquatic environments, such as fishing rods, reels, hooks, lines and baits. Fishing-related equipment, on the other hand, pertains to items designed to enhance anglers' convenience, comfort and efficiency in outdoor settings, including fishing chairs and bed chairs, seatboxes, barrows, backpacks, sleeping bags and tents.

Industry Chain Analysis

The value chain of fishing gear industry is mainly consisted of upstream raw material suppliers and manufacturers, midstream brand owners and downstream distributors, retailers and consumers.

Source: Frost & Sullivan

The value chain of the fishing gear industry encompasses a progression from raw material procurement to consumer engagement. The upstream segment secures all raw materials supply for product production, such as textile materials, rubber and plastic, strip steel and aluminum alloy. Manufacturers produce products tailored to the specifications of brands and subsequently deliver the finished products to them. Some manufacturers possess their private brands. Midstream mainly include brands which primarily focus on brand operation and marketing. For downstream product distribution, brand owners primarily distribute products through distributors to retailers or directly sell to retailers and consumers. Consumers can purchase products from both online and offline channels such as e-commerce platforms, fishing stores, and so forth.

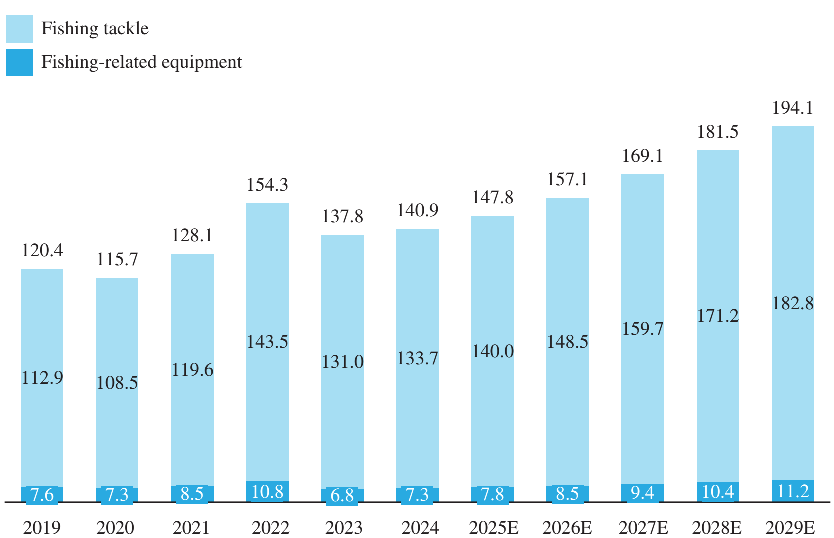
Manufacturers of fishing gear can be divided into three types based on their production models: original brand manufacturer ("OBM"), original equipment manufacturer ("OEM") and original design manufacturer ("ODM"). OBMs develop and produce their own branded products and outsource production to other manufacturers as well. OEMs produce products based on the designs and specifications provided by brand owners or other manufacturers, while ODMs provide both design and manufacturing services based on the specifications provided by brand owners or other manufacturers. Brand owners mainly focus on brand management and product sales and may choose to work with OEMs or ODMs to outsource production. With a flexible and strong production capacity, ODMs and OEMs are capable of developing their own brands.

Market Size of Global Fishing Gear Industry

According to Frost & Sullivan, the market size of the global fishing gear industry, in terms of retail sales, grew from RMB120.4 billion in 2019 to RMB140.9 billion in 2024, representing a CAGR of 3.2%. There are varieties of fishing tackle products, with fishing rods, reels, hooks, lines and baits being the essential products needed to participate in fishing activities. With the rise of fishing activities, fishing tackle is poised to emerge as the primary growth segment within the industry. Among fishing-related equipment products, tents, shelters, chairs, bed chairs and fishing backpacks are the main equipment products demanded by consumers. The global fishing gear market is expected to continue at a CAGR of 7.1% from 2025 to 2029, with the market size expected to reach RMB194.1 billion in terms of retail sales by 2029. The following chart presents the market size of global fishing gear industry in terms of retail sales from 2019 to 2029:

Global Fishing Gear Industry, in terms of Retail Sales
Billion RMB, 2019-2029E

CAGR	2019-2024	2025E-2029E
Fishing tackle	3.4%	6.9%
Fishing-related equipment	-0.8%	9.5%
Total	**3.2%**	**7.1%**



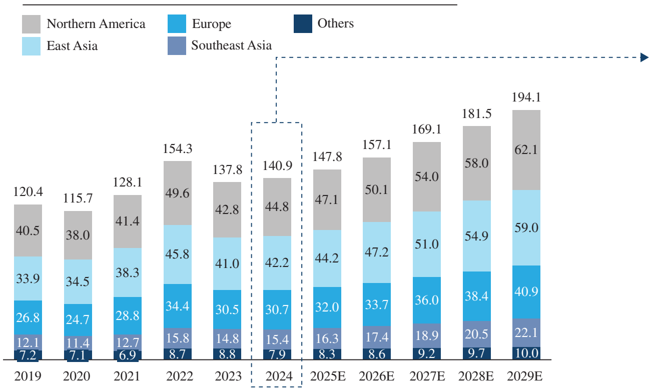
Source: Frost & Sullivan, U.S. Bureau of Economic Analysis, Office for National Statistics

Note: During the public health incidents, there was a marked increase in people's inclination to engage in outdoor recreational activities, leading to a significant rise in demand for fishing gear. With people return to routine life, the demand for fishing gear becoming stabilized, resulting in a contraction of market size in 2023 compared to 2022.

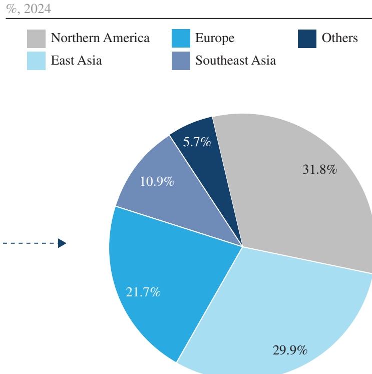
Northern America, East Asia, Europe and Southeast Asia are the major markets for fishing gear consumption, with long-established fishing traditions and widespread participation. Northern America leads the global market for fishing gear, holding the largest market share of 31.8% in terms of retail sales in 2024. East Asia, represented by China, accounted for a market share of 29.9% in terms of retail sales in 2024, while Europe accounted for 21.7%. Southeast Asia, with its proximity to ocean, has seen increasing popularity in fishing activities, becoming one of the fastest-growing regions for fishing gear consumption. The following chart presents the market size of selected regions in the fishing gear industry in terms of retail sales from 2019 to 2029:

Market Size of Global Fishing Gear Industry by Regions, in terms of Retail Sales
Billion RMB, 2019-2029E

CAGR	2019-2024	2025E-2029E
Northern America	2.0%	7.2%
East Asia	4.5%	7.5%
Europe	2.8%	6.3%
Southeast Asia	4.9%	7.9%
Others	1.9%	4.8%
Total	**3.2%**	**7.1%**



Market Share of Global Fishing Gear Industry in Selected Regions, in terms of Retail Sales
%, 2024



Source: Frost & Sullivan, U.S. Bureau of Economic Analysis, Office for National Statistics, European Anglers Alliance

Compared with the United States, the United Kingdom, Japan, South Korea, and Europe, China's fishing gear industry is still at development stage. The number of fishing participants continue to increase in China during the past few years. China's fishing participants grew at a CAGR of 5.2% from 2019 to 2024 to reach 153.4 million participants in 2024, with a penetration rate of approximately 10.9% of the total population. People's interest in fishing is on an upward trajectory, and it is anticipated that the number of people participating in fishing activities in China will continue to grow in the future. The per capita expenditure of fishing participants on fishing gear in China in 2024 was RMB215. In comparison to selected countries, China's fishing gear market exhibits optimistic growth prospects. The fishing gear market in China is expected to grow at a CAGR of 7.9% from 2025 to 2029, which is substantially higher than that of selected countries. The following chart presents the penetration rate of fishing participants of total population, the per capita expenditure of fishing participants on fishing gear, the market size of fishing gear industry in terms of retail sales in 2024 and growth rate of the fishing gear industry from 2019 to 2029 in selected countries:

Country/Region	Unit	China	The United States	The United Kingdom	Japan	South Korea	Europe
Penetration rate of fishing participants of the total population (2024)	%	10.9	18.2	12.3	14.3	11.4	11.2
Per capita expenditure of fishing participants on fishing gear (2024)	RMB	215	631	511	414	328	329
Market size of fishing gear industry in terms of retail sales (2024)	Billion RMB	32.9	38.6	4.3	7.3	1.9	30.7
CAGR 2019-2024	%	5.7	2.3	3.1	0.3	1.1	2.8
CAGR 2025E-2029E	%	7.9	7.3	6.1	6.1	4.7	6.3

Source: Frost & Sullivan, National Bureau of Statistics, World Bank

Europe is one of the major fishing gear markets in the world, with a market share of approximately 21.7% by retail sales in 2024 within the global fishing gear industry. Many European countries, such as the United Kingdom and France, place significant emphasis on fishing-related educational initiatives for youth. Consequently, the fishing culture and fishing gear industry in Europe have reached a relatively advanced stage of development. Given that fishing is an outdoor pursuit which promotes both physical and mental well-being, it enjoys widespread popularity across all age groups in Europe. Primarily driven by economic growth and evolving consumer enthusiasm for fishing activities, the market size of Europe's fishing gear industry grew from RMB26.8 billion in 2019 to RMB30.7 billion in 2024 by retail sales, representing a CAGR of 2.8%. The market size of fishing-related equipment industry in Europe was RMB1.9 billion in 2024 by retail sales. The fishing-related equipment industry in Europe is relatively concentrated with top five players accounted for a market share of approximately 35% in 2024. With the escalating diversification and specialization of consumer demand for fishing gear, the European fishing gear industry is poised for further development in the future with a CAGR of 6.3% from 2025 to 2029.

OVERVIEW OF FISHING GEAR INDUSTRY IN CHINA

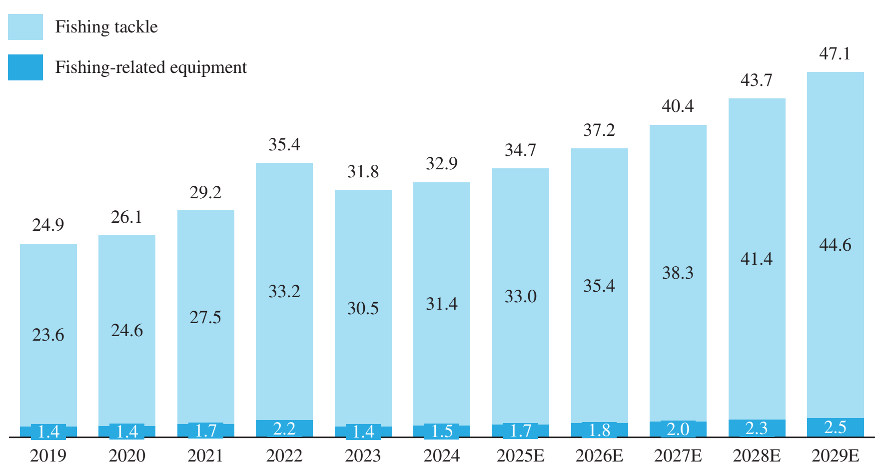
Market Size of Fishing Gear Industry in China

According to Frost & Sullivan, the market size of the fishing gear industry in China, in terms of retail sales, grew from RMB24.9 billion in 2019 to RMB32.9 billion in 2024, representing a CAGR of 5.7%. During the public health incidents, there has been a greater inclination towards outdoor activities for leisure and entertainment, leading to a significant surge in the demand for finishing gear and as well as other outdoor equipment. With people return to routine life, participation in fishing activities has normalized, leading to a steady increase in demand for fishing gear in the future. The market size of the fishing gear industry in China is expected to continue to grow at a CAGR of 7.9% from 2025 to 2029. The following chart presents the market size of the fishing gear industry in China in terms of retail sales from 2019 to 2029:

Fishing Gear Industry in China, in terms of Retail Sales

Billion RMB, 2019-2029E

CAGR	2019-2024	2025E-2029E
Fishing tackle	5.9%	7.8%
Fishing-related equipment	1.4%	10.1%
Total	**5.7%**	**7.9%**



Source: Frost & Sullivan, China Fishing Tackle Association

Fueled by the development of cross-border services, overseas logistics and mobile payment solutions, the fishing gear cross-border e-commerce market in China experienced a significant growth and is expected to become one of the important channels for fishing gear industry. In terms of retail sales, the market size of fishing gear cross-border e-commerce market in China is expected to grow at a CAGR of 13.6% from 2025 to 2029.

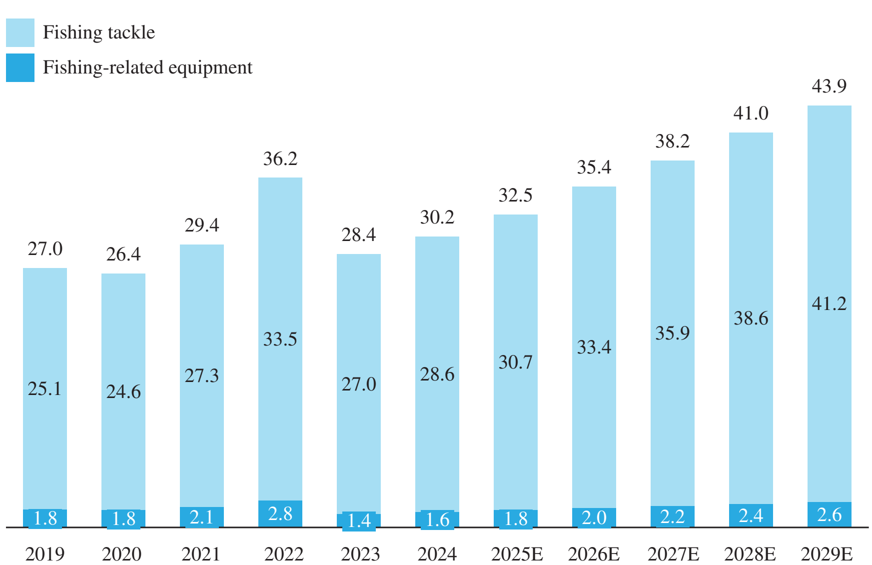
OVERVIEW OF FISHING GEAR MANUFACTURING INDUSTRY IN CHINA

China is the largest fishing gear manufacturing country in the world, accounting for over 70% of the global fishing gear manufacturing industry in terms of revenue in 2024 . According to Frost & Sullivan, the market size of the fishing gear manufacturing industry in China, in terms of revenue, grew from RMB27.0 billion in 2019 to RMB30.2 billion in 2024, representing a CAGR of 2.3%. The fishing gear industry is expected to maintain stable growth in tandem with organic consumer demands. The market size of fishing gear manufacturing market is expected to grow at a CAGR of 7.8% from 2025 to 2029 and reach RMB43.9 billion by 2029. According to Frost & Sullivan, the fishing gear manufacturing industry in China is relatively fragmented, with the top five fishing gear manufacturers holding an aggregate market share of 10.4% in terms of revenue in 2024. Our Company ranked second in China's fishing gear manufacturing industry in terms of revenue in 2024, with a market share of 1.8%.

With the increasing professional demands of fishing enthusiasts for quality equipment and the expansion of fishing scenarios, there is a growing demand for a diverse range of products to create a comfortable and comprehensive fishing experience. This will continue to escalate and promote the development of fishing-related equipment manufacturing industry. According to Frost & Sullivan, in terms of revenue, the market size of fishing-related equipment manufacturing industry in China was RMB 1.6 billion in 2024 and is expected to grow at a CAGR of 9.6% from 2025 to 2029. The following chart presents the market size of the fishing gear manufacturing industry in China in terms of revenue from 2019 to 2029:

Fishing Gear Manufacturing Industry in China, in terms of Revenue
Billion RMB, 2019-2029E

CAGR	2019-2024	2025E-2029E
Fishing tackle	2.6%	7.6%
Fishing-related equipment	-2.3%	9.6%
Total	**2.3%**	**7.8%**



Source: Frost & Sullivan

Competitive Landscape

In the fishing-related equipment manufacturing industry, according to Frost & Sullivan, our Company is the global largest fishing-related equipment manufacturer in terms of revenue in 2024, with a market share of 23.1%. The fishing-related equipment manufacturing industry is relatively concentrated worldwide, with the top five fishing-related equipment manufacturers holding a market share of 34.7% in terms of revenue in 2024. In China, the fishing-related equipment manufacturing industry is relatively concentrated, with the top five fishing-related equipment manufacturers holding a market share of 39.4% in terms of revenue in 2024, according to the same source. Our Company is the largest fishing-related equipment manufacturer in China in terms of revenue in 2024, with a market share of 28.4%.

Ranking of the Top Five Fishing-related Equipment Manufacturers in China, by Revenue (2024)

Ranking	Name	Market Share
1	Our Company	28.4%
2	Company A(1)	4.5%
3	Company B(2)	3.5%
4	Company C(3)	1.6%
5	Company D(4)	1.5%

Source: Frost & Sullivan

Note: Revenue based on calendar year 2024.

Notes:

(1) Company A: A private company established in China in 2004. The company mainly focuses on designing, developing and manufacturing and selling of fishing gear products. The scale of business of fishing-related equipment manufacturing in 2024 was approximately RMB70 million.

(2) Company B: A private company established in China in 2014. The company mainly focuses on designing, developing and manufacturing and selling of fishing gear and other outdoor equipment products. The scale of business of fishing-related equipment manufacturing in 2024 was approximately RMB60 million.

(3) Company C: A private company established in China in 2010. The company focuses on brands operating and designing, developing, manufacturing and selling of fishing gear products. The scale of business of fishing-related equipment manufacturing in 2024 was approximately RMB30 million.

(4) Company D: A private company established in China in 2009. The company focuses on brands operating and designing, developing, manufacturing and selling of fishing gear products and outdoor equipment products. The scale of business of fishing-related equipment manufacturing in 2024 was approximately RMB20 million.

Ranking of the Top Five Fishing-related Equipment Manufacturers Globally, by Revenue (2024)

Ranking	Name	Market Share
1	Our Company	23.1%
2	Company E[(5)]	3.9%
3	Company A	3.6%
4	Company B	2.8%
5	Company C	1.3%

Source: Frost & Sullivan

Notes:

(5) Company E: A listed company on the Tokyo Stock Exchange established in Japan in 1945. The company mainly focuses on brands operating and selling, designing, developing and manufacturing of fishing gear products. The scale of business of fishing-related equipment manufacturing in 2024 was approximately RMB80 million.

MARKET DRIVERS OF GLOBAL FISHING GEAR MANUFACTURING INDUSTRY

Demand of fishing enthusiasts. The fishing gear manufacturing industry is significantly driven by the demand of fishing enthusiasts, amplified by both the increasing number of new participants and the evolving preferences of established anglers. The low entry barrier and the inherently social nature of fishing activities, particularly in the post-pandemic era, have attracted a surge of young participants. Digital engagement platforms like Douyin and Xiaohongshu have further fueled this growth by building enthusiast communities that facilitate learning about fishing knowledge, thereby increasing demand for entry-level fishing fear for practice. As these enthusiasts progress from novice to experienced angler, their gear requirements evolve correspondingly, creating additional demand for advanced materials and specialized fishing-related equipment. Moreover, in mature markets such as Europe and North America, seasoned anglers continue to prioritize high-performance gear and drive innovation through specialized fishing techniques, which represents a significant opportunity for Chinese manufacturers to develop advanced equipment that meets the sophisticated demands of these markets, while simultaneously catering to the growing domestic base of fishing enthusiasts across all experience levels.

Development of multi-marketing channels. The diversification of marketing channels has become a crucial force propelling the fishing gear manufacturing industry, blending traditional and digital strategies to enhance reach and consumer engagement. Offline channels, such as specialized fishing retail stores and experiential outdoor exhibitions, serve as critical touchpoints for face-to-face consultations, fostering brand loyalty through direct interactions. Meanwhile, online platforms such as integrated e-commerce and cross-border e-commerce are revolutionizing accessibility, with emerging marketplaces offering various gear selections. For instance, social media and live-streaming platforms like Douyin act as dynamic hubs for tutorials, product reviews, and influencer-led storytelling, disseminating fishing knowledge and inspiring participation across different demographics. The multi-marketing channels not only educate and empower consumers but also establish a feedback loop where real-time data from digital interactions informs product development. This process accelerates industry growth and extends fishing product sales to more regions.

Favorable policies. Governments around the world have implemented various proactive policies to promote fishing activities and support the fishing industry.

- The United States: New York State has Free Fishing Days program and has added an additional Free Fishing Day in 2024. During free fishing days, the fishing license requirement is waived for freshwater fishing on New York's waters. This program provides a great opportunity for anglers to try freshwater fishing and for former anglers to reconnect with one of America's favorite pastimes. Additionally, the Department of Environmental Conservation offers resources for those learning to fish, including an informational video series and a beginner's guide to freshwater fishing, which promote widespread participation in fishing activities.

- Europe: The Environment Agency proposed a National Angling Strategy (2019-2024) in 2019. This strategy is a five-year plan aimed at encouraging more people to take up fishing and promoting the health and well-being benefits that angling can bring. Many European countries, such as the United Kingdom and France, emphasize the importance of fishing culture education for their citizens. France organize various fishing events frequently, and included fishing as an elective subject in the college entrance examination, significantly enhancing participation rates in fishing activities.

- China: In 2022, the Outdoor Sports Industry Development Plan (2022-2025) 《戶外運動產業發展規劃(2022-2025年)》 aims to promote the development of various outdoor sports projects in the central region, focusing on activities such as mountain biking, angling and other projects tailored to local conditions. In 2020, the National Rural Industry Development Plan (2020-2025) 《全國鄉村產業發展規劃(2020-2025年)》proposes to optimize rural leisure tourism, build comprehensive leisure agricultural parks, fishing parks and others to meet the consumption needs of urban residents. Zhuhai, with its advantageous fishing environment, hosts numerous fishing events to promote fishing culture. Planning to compile the first map of the country's fishing city, Doumen District issued the "China (Doumen) Fishing City Development Plan," (《中國(斗門)垂釣名城發展規劃》) to create a region featuring scenery, fishing, catering and fishing-related equipment as one of the ten best compound fishing bases. Many other regions, such as Mojiang County, Yunnan Province, have also introduced policies to promote fishing activities.

INDUSTRY TRENDS OF GLOBAL FISHING GEAR MANUFACTURING INDUSTRY

Increased industry consolidation. China is one of the major fishing gear manufacturing markets, and products of many internationally renowned brands are manufactured in China. The fishing gear market in China is fragmented. Leading fishing gear companies have advantages in all aspects of production, brand management, product R&D, marketing and channel management, enabling large companies to quickly adapt to industry development and enhance risk resilience. This is expected to accelerate the industry consolidation.

Products diversification and specialization. With the change in consumer demand for fishing, there is an obvious trend towards the transformation of fishing gear products to specialization and premium quality. Different fishing methods and species of fish have different requirements for fishing gear. Moreover, the differences in culture and long-accumulated fishing habits between Chinese and foreign countries have also contributed to the diversification of products in the fishing gear industry. Traditional Chinese fishing methods are diverse and require simple fishing tackle suitable for a wide range of water conditions. European and American fishing gear focuses on specialization. For example, fly fishing requires a specific combination of tackle. Therefore, fishing gear manufacturers continue to innovate specialized products that align with consumer demand.

Technology advancement. Fishing gear manufacturers are introducing advanced production technology and equipment to improve production efficiency and product quality. Chinese manufacturers continue to explore new materials, processes and designs to improve product performance and quality. The European and American markets place greater emphasis on energy conservation and environmental protection, focusing on the integration of product technology advancement with environmental sustainability.

Intelligent manufacturing and automated production. With the progress and development of industrial technology, emerging technologies such as the Internet of Things, cloud computing and artificial intelligence have been gradually applied to the production and manufacturing of fishing gear equipment. The degree of electrification, digitalization and automation in equipment production has been continuously improving. The global fishing gear manufacturing industry is evolving towards intelligence and automation.

Private label trend. Europe and American fishing gear companies focused on private brands. China's fishing gear market has been dominated by the OEM and ODM models of manufacturing and will focus more on the development of its private brands in the future. Private brands help companies establish a unique brand image and brand loyalty, obtaining higher brand recognition in the market. By establishing a proprietary brand, companies can expand its market share and increase profitability. Moreover, owning a brand provides greater control over product design and development, allowing companies to quickly adapt to market trends.

MARKET ENTRY BARRIERS OF GLOBAL FISHING GEAR INDUSTRY

Deep industry know-how. Leading manufacturers have long been involved in the industry, possessing extensive knowledge of the fishing industry and a keen understanding of consumer demand, enabling them to introduce products that fulfill market demand. In contrast, new entrants lack accumulated industry experience.

Expansive sales channels. Leading manufacturers have established extensive sales channel networks to access more markets. This typically requires the manufacturer to have visibility, abundant resources and a profound comprehension of the sales network layout of the target market, particularly in the fishing gear market which is dominated by offline channels. New entrants lack the resources and accumulated information.

R&D capability. Leading manufacturers have an experienced technical team and sufficient capital to introduce the latest technology, enhancing product R&D capabilities and production capacity. New entrants lack the leading technology and talent to support product development capabilities.

Sophisticated supply chain. Supply chain capability is an important basis for the core competitiveness of manufacturing enterprises. From raw material procurement and product production to customer channel distribution, leading manufacturers have quality resources and sophisticated operation and supervision systems to ensure the efficient operation of companies. New entrants lack the resources to establish a mature supply chain.

Customer recognition. Leading manufacturers generally have strong distribution channels and a stable customer base. With excellent quality control capabilities and quality products, they usually enjoy a high degree of recognition among customers, which facilitates further cooperation with potential customers in the future. New entrants need more time to explore customer cooperation.

CHALLENGES FOR GLOBAL FISHING GEAR MANUFACTURING INDUSTRY

Climate change. Climate change can alter the distribution and habitats of fish species due to rising ocean temperatures and other environmental changes. This shift can affect fishing activities in various regions, subsequently impacting the demand for specific types of fishing gear. For instance, the northward migration of warm-water fish species may increase the demand for equipment suited to those species, requiring manufacturers to adjust their product offerings accordingly.

Rising labor costs. Rising labor costs have a significant impact on labor-intensive industries, such as the manufacturing of fishing gear. The increase in labor costs directly influences product pricing and corporate profits, presenting a considerable challenge to companies' ability to control costs.

Trade protection. Tariff policy significantly influences import and export companies, with changes in tariff regulations closely linked to the operating costs and profitability of these businesses. An increase in tariffs will result in higher product costs, thereby presenting a substantial challenge to corporate profitability. The trade restrictions and tariff policies implemented by the United States are poised to have impact on China's fishing gear manufacturing industry. China's fishing gear manufacturers will encounter increased costs due to rising tariffs, which may result in compressed profit margins and a corresponding increase in the prices of their export products. And cost disadvantages could compel some small and medium-sized companies to withdraw from the US market. Tariffs result in an increase in the overall cost across the industrial chain, thereby imposing pressure on manufacturers' export business.

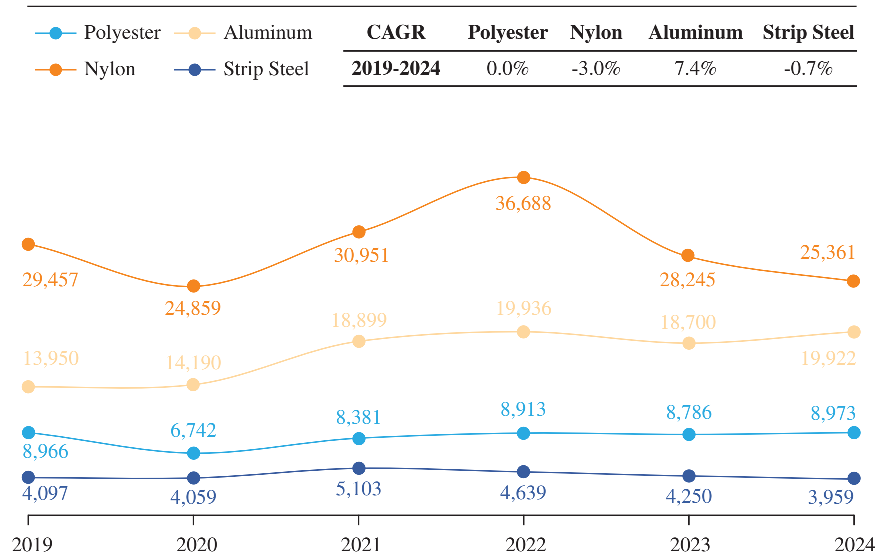
TRENDS IN RAW MATERIAL PRICES

Fluctuations in the prices of key raw materials significantly impact the fishing gear industry, requiring stakeholders to navigate carefully to ensure sustainable growth and product development.

The raw materials of the fishing gear industry mainly include polyester, nylon, aluminum and strip steel. In 2020, due to the impact of the public health events, enterprise production stagnated and market demand weakened, leading various industries to face multiple challenges and a general decline in commodity prices across different sectors. However, with economic recovery, the prices of various raw materials have begun to trend upward. The pricing of nylon and polyester is primarily influenced by raw material costs. In recent years, rising crude oil prices coupled with tight supply-demand dynamics in the chemical raw materials market have escalated production costs of materials for nylon and polyester, resulting in sustained price increases for these materials. As market demand stabilizes alongside supply adjustments, nylon prices are expected to decrease and stabilize further. Conversely, polyester prices remain on an upward trajectory due to ongoing influences from crude oil pricing. The primary driver behind aluminum price increases is heightened demand for aluminum itself. Future trends in aluminum pricing will be closely tied to this demand side factor. Since 2021, strip steel prices have consistently declined as poor profitability among steel companies has led to reduced supply, furthermore, a reduction in demand and negative market sentiment, which collectively contribute to a continuous decline in prices.

Key Production Raw Material Price
RMB/Ton, 2019-2024

CAGR	Polyester	Nylon	Aluminum	Strip Steel
2019-2024	0.0%	-3.0%	7.4%	-0.7%



SOURCE OF INFORMATION

In connection with the Global Offering, we engaged Frost & Sullivan, an independent market research consultant, to conduct an analysis of, and to prepare a report about, the global fishing gear industry and China's fishing gear industry. Frost & Sullivan is an independent global consulting firm, which was founded in 1961 in New York. It offers industry research and market strategies, and provides growth consulting and corporate training. In connection with the market research services provided, we have paid a fee of RMB400,000 to Frost & Sullivan, which we believe to be consistent with market rates.

In compiling and preparing the Frost & Sullivan Report, Frost & Sullivan adopted the following assumptions: (i) the global social, economic and political environment is likely to remain stable in the four years from 2025 to 2029 (the "**Forecast Year**"), (ii) purchasing power is expected to continue to rise rapidly in emerging regions and to grow steadily in developed regions, (iii) the impact of the public health incidents is phased and temporary, China's economy shows long-term positive fundamentals, and (iv) related industry drivers such as growing purchasing power and other key drivers are likely to drive the fishing gear manufacturing industry in the Forecast Year.

Except as otherwise noted, all the data and forecasts contained in this section are derived from the Frost & Sullivan Report. Frost & Sullivan has prepared the Frost & Sullivan Report based on detailed primary research which involved discussing the status of the fishing gear industry with certain leading industry participants and secondary research which involved reviewing company reports, independent research reports and data based on its own research database. Our Directors confirm that, after taking reasonable care, there has been no material adverse change in the overall market information since the date of the Frost & Sullivan Report that would materially qualify, contradict or have an impact on such information.

OVERVIEW

This section sets out a summary of the main laws, regulations and policies to which we are subject to.

LAWS AND REGULATIONS OF THE PRC

Laws and Regulations on Import and Export Trade

According to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) (the "Foreign Trade Law") promulgated by the Standing Committee of the National People's Congress ("the SCNPC") on May 12, 1994, and latest amended on December 30, 2022, the state permits free import and export of goods and technology, unless otherwise regulated by laws and administrative regulations. Before December 30, 2022, according to the pre-amended Foreign Trade Law, foreign trade operators engaged in the import or export of goods or technology shall file for registration with the foreign trade authority under the State Council or with an agency entrusted by it, unless laws, administrative regulations, or provisions of the foreign trade authority under the State Council stipulate that registration is not required. As a foreign trade operator, since December 30, 2022, registration for foreign trade operator is no longer required.

According to the Customs Law of the PRC (《中華人民共和國海關法》) (the "Customs Law") promulgated by the SCNPC on January 22, 1987, latest amended and effective on April 29, 2021, and the Administrative Provisions on the Filing Management of Customs Declaration Entities of the PRC (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs on November 19, 2021 and effective on January 1, 2022, inbound and outbound means of transport vehicles, goods, and articles must enter or exit the country through locations where customs offices are established, except situations specified in the Customs Law. Consignors and consignees of import and export goods, as well as customs declaration enterprises shall file with the customs authorities when handling customs procedures. Imported goods shall be subject to customs supervision from the time of entry until customs procedures are completed; exported goods shall be subject to customs supervision from the time of declaration to customs until exit; transit, transshipment, and through transportation goods shall be subject to customs supervision from the time of entry until exit. Customs duties shall be levied by customs authorities on goods permitted for import and export. The consignee of imported goods and the consignor of exported goods are the taxpayers liable for customs duties. The dutiable value of import and export goods shall be determined by the customs authorities based on the transaction price of the goods; while the transaction price cannot be determined, the dutiable value shall be assessed by the customs authorities in accordance with the law. As a consignor and consignee of import and export goods, our business shall comply with the aforesaid PRC laws and regulations.

As of the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to the Group's foreign trade business activities or customs declaration has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on the Group.

Laws and Regulations on Foreign Investment

The establishment, operation and management of companies in the PRC shall comply with the Company Law of the PRC (《中華人民共和國公司法》) promulgated by the SCNPC on December 29, 1993, latest amended on December 29, 2023 and effective on July 1, 2024. The Company Law of the PRC also applies to foreign-invested limited liability companies. If there are other laws governing foreign investment in place, such laws shall prevail.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) was promulgated by the National People's Congress (the "NPC") on March 15, 2019, and the Regulations for the Implementation of the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) was issued by the State Council on December 26, 2019, both of which came into effect on January 1, 2020 and replaced the previous three major laws and regulations governing foreign investment in the PRC, namely, the Law of the PRC on Sino-Foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law of the PRC on Sino-Foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法》), and the Law of the PRC on Wholly Foreign-Owned Enterprises (《中華人民共和國外資企業法》), together with their regulations for the implementations and other rules. Since then, the Foreign Investment Law of the PRC has become the unified legal framework regulating foreign investment in the PRC.

According to the Foreign Investment Law of the PRC, the PRC has adopted a "pre-establishment national treatment and negative list" management model for foreign investment, which means foreign investors enjoy the same treatment as domestic enterprises in industries not listed in the negative list during the market entry phase. The negative list outlines the industries or sectors where foreign investment is restricted or prohibited. For industries not included on the negative list, foreign investors are free to enter and enjoy national treatment.

The National Development and Reform Commission ("NDRC") and the Ministry of Commerce of the PRC (the "MOFCOM"), jointly issued the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "2024 Negative List") on September 6, 2024, which came into effect on November 1, 2024. The 2024 Negative List sets out the industries in which foreign investments are prohibited or restricted, special administrative measures for foreign investment access including equity requirements and senior management requirements. The industries or sectors outside the 2024 Negative List are managed according to the principle of equal treatment for both domestic and foreign investment. Our business does not fall within the industries in which foreign investment are prohibited or restricted as set out in the 2024 Negative List.

On December 30, 2019, the MOFCOM and the State Administration for Market Regulation, jointly promulgated the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which came into effect on January 1, 2020, and had replaced the Interim Measures for the Administration of filing for the Establishment and Change in Foreign-Invested Enterprises (《外商投資企業設立及變更備案管理暫行辦法》). According to the Measures on Reporting of Foreign Investment Information, foreign investors or foreign-invested enterprises shall submit investment information to the commerce administrative authorities through the Enterprise Registration System (企業登記系統) and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統). During the Track Record Period and up to the Latest Practicable Date, Zhejiang Ridge Creative and Zhejiang Ridge Outdoor had reported foreign investment information as required.

Foreign investors and foreign-invested enterprises who violate the provisions of the Measures on Reporting of Foreign Investment Information by failing to submit investment information in accordance with the requirements of the foreign investment information reporting system shall be ordered by the competent commerce department to make corrections within a specified period of time. Those who fail to make corrections within the prescribed time limit shall be fined not less than RMB100,000 but not more than RMB500,000.

During the Track Record Period, we went through a series of restructuring actions. See "History, Reorganization and Corporate Structure — Reorganization — 1. Transfer of equity interest in Zhejiang Ridge Outdoor to Future Trade Network and Huzhou Ruiyi and 5. Establishment of Zhejiang Ridge Creative and acquisition of Zhejiang Ridge Outdoor".

Our major operating subsidiary — Zhejiang Ridge Outdoor was converted from a PRC domestic enterprise to a foreign-invested enterprise by a Hong Kong-based limited liability company, Future Trade Network acquiring equity interest of Zhejiang Ridge Outdoor transferred by its then controlling shareholder, Zhejiang Topsun Industrial. Subsequently, a wholly foreign-owned enterprise, Zhejiang Ridge Creative purchased 100% equity interest of Zhejiang Ridge Outdoor, which then became a wholly owned subsidiary of our Company.

Our business focus on the fishing-related equipment industry, which falls outside the scope of "restricted" or "prohibited" categories as prescribed in the 2024 Negative List.

Based on our PRC Legal Advisor's opinion, the establishment of Zhejiang Ridge Creative and the Reorganization regarding Zhejiang Ridge Outdoor have complied with all applicable PRC Foreign Investment Laws and Regulations.

Laws and Regulations on Foreign Exchange

The Regulations on the Foreign Exchange Control of the PRC (《中華人民共和國外匯管理條例》), which were promulgated by the State Council on January 29, 1996, latest amended and took effect on August 5, 2008, set out that transactions under the current account, such as trade in goods and services, earnings from investments, and transfer payments, are freely convertible in general; capital account transactions, such as cross-border investments, loans, and financial transfers, require approval from the relevant regulatory authorities. As a manufacturer who sells globally, we carry out transactions in compliance with the aforesaid regulations.

The Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Domestic Residents' Overseas Financing and Round-trip Investments through Special Purpose Companies (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "SAFE Circular 37") promulgated by the State Administration of Foreign Exchange (the "SAFE") on July 4, 2014 with immediate effect, regulates that domestic residents must apply to the foreign exchange administration for registration of overseas investment foreign exchange procedures before contributing domestic or foreign legal assets or rights to a special purpose vehicle. A special purpose vehicle refers to an entity established abroad, either directly or indirectly controlled by domestic residents for the purpose of investment and financing, using their legally held domestic enterprise assets or rights, or their legally held foreign assets or rights. Foreign-invested enterprises established through round-trip investment must handle the relevant foreign exchange registration procedures in accordance with the current regulations on foreign exchange management for foreign direct investment, and must truthfully disclose information regarding the actual controllers of the shareholders and other relevant details.

According to Notice on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investments (《關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE on June 1, 2015, latest amended and effective on December 30, 2019, the administrative approval requirements for foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment are canceled. Banks are authorized to conduct direct investment foreign exchange registration and related services under the guidance of the SAFE and the branches. As advised by our PRC Legal Advisor, as at the Latest Practicable Date, Mr. Yang, and 24 PRC residents serving as limited partners of Outrider Partnership had all completed the initial registration requirement as regulated under SAFE Circular 37.

Laws and Regulations on Product Quality and Consumer Protection

According to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the "Product Quality Law") promulgated by the SCNPC on February 22, 1993, latest amended and effective on December 29, 2018, any entity engaged in the production or sale of products in the PRC is subject to the Product Quality law. Producers shall be responsible for the quality of the products they manufacture, while sellers must take measures to maintain the quality of the products they sell. Both producers and sellers are required to establish and improve internal product quality management systems, strictly enforce quality standards, quality responsibilities, and corresponding evaluation measures. We have adopted standard quality management system and enforced internal quality control polices.

In accordance with the Law of the PRC on the Protection of Consumers Rights and Interests (《中華人民共和國消費者權益保護法》), promulgated by the SCNPC on October 31, 1993, latest amended on October 25, 2013 and became effective on March 15, 2014, in the provision of goods or services to consumers, business operators shall adhere to social ethics, engage in good faith operations, and safeguard the lawful rights and interests of consumers; business operators shall not impose unfair or unreasonable terms of trade, nor engage in coercive transactions. Business operators are required to ensure that the goods or services provided meet the standards necessary to protect personal and property safety; furthermore, business operators shall provide consumers with accurate and comprehensive information regarding the quality, performance, purpose, and expiration date of goods or services and shall refrain from any false or misleading representations.

According to the Civil Code of the PRC (《中華人民共和國民法典》) which was promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, where harm is caused to a customer due to a product defect, the aggrieved party has the right to seek compensation from the product's manufacturer; if a product defect endangers the personal or property safety of a customer, the aggrieved party has the right to request that the manufacturer assume liability for halting the infringement, removing the obstruction, or eliminating the danger. Therefore, if a product defect endangers the personal or property safety of a customer, the aggrieved party may have the right to request us to assume liability for halting the infringement, removing the obstruction, or eliminating the danger.

As of the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to product quality and consumer protection that has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

Laws and Regulations on Work Safety

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》), which was promulgated by the SCNPC on June 29, 2002, latest amended on June 10, 2021 and effective on September 1, 2021, units engaged in production and business activities must meet the Work safety conditions stipulated by this law, as well as relevant laws, administrative regulations, and national or industry standards; units that do not meet Work safety conditions are prohibited from engaging in production and business activities. The safety responsibility system for all personnel in production and business units must clearly define the responsible persons for each position, the scope of responsibilities, and the evaluation criteria. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to work safety that has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

Laws and Regulations on Fire Production

According to the Fire Protection Law of the PRC (《中華人民共和國消防法》), which was promulgated by the SCNPC on April 29, 1998, latest amended on April 29, 2021 with immediate effect, any construction project that is legally required to undergo fire safety inspection shall not be put into use if it has not passed the fire safety inspection or if the inspection results are unsatisfactory; for other construction projects that fail random inspections, usage shall be discontinued; enterprises shall fulfill their fire safety responsibilities.

According to the Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (the "MOHURD") on April 1, 2020, was latest amended on August 21, 2023 and became effective on October 30, 2023, a record-filing and random inspection system with classified management shall apply to construction projects other than those specifically designated as special construction projects. If any such other construction projects fail random inspections conducted according to the law, their use shall be discontinued. For a construction project in the PRC, we are subject to record-filing and random inspection according to aforesaid provisions.

As of the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to fire protection has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

Laws and Regulations on Construction

Land-use rights

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by SCNPC on June 25, 1986, latest amended on August 26, 2019 and effective on January 1 2020, land owned by the state may be remised or allotted to construction units or individuals in accordance with the law. The People's Government at or above the county level shall register and put on record uses of state-owned land used by construction units or individuals, and issue certificates to certify the land use rights.

Construction Land Planning Permit

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007, latest amended and effective on April 23, 2019, a construction land planning permit is required for the use of both allocated land and granted land. For a construction project in the PRC, we are required to get relevant construction land planning permit.

Construction Work Planning Permit

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》), where construction work is conducted in a city or town planning area, the relevant construction entity or individual shall apply for a construction work planning permit from a competent urban and rural planning administrative department of the People's Government at the municipal or county level or the People's Government at the municipal or county level or to the People's Government of town as recognized by the People's Government of a province, autonomous region or municipality. For a construction project in the PRC, we are required to get relevant construction work planning permit.

Construction Work Commencement Permit

According to the Construction Law of the PRC (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997, latest amended and effective on April 23, 2019, a construction entity shall, prior to the commencement of a construction project, apply for a Construction Work Commencement Permit from a competent department of the Construction Administration of the People's Government at or above the county level of the place where the project is located pursuant to the relevant regulations, except for small projects below the threshold value set by the competent construction administrative department under the State Council. Construction projects which have obtained approval of construction commencement reports in accordance with the procedures stipulated by the State Council under its authority are no longer required to apply for construction licenses. For a construction project in the PRC, we are required to get relevant construction work commencement permit.

Acceptance on Completion of Construction

According to the Rules of As-built Inspection of Housing, Building and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收規定》) promulgated by the MOHURD on December 2, 2013 with immediate effect, after completing the project, an inspection team comprising design, survey, construction, supervision units should be established. Each unit is required to report the compliance status of engineering contracts, the implementation of laws, regulations and mandatory standards for construction in various aspects of the construction.

According to the Administrative Measures for the Filing of As-built Inspection of Housing, Building and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development of the PRC on October 19, 2009 with immediate effect, a construction entity shall go through the filing formalities with the construction administrative department of the people's government at or above the county level at the place where the project is located within 15 days as of the date on which the as-built inspection of the project is passed.

As of the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to construction has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

Laws and Regulations on Environmental Protection

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) promulgated by the SCNPC on December 26, 1989, latest amended on April 24, 2014 and effective on January 1, 2015, enterprises, institutions, and other production operators that discharge pollutants must take measures to prevent and control environmental pollution and harm caused by waste gas, wastewater, solid waste, medical waste, dust, foul odors, radioactive substances, noise, vibration, light radiation, and electromagnetic radiation during production, construction, or other activities. Enterprises and institutions that discharge pollutants shall establish an environmental protection responsibility system, clearly defining the responsibilities of the unit's leaders and relevant personnel. The pollution prevention and control facilities in construction projects must be designed, constructed, and put into use simultaneously with the main project. The preparation of relevant development and utilization plans and the construction of the projects having impact on environment shall be subject to environmental impact assessment in accordance with the law. For any development and utilization plan, in absence of the environmental impact assessment in accordance with the law, the plan shall not be implemented; for any construction project, in absence of the environmental impact assessment in accordance with the law, the construction of the project shall not be commenced.

According to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002, latest amended and effective on December 29, 2018, and the Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, latest amended on July 16, 2017, which came into effect on October 1, 2017, the state implements a classified management system for environmental impact assessments of construction projects based on the extent of their environmental impact. For projects that may cause significant environmental impacts, an environmental impact report shall be prepared to conduct a comprehensive assessment of the potential environmental effects; for projects that may cause minor environmental impacts, an environmental impact report form should be prepared to analyze or conduct a specialised assessment of the potential environmental effects; and for projects with minimal environmental impact that do not require an environmental impact assessment, an environmental impact registration form should be filed. The environmental impact report and report form for construction projects shall be submitted by the construction entity to the competent environmental authority, while the environmental impact registration form shall be filed with the competent environmental authority. If the environmental impact assessment documents for a construction project have not been reviewed by the competent environmental authority or have not received approval after review, the construction entity shall not commence construction. During the Record

Period and up to the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to environmental protection has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

Laws and Regulations on Intellectual Property Rights

Patent

According to the Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, latest amended on October 17, 2020, with the latest revision effective on June 1, 2021, and the Implementation Rules for the Patent Law of the PRC (《中華人民共和國專利法實施細則》) promulgated by the State Council on December 21, 1992 and latest amended on December 11, 2023, with the latest revision effective on January 20, 2024, patent in PRC shall be categorized as invention, utility model and design. The validity period of patent rights for an invention shall be 20 years, the validity period of patent rights for a utility model shall be 10 years and the validity period of patent rights for a design shall be 15 years, commencing from the filing date. As of the Latest Practicable Date, our PRC subsidiary Zhejiang Ridge Outdoor had registered 86 patents in the PRC. To the best of our knowledge, no copyright infringement claim has been filed, or, threatened against our PRC subsidiaries with respect to patents registered in the PRC as of the Latest Practicable Date.

Trademark

According to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, latest amended on April 23, 2019, with the latest revision effective on November 1, 2019, and the Implementation Regulations for the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, latest amended on April 29, 2014, with the latest revision effective on May 1, 2014, natural persons, legal persons, or other organizations that need to obtain exclusive rights to a trademark for their commodities or services shall apply for trademark registration. The exclusive right to use a registered trademark is limited to the commodities specified for use. A registered trademark shall be valid for 10 years, commencing from the date of approval of the registration. Without the permission of the trademark registrant, using a trademark identical to a registered trademark on the same commodities, or using a trademark similar to a registered trademark on the same or similar commodities likely to be misleading, constitute an infringement of the exclusive right to use the registered trademark.

As of the Latest Practicable Date, our PRC subsidiary Zhejiang Ridge Outdoor had registered 72 registered trademarks in the PRC. To the best of our knowledge, no trademark infringement claim has been filed, or, threatened, against our PRC subsidiaries with respect to trademarks registered in the PRC as of the Latest Practicable Date.

Laws and Regulations on Labor Protection

According to the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, latest amended and effective on December 29, 2018 and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, latest amended on December 28, 2012 and effective on July 1, 2013, an employment relationship shall be established between the employer and the employee from the date of employment. A written labor contract must be concluded when establishing employment relationship. The state implements a minimum wage guarantee system, with specific minimum wage standards set by the people's governments of provinces, autonomous regions, and municipalities, and reported to the State Council for record-keeping. Employers must pay their employees no less than the local minimum wage standard. Employers are required to establish and improve labor safety and hygiene systems, strictly enforce national labor safety and hygiene regulations and standards, and provide safety and health education to employees to prevent workplace accidents and reduce occupational hazards. Employers must also establish and improve labor rules to ensure that employees enjoy their labor rights and fulfill their labor obligations.

According to the Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》) promulgated by the Ministry of Human Resources and Social Security on January 24, 2014 and effective since March 1, 2014, employers shall only use dispatched workers in temporary, ancillary or substitute positions. Employers shall strictly control the number of dispatched workers, which shall not exceed 10% of the total workforce count. As at the Latest Practice Date, we have complied with the aforesaid provisions.

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010, latest amended and effective on December 29, 2018, the Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) issued by the State Council on January 22, 1999, amended and effective on March 24, 2019, the Interim Measures for Enterprise Employee Maternity Insurance (《企業職工生育保險試行辦法》), issued by the Ministry of Human Resources and Social Security on December 14, 1994 and effected January 1, 1995, the Regulations on Unemployment Insurance (《失業保險條例》), issued by the State Council and effective on January 22, 1999, and the Regulations on Work Related Injury Insurance (《工傷保險條例》), issued by the State Council on April 27, 2003 and amended on December 20, 2010 and took effect on January 1, 2011, the employee must participate in basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, and maternity insurance, with contributions jointly made by both the employer and the employee. Both the employer and the employee shall jointly contribute to unemployment insurance premiums, medical insurance premiums and pension insurance premiums; while the employer shall be solely responsible for paying the work-related injury insurance premiums and maternity insurance premiums. If an employer fails to register for social insurance, the social insurance administrative department shall order the employer to correct the violation within a specified period. If the employer fails to make corrections within the specified period, a fine of not less than one time and not more than three times the amount of the social insurance premiums due shall be imposed on the employer. If an employer fails to pay social insurance premiums in full and on time, the social insurance collection agency shall order the employer to pay or make up the arrears within a specified period. From the date of default, a daily late fee of 0.05% of the overdue amount will be charged. If the payment is still not made after the deadline, the relevant administrative department may impose a fine of not less than one time and not more than three times the unpaid amount.

According to the Regulations on the Administration of Housing Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999 and latest amended on March 24, 2019, the employer shall register with the Housing Provident Fund Management Center for housing provident fund contributions and establish housing provident fund accounts for its employees. Both the employer and the employee shall jointly contribute to the Housing Provident Fund. If an employer fails to register for housing provident fund contributions or fails to establish housing provident fund accounts for its employees, the Housing Provident Fund Management Center shall order the employer to complete the registration within a specified period. If the employer fails to comply within the specified period, a fine between RMB10,000 and RMB50,000 may be imposed. If the employer delays or underpays the housing provident fund contributions, the Housing Provident Fund Management Center shall order the employer to make the contributions within a specified period. If the employer still fails to comply, the center may apply to the People's Court for enforcement.

According to the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋（二）》) promulgated by the Supreme People's Court on July 31, 2025 and implemented on September 1, 2025, any agreement between an employer and an employee, or any undertaking by an employee, purporting to waive statutory social insurance contributions shall be deemed void by the people's court; if an employer fails to make social insurance contributions as required by law, and an employee invokes Article 38(3) of the Labor Contract Law of the PRC to terminate the labor contract and claim economic compensation, the people's court shall uphold such claim.

See "Risk Factors — Failure to fully pay social insurance and housing provident funds for and on behalf of our employees in accordance with applicable laws and regulations may materially and adversely affect our business, financial position and results of operations" on page 60-61 of this Prospectus for analysis of our compliance matters regarding laws and regulations on labor protection.

Laws and Regulations on Tax

Income Tax

According to the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) promulgated by the National People's Congress on March 16, 2007, latest amended and effective on December 29, 2018, and the Regulations for the Implementation of the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) promulgated by the

State Council on December 6, 2007, latest amended on December 6, 2024 and effective on January 20, 2025, enterprises are divided into resident enterprises and non-resident enterprises. A resident enterprise refers to an enterprise that is legally established in the PRC, or an enterprise that is established in accordance with the laws of a foreign country (or region) but has its actual management body in the PRC. A non-resident enterprise refers to an enterprise that is established in accordance with the laws of a foreign country (or region) and whose actual management body is not in the PRC, but which has established institutions or premises in the PRC, or an enterprise that has not established institutions or premises in the PRC but has income sourced from the PRC. Resident enterprises shall pay corporate income tax on income sourced both within and outside of the PRC; non-resident enterprises that have established institutions or premises within the PRC shall pay corporate income tax on income derived from within the PRC through such institutions or premises, as well as on income generated outside of the PRC that is effectively connected with those institutions or premises; non-resident enterprises that have not established institutions or premises within the PRC, or that have established institutions or premises but the income obtained is not effectively connected with those institutions or premises, shall pay corporate income tax on income sourced from within the PRC. Enterprise income tax rate is set as 25%, unless otherwise specified in the PRC laws and regulations. As a resident enterprise, Zhejiang Ridge Outdoor is subject to the income tax rate of 25% in the PRC.

Value-Added Tax

Pursuant to the Value-added Tax Law of the PRC (《中華人民共和國增值稅法》) promulgated by the SCNPC on December 25, 2024, and implemented on January 1, 2026, as well as the Implementation Regulations for the Value-added Tax Law of the PRC (《中華人民共和國增值稅法實施條例》) promulgated by the State Council on December 25, 2025, and implemented on January 1, 2026, entities and individuals that sell goods, services, intangible assets, or immovables, or import goods in the PRC are taxpayers of value-added tax, and shall pay value-added tax according to law. According to the Interim Regulations on Value-Added Tax of the PRC, the Notice of the Ministry of Finance and the State Taxation Administration on Adjusting the Value-Added Tax Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) which was issued on April 4, 2018 and came to effect on May 1, 2018, and the Announcement on Policies Related to Deepening the Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》) which was issued by the Ministry of Finance ("MOF"), the State Taxation Administration and the General Administration of Customs on March 20, 2019 and came into effect on April 1, 2019, the value-added tax rate is 13% for taxpayers selling goods, labor services, tangible movable property leasing services, or importing goods, unless otherwise specified in the PRC laws and regulations; the value-added tax rate is 9% for taxpayers involving in real property leasing, or selling transportation; the value-added tax rate is 6% for taxpayers selling services and intangible assets, unless otherwise specified in the PRC laws and regulations. Based on our business, Zhejiang Ridge Outdoor is subject to value-added tax rates of 13%, 9% and 6%.

Laws and Regulations on Transfer Pricing in PRC

Pursuant to the EIT Law and its implement rules and the Law of the People's Republic of China on the Administration of Tax Collection (《中華人民共和國稅收徵收管理法》), which was first promulgated on September 4, 1992 by the SCNPC and amended on February 28, 1995, April 28, 2001, June 29, 2013 and April 24, 2015, related party transactions should comply with the arm's length principle. In the event that the related party transactions fail to comply with the arm's length principle resulting in the reduction of the enterprise's taxable income, the tax authority has power to make adjustments with reasonable methods within ten years from the tax paying year that the non-compliant related party transaction had occurred. Pursuant to such laws and regulations, any company entering into related party transactions with another company shall submit an annual related party transactions reporting form (年度關聯業務往來報告表) to the tax authority.

In accordance with the Announcement of the State Administration of Taxation on Standardising Administration of Cost-sharing Agreements (《關於規範成本分攤協議管理的公告》) became effective on July 16, 2015, the tax authorities shall strengthen follow-up administration of cost-sharing agreements, and implement special tax investigation and adjustment for cost-sharing agreements which do not comply with the principle of independent transaction and matching of costs and earnings.

Based on the Announcement of the State Administration of Taxation on Matters Relating to the Improvement of Affiliated Declaration and Contemporaneous Document Management (《國家稅務總局關於完善關聯申報和同期資料管理有關事項的公告》) promulgated and became effective on June 29, 2016, enterprises which have related-party transactions shall prepare their contemporaneous documentation of related-party transactions (同期資料) per tax year and submit to the tax authority if required by the same. Contemporaneous documentation includes the master file (主體文檔), local file (本地文檔) and special issue file (特殊事項文檔), each of which is applied to different circumstances in relation to the related-party transactions of the PRC company.

Pursuant to the Announcement of the State Administration of Taxation on Improvements to Matters Relating to Administration of Advance Pricing Agreement (《國家稅務總局關於完善預約定價安排管理有關事項的公告》) became effective on December 1, 2016 and was amended on June 15, 2018, An enterprise may enter into an advance pricing agreement with the tax authorities on pricing principle and computation method for its related party transactions in the period of three to five consecutive years from the year following the date of service of the "Notice on Tax Matter" from tax authorities. Such agreement shall generally be applicable for an enterprise whose related party transactions amounted to RMB40 million and above in each year for the three-year period preceding the tax year of the date of service of the "Notice on Tax Matter".

On July 26, 2021, the State Taxation Administration further promulgated the Announcement on Matters Relating to Application of Summary Procedures for Unilateral Advance Pricing Arrangements, which stipulates that if an enterprise has related party transactions with the amount of RMB40 million or more in each of the three tax years prior to the date of service of the "Notice on Tax Matter" accepted by the competent tax authority, and meets the conditions set forth therein, it may apply for the application of the summary procedure for unilateral advance pricing arrangements.

According to the Announcement of the State Administration of Taxation on Promulgating the Administrative Measures for Special Tax Investigation Adjustments and Mutual Agreement Procedures (《國家稅務總局關於發佈特別納稅調查調整及相互協商程序管理辦法的公告》) which partially repealed the Implementation Regulations for Special Tax Adjustments (Trial) (《特別納稅調整實施辦法(試行)), and was issued on March 17, 2017 and became effective on May 1, 2017 and was amended on June 15, 2018, if an enterprise receives a special tax adjustment risk warning from tax authorities or detects in itself any special tax adjustment risk, the enterprise may carry out voluntary adjustments regarding tax payment matters and the relevant tax authority may still proceed with special tax investigation adjustment procedures according to the relevant provisions.

As of the Latest Practicable Date, we were not aware of any claim or administrative proceeding relating to tax matters has been initiated, or, threatened against us, and no relevant administrative penalties had been imposed on our PRC subsidiaries.

See "Risk Factors — Risks related to Our Business and Industry — Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the countries and regions where we operate" and "Business — Intra-Group Transactions" for our further introduction, analysis and opinions from our transfer pricing consultant regarding laws and regulations on transfer pricing.

LAWS AND REGULATIONS ON OVERSEAS LISTING

The China Securities Regulatory Commission ("CSRC") promulgated the Provisional Measures for the Administration of Domestic Enterprises' Overseas Issuance of Securities and Listing (《境內企業境外發行證券和上市管理試行辦法》) (the "Overseas Listing Provisional Measures") and five relevant guidelines on February 17, 2023, which took effect on March 31, 2023 and replaced the previous major laws and regulations governing overseas listing of enterprises in the PRC, namely, Special Provisions of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Notice of the State Council on Further Strengthening the Administration of Overseas Stock Issuance and Listing (《國務院關於進一步加強在境外發行股票和上市管理的通知》).

According to the Overseas Listing Provisional Measures, for indirect overseas issuance of securities and listing by domestic enterprises, the issuer shall designate a primary domestic operation entity as the domestic responsible party to file with the CSRC. For the issuer's initial public offering or listing overseas, the domestic responsible party shall file with the CSRC within three working days after the issuer submits the application documents for issuance and listing overseas. Under any of the following circumstances, domestic enterprises are forbidden from overseas issuance and listing: (1) where laws, regulations, or relevant state provisions explicitly prohibit listing for financing; (2) where the issuance and listing overseas may endanger national security, as determined by relevant departments of the State Council through lawful review; (3) where the domestic enterprise, its controlling shareholder, or actual controller has, within the latest three years, committed criminal offenses such as embezzlement, bribery, misappropriation of property, or disruption of the socialist market economy order; (4) where the domestic enterprise is under investigation for suspected criminal activity or major violations of laws and regulations, and no clear conclusion has been reached yet; (5) where there is a major dispute over the ownership of the equity held by the controlling shareholder or shareholders controlled by the controlling shareholder or actual controller. We have designated Zhejiang Ridge Outdoor as the liable entity and submitted a file application with the CSRC within three working days after this Prospectus was submitted to the Stock Exchange.

Under the Overseas Listing Provisional Measures, if a domestic company fails to fulfill filing procedures, or offers and lists securities on an overseas market in violation of the relevant provisions of the Overseas Listing Provisional Measures, the CSRC shall order rectification, issue warnings to such domestic company, and impose a fine of between RMB1,000,000 and RMB10,000,000. Directly liable persons-in-charge and other directly liable persons shall be warned and each imposed a fine of between RMB500,000 and RMB5,000,000. Controlling shareholders and actual controllers shall be imposed a fine of between RMB1,000,000 and RMB10,000,000.

In addition, the CSRC, the MOF, National Administration of State Secrets Protection and National Archives Administration of PRC promulgated the Provisions on Strengthening Confidentiality and Archival Management Work Related to Overseas Securities Issuance and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "Provisions on Confidentiality and Archival Management") on February 24, 2023, which took effect on March 31 2023 and replaced the Provisions on Strengthening Confidentiality and Archival Management Work Related to Overseas Securities Issuance and Listing (《關於加強在境外發行證券與上市相關保密和檔案管理工作的規定》). According to the Provisions on Confidentiality and Archival Management, in the process of overseas issuance and listing by domestic enterprises, the domestic enterprises, as well as the securities companies and service institutions providing corresponding services, shall strictly comply with the relevant laws and regulations of the PRC and the requirements of these provisions, enhance their legal awareness of safeguarding state secrets and strengthening archival management, establish and improve confidentiality and archival management systems, and take necessary measures to implement confidentiality and archival management responsibilities. It is prohibited to disclose state secrets or the working secrets of state organs, and actions that may harm national or public interests are not allowed. We have adopted the Policy on Confidentiality and Archives Administration of Overseas Issuance and Listing of Securities and have strictly enforced the relevant procedures to comply with the relevant laws and regulations of the PRC and the requirements of the aforesaid provisions.

LAWS AND REGULATIONS OF THE U.S.

Laws and Regulations Relating to U.S. Taxes

Federal Corporate Income Tax

A non-U.S. corporation that at any time in a year has income that is "effectively connected with the conduct of a trade or business within the United States" will be subject to U.S. federal income tax. Nonetheless, a non-U.S. corporation that has income that is effectively connected with a U.S. trade or business may not be liable for U.S. federal income tax if the non-U.S. corporation is entitled to claim the benefits of an applicable U.S. income tax treaty. In a typical U.S. income tax treaty, such as U.S.-China Tax Treaty of 1984, a non-U.S. corporation will be subject to U.S. tax on its business profits only if it carries on business in the U.S. through a U.S. "permanent establishment." A permanent establishment is present if business operations are carried on in the U.S. through either (1) a dependent agent who has the authority to conclude (*i.e.* sign) contracts, and/or (2) a fixed place of business through which a non-U.S. corporation carries on a business, including (i) a place of management, (ii) a branch, (iii) an office, or (iv) a factory. Any non-U.S. corporation selling products into the U.S. or to U.S. customers should carefully evaluate whether such sales would subject the non-U.S. corporation to U.S. federal income tax; failure of which could subject such non-U.S. corporation to significant liability. While we do not presently have a permanent establishment in the U.S. and are not subject to U.S. federal income tax, we must, nonetheless, closely monitor the scope of our activities in the U.S. to determine if and when such income tax obligation should arise.

State and Local Corporate Income Taxes

Forty-six states and the District of Columbia, as well as numerous localities, impose some type of income-based tax on corporations. Additionally, many states impose franchise taxes for the privilege of doing business in the state. A state also has the right to tax the income of a business that is organized in another state if sufficient nexus is established between that state and the corporation or transaction to be taxed. Generally, nexus for U.S. state and local income taxes is established when an out-of-state entity, including an entity organized in another country, purposefully directs its activities at the state resulting in the entity having substantial economic activity there and/or has some type of nontrivial physical presence within the state that is not protected by Public Law 86-272 (15 U.S.C. § 381). Any out-of-state entity selling products that ultimately are shipped to a U.S. state should carefully evaluate whether such sales would subject the out-of-state entity to U.S. state and local corporate income tax; failure of which could subject such out-of-state entity to significant liability. While we do not presently conduct activities in any U.S. state or locality that would subject us to such income tax, we must, nonetheless, closely monitor the scope of our activities in U.S. states and localities to determine if and when such income tax obligation should arise.

State and Local Sales and Use Taxes

When an entity has physical or economic nexus with a state or locality, it may be obligated to register with that state or locality, collect from buyer all applicable state and local sales & use tax, excise tax or other transaction tax ("**S&U Taxes**") and remit such tax to that state or locality unless an applicable exemption applies and is properly documented, and file sales & use tax returns with respect to such taxes that were collected and remitted (collectively, "**Sales Tax Obligations**"). Most states generally adopt either a gross revenue or transactional threshold or both to determine economic nexus of an out-of-state entity, and use destination-based sourcing rules, origin-based sourcing rules or mixed sourcing rules to determine to which jurisdiction sales are considered sourced. Many states require that an out-of-state seller remain registered and collect and remit S&U Taxes for a certain period following the point at which seller no longer meets the nexus requirements. Any out-of-state entity selling products that ultimately are shipped to a U.S. state should carefully evaluate whether such sales would subject the out-of-state entity to Sales Tax Obligations, and if it has such obligations, whether an exemption may apply; failure of which could subject such out-of-state entity to potential liability. While we have Sales Tax Obligations in certain U.S. states, we have met one of the requisite exemption criteria in such states by maintaining sales & use tax exemption certificates from our U.S. customers (except for certain historical sales in minimal quantity to two states). We must, nonetheless, closely monitor the states and localities in which our products are ultimately directed to, and ensure maintenance of the proper documentation of exemption certificates from our U.S. customers or satisfaction of other exemption criteria, to determine if and when any Sales Tax Obligation should arise.

Federal, State and Local Payroll and Withholding Taxes

Section 861(a)(3) and Section 864(b)(1) of the Internal Revenue Code of 1986, as amended (the "Code") provide that a non-resident alien employee is exempt from U.S. federal income tax on compensation for services performed in the U.S. if, in a taxable year: (i) the duration of work is below 90 days, (ii) the compensation for such services is below $3,000, and (iii) the employee is performing services for a foreign company not engaged in a U.S. trade or business. Compensation for work performed by a non-resident alien employee who works temporarily in the U.S. on business is allocated pro rata for a calendar year based on the number of work days spent in the U.S. If a non-resident alien employee fails to meet any of the aforementioned tests, then the employer must withhold U.S. federal income taxes, as well as U.S. state and local income taxes, from the U.S.-sourced compensation. Under the U.S.-China Tax Treaty of 1984, an exemption from U.S. federal income tax is available if the employee is present in the U.S. for not more than 183 days annually, with no dollar limitation on the amount of compensation that can qualify for such exemption. Not all U.S. state and local authorities honor the provisions of U.S. tax treaties. Without an applicable exclusion or exemption, a non-U.S. company with non-resident alien employees working in a U.S. state or locality may be liable for federal, state, and local payroll and withholding taxes as well as state or local unemployment tax on the wages it paid to such employees. The company would also be obligated to file tax returns with respect to such taxes. Any non-U.S. employer sending any nonresident alien employee to conduct business activities in the U.S. should carefully evaluate whether such services performed in the U.S. would subject the non-U.S. entity to federal, state or local payroll and withholding tax obligations, and if it has such obligations, whether an exemption may apply; failure of which could subject such non-U.S. employer to significant liability. We have nonresident alien employees who travel to the U.S. infrequently to attend trade shows, which would result in us having minimal payroll and withholding tax obligations. We must, nonetheless, still closely monitor the duration and types of activities conducted by our non-resident alien employees in the U.S. to determine the extent of our payroll and withholding tax obligations at the federal, state and local levels, as well as the potential for such activities to trigger other U.S. state and local corporate income tax and sales & use tax obligations (discussed above).

State and Local Property Tax

A non-U.S. corporation that has real or tangible personal property located in a state or locality may be subject to that state or locality's property tax. While we do not presently own any real or tangible personal property in any U.S. state or locality that would subject it to such property tax, we must, nonetheless, make provisions to pay such property tax if and when we owns any such property in the U.S.

Laws and Regulations relating to Product Liability

Under U.S. general product liability principles, even though our business model in the U.S. does not include direct-to-consumer sales, we could still be subject to a product liability claim initiated by an end-use purchaser or user of the product alleging injury by our product, or by one of our U.S. corporate customer that bought products from us, if such corporate customer was sued by an end-user and desires to bring us as the manufacturer into the lawsuit.

No uniform product liability statute or common law exists in the United States. This means that there is no single federal product liability law that applies across all states, and each state defines product liability law under its own standards. Most state product liability law is based on the principles of common law. In addition, many state legislatures have enacted product liability statutes that define the scope of product liability within the state, typically for the purpose of providing consumers with additional protections and imposing additional obligations on distribution chain entities than the common law provides. Some jurisdictions have enacted "innocent seller" or "sealed container" statutes, which provide that a seller is not liable in a product liability action if it did not manufacture the product, was unaware of the defect, could not have reasonably discovered the defect, and merely passed the product on in the chain of commerce. However, the majority of states do not provide any statutory protection for an innocent seller in a product liability lawsuit.

Generally, a plaintiff can bring a product liability action in any state where the manufacturer or seller conducts business or where the injured party was harmed by the product. Product liability claims are generally brought under the scope of breach of warranty, strict liability, and negligence causes of actions. Product liability claims may also arise under a theory of fraud. Additionally, most states have a version of a deceptive trade practices act or consumer protection statute, which typically proscribe certain types of sale and marketing practice as unconscionable or deceptive. There are a number of reasons why plaintiffs may seek to bring product liability claims pursuant to unfair and deceptive trade practices laws. In addition to permitting the recovery of punitive damages, many laws contain provisions that multiply the plaintiff's damages and permit the recovery of attorney's fees.

In general, product liability defenses can be grouped into statutory defenses, conduct defenses, and contract defenses. Other defenses commonly raised in product liability actions include compliance with government and industry standards, state of the art, product misuse, assumption of risk, sophisticated user, substantial modification, and statute of limitations. The type of defenses that will be available, which may arise from common law and statutes, will depend upon the location of the lawsuit and the facts of the case. Although some common principles are seen across the many states, the differences in the states' laws can have a tremendous effect on the viability of a claim or the availability of a defense.

Consumer Product Regulations

Even though we do not have direct sales to individual end consumers in the U.S., it must still be ensured that our products are not defective and do not have a defective design under applicable U.S. consumer protection laws.

The key regulatory federal scheme governing the safety of consumer products is the Consumer Product Safety Act of 1972 (as amended by the Consumer Product Safety Improvement Act of 2008), and is enforced by the Consumer Product Safety Commission ("**CPSC**"). Sporting and camping equipment not designed or intended primarily for use by children age 12 or under would be considered a general-use product by the CPSC.

Manufacturers of camping tentage have to comply with voluntary standard CPAI-84: A Specification for Flame-Resistant Materials Used in Camping Tentage, which provides a flammability testing protocol. The CPAI-84 standard, which was developed by the Industrial Fabrics Association International, is intended to determine the flammability of materials used in tent construction. This standard, however, does not attempt to determine whether a fabric is flame retardant. The CPAI-84 standard covers the following aspects of tent material: (i) upholstery, which is the bendable material used on the floors of the tents and integrated into the parts of the tent, excluding rugs or carpets laid on the floor; and (ii) wall and top material, which is any other material that is integrated into the parts of the tent, other than the flooring material. During the applied test, the coal length and mass loss after the flame are determined.

Additionally, a consumer product cannot create a substantial risk of injury as a result of being extremely flammable. Therefore, for sporting and camping equipment that will likely be used near a flame source (such as an outdoor tent), a manufacturer or importer must ensure that this product does not pose a risk of being highly flammable or an extremely flammable solid. CPSC instructs that importers and manufacturers of these products should conduct flammability testing to one of the three flammability testing protocols: (1) 16 CFR § 1500.44, (2) the test method provided in Annex A5 of the U.S. Toy Safety Standard, ASTM F963-17, or (3) the voluntary standard CPAI-84, which is described above.

Other consumer protection laws governing product packaging, labeling, instructions for use, and other legally required or risk mitigation information to be provided to end consumers are the Fair Packaging and Labeling Act of 1966, California's Proposition 65, and other states' versions of such laws.

Anti-corruption and Anti-bribery Laws

The Foreign Corrupt Practices Act of 1977 (the "**FCPA**") prohibits U.S. citizens or companies, and their intermediaries or agents, from,: (i) paying, offering, authorizing, or promising to pay money or anything of value; (ii) to any foreign government official or any person for purpose of passing on to a foreign government official; (iii) with a corrupt motive; (iv) for the purpose to influence or induce such officer to use their influence or to act; (v) to obtain or retain business for or with, or direct any business, or to obtain any improper advantage to benefit the covered party. The FCPA also prohibits foreign companies or individuals to take any action in furtherance of a FCPA violation while in the U.S. Covered parties are required to maintain accurate financial records and adequate internal accounting practices that can demonstrate compliance with the rules. Even though we are not a U.S. company, it must still be ensured that while our employees or agents are in the U.S., acting on our behalf, that such individuals do not conduct, or authorize, any of the actions that will violate the FCPA.

Anti-money Laundering or Countering of Terrorism Financing

Anti-money laundering laws in the U.S. that are applicable to non-financial institutions are addressed in the U.S. Patriot Act of 2001, Public Law 107-56, the U.S. Currency and Foreign Transaction reporting Act of 1970, and the U.S. Money Laundering Control Act of 1986. These laws generally require businesses, inter alia, to conduct customer due diligence, take steps necessary to counter the financing of terrorism, prohibit financial transactions known or reasonably believed to involve unlawful funds, and to report any suspicious transactions to the relevant authorities. Even though we are not incorporated in the U.S., we do transact business with U.S. persons, and accordingly, are obligated to abide by US AML/CFT Laws.

The U.S. Tariff Policies

The U.S. government has been rolling out a series of tariffs and relevant new policies since 2025, affecting various countries and regions as well as industries. On February 4, 2025, the U.S. government imposed a 10% baseline tariff on all imports from Chinese Mainland and Hong Kong under the International Emergency Economic Powers Act (the "IEEPA") authority. On March 4, 2025, the U.S. government increased the additional tariffs on imports from Chinese Mainland and Hong Kong to 20%. On March 12, the U.S. government amended the previously existing steel and aluminum actions under the Section 232 authority, expanded steel and aluminum tariffs, and imposed a 25% tariff on certain steel and aluminum articles and derivatives. In April 2025 and under the IEEPA authority, the U.S. announced new reciprocal tariffs on 86 countries with which the U.S. runs significant trade deficits. As of the Latest Practicable Date, under the May 12 Geneva Agreement between the U.S. and China, the IEEPA Reciprocal rate for imports of Chinese Mainland, Hong Kong and Macau decreased from a peak of 125% to 10% for 90 days. On June 4, 2025, the U.S. government increased the Section 232 tariff on certain steel and aluminum articles and derivatives to 50%. Since June 4, 2025, the U.S. government has continued trade negotiations with the Chinese government. On August 11, 2025, the U.S. extended the current 10% IEEPA-Reciprocal China rate until 12:01 a.m. eastern standard time on November 10, 2025. The U.S. Supreme Court is currently considering the legality of the 2025 U.S. IEEPA tariff actions. Lower courts have held that the IEEPA tariff actions are unlawful. The U.S. Supreme Court is expected to issue its ruling in early 2026. If the U.S. Supreme Court finds the IEEPA tariff actions unlawful then refunds may be owed to the U.S. importers from the U.S. government. The 2025 tariff actions are in addition to the existing tariff actions on Chinese-origin goods implemented under the Section 301 authority (ranging from 7.5% to 50%). Our Chinese-origin products are subject to several U.S. tariff actions including the actions imposed under the Section 301 authority, the IEEPA, and the Section 232 authority. Some Company products including certain steel and aluminum articles and derivatives are subject to the Section 232 steel and aluminum tariff actions. Ultimately, however, our U.S. customers are acting as the U.S. importers of record and have the legal obligation to pay import duties.

LAWS AND REGULATIONS OF ENGLAND AND WALES

Businesses operating in England and Wales are subject to many legislative regulatory requirements. The regulations that are expected to be material to the operations of Ridge Outdoors and Solar Tackle Limited operations in England and Wales will be those that relate predominantly to product safety and consumer protection, trade regulations, environmental protection and health and safety.

Laws and Regulations Relating to Product Safety and Product Liability

Product Safety

The General Product Safety Regulations 2005 ("**GPSR 2005**") in England and Wales require that all products placed on the market are safe. The GPSR 2005 imposes criminal liability on producers and distributors of unsafe products. The GPSR ensures that all fishing tackle products placed on the market are safe. The maximum penalty of the most serious offense is a fine of £20,000 or 12 months' imprisonment, or both. Under the regulations, a "producer" is the manufacturer of a product and any other person presenting itself as the manufacturer, or if the manufacturer is not established in the United Kingdom, its representative in the United Kingdom or the importer of the product. A "distributor" means a professional in the supply chain whose activity does not affect the safety properties of a product. The GPSR applies therefore to us.

The GPSR 2005 stipulates a number of offences, which includes: (i) the producer failing to: supply only safe products; provide consumers with information about risks of a product; adopt measures to stay informed about risks; or take appropriate action, including, where necessary, withdrawal, or recall of products; (ii) the distributor being involved in the supply of a product that it knows, or should have presumed, is a dangerous product or failing to participate in the monitoring of product safety; or (iii) the producer or distributor failing to notify and/or co-operate with enforcement authorities or comply with a safety notice. The offense of a producer placing an unsafe product on the market is a strict liability offense, which means that the offense is committed once the producer places an unsafe product on the market (even though it does not know at that stage the product is unsafe). The only defense is that the producer has taken all reasonable steps and exercised all due diligence to avoid committing the offense. By adhering to GPSR 2005, we ensure that their fishing tackle products are safe, protecting both customers and our reputation in the market.

Product Liability

The Consumer Protection Act 1987 ("**CPA 1987**") imposes civil liability for unsafe goods under which the producer of an unsafe product or, as the case may be, another person in the chain of supply, is held strictly liable in damages with respect to any defect in those goods which causes damage. As a supplier of fishing tackle and related products, we must ensure the safety of our goods to avoid liability. The primary liability for defective products lies with the producer, which includes us in respect of any of our branded products we produce, but there are special provisions for components, persons who market products under their own brand name and importers. In order to meet cases where they cannot identify the producer, the person injured by the product may in the first instance hold his immediate supplier liable, who may then in turn pass liability up the chain of distribution by identifying his supplier, and so on to the ultimate manufacturer or importer. Liability for damage caused by a defective product does not extend to all damage but only to specified damage.

The CPA 1987 imposes strict liability which means that people who are injured by our defective products can sue for compensation without having to prove that the manufacturer was negligent. Liability under the CPA 1987 does not preclude a claimant from making a common law negligence claim, and in some cases a common law negligence claim may succeed where a claim would not be available under the CPA 1987.

Laws and Regulations Relating to Employment

Solar Tackle Limited currently employs approximately 13 individuals. The Employment Rights Act 1996 ("**ERA**") is the primary piece of legislation which governs the relationship between Solar Tackle Limited and its employees who provide services in England and Wales. The ERA regulates matters such as particulars of employment, protection of wages, whistleblowing, protection from detriment in employment, time off work, leave for maternity, paternity and adoption, shared parental leave and parental leave, flexible working, termination of employment, unfair dismissal, redundancy and redundancy payments.

Solar Tackle is also subject to other various other statutes which apply with respect to its employment arrangements in England and Wales, including (a) Working Time Regulations 1998 which covers matter such as holiday and holiday pay, working hours and rest breaks; (b) Fixed Term Employees (Prevention of Less Favorable Treatment) Regulations 2002 which covers treatment of fixed term employees; (c) Part-Time Workers (Prevention of Less Favorable Treatment) Regulations 2002 which covers treatment of part-time workers; (d) Equality Act 2010 which provides protection against unlawful discrimination in employment; (e) Health and Safety at Work Act 1974 which covers occupational health and safety; (f) Transfer of Undertakings (Protection of Employment) Regulations 2006 which, amongst other things, provides restrictions on varying terms and conditions of employment in connection with a transfer; (g) Trade Union and Labor Relations (Consolidation) Act 1992 which, amongst other things, provides for consultation requirements in respect of collective dismissals; and (h) Copyright, Designs and Patents Act 1988 and Patents Act 1977, which together create a statutory framework for employers to own the inventions and literary work made or created by their employees in the course of their employment.

A national minimum wage applies for all workers over compulsory school leaving age. The national minimum wage rates differ depending on the age of the worker and whether or not they are in training. There are compulsory regulations against unfair dismissal, minimum standards of holidays and working time regulations.

Laws and Regulations Relating to Intellectual Property Rights

The Trade Marks Act 1994 ("**TMA**") regulates the registration of UK trademarks, the use of registered UK trademarks and related matters. Section 9 of the TMA provides that the owner of a registered UK trademark has exclusive rights in the trademark which are infringed by the use of the trademark (or any sign confusingly similar to it) in the UK without the owner's consent. For instance, a person infringes a registered trademark if he uses in the course of trade a sign which is identical with the trademark in relation to goods or services which it is registered (Section 10(1) TMA). The TMA provides that a registered trademark owner is, in an action for infringement, entitled to relief including by way of damages, injunctions and accounts. It is key that the brands for which our operations and products are known are appropriately registered.

Environmental Protection

All businesses within England and Wales are subject to regulations relating to the protection of the environment, including the Environmental Protection Act 1990. Every business, including us, has a duty of care to deal responsibly with any waste that is produced. This duty extends from the point of production through storage, transportation, and disposal of waste. As a manufacturer of fishing tackle and related products, we must ensure compliance with all applicable environmental regulations, implement proper waste management systems, and maintain detailed records to demonstrate adherence to our environmental responsibilities.

Data Protection

The primary pieces of data protection legislation to which Solar Tackle Limited is subject, by virtue of the fact that it processes personal data of UK citizens, include the Data Protection Act 2018 (the "**DPA**"), the EU General Data Protection Regulation in its retained UK version (the "**UK GDPR**") (collectively referred to as the "**DP Legislation**"). The purpose of the DP Legislation is to ensure the protection of UK citizens' personal data, to ensure such data is processed securely, fairly and transparently and to restrict the way such data is shared with third parties, including internationally. The DP Legislation also enshrines certain rights for individuals, which may be enforced against companies, including rights to access their data or have it deleted. Any personal information collected from retail customers purchasing our fishing tackle products must be undertaken in compliance with the DP Legislation.

The DP Legislation includes robust penalties for non-compliance, including fines of up to 4% of an organization's global annual turnover. The legislation requires us and any other member of the Group undertaking business in the United Kingdom to give specific types of information and notices to data subjects (which will include customers, suppliers and its own staff) and in some cases seek consent from such data subjects before collecting or using their data for certain purposes, including but not limited to some marketing activities. Solar Tackle Limited processes personal data with respect to its employees, contractors, suppliers and other third parties and consequently the DP Legislation will apply to all such data processed by Solar Tackle Limited.

Anti-Bribery And Corruption

In England and Wales, the primary legislation governing anti-bribery and corruption is the Bribery Act 2010 (the "BA"). The BA has "extra-territorial" effect with the aim of preventing the giving or receiving of bribes (including low level facilitation or "grease" payments) regardless of where such acts take place — i.e. whether in the UK or any other country in the world.

The BA includes a corporate offense of "failure to prevent bribery" which puts an onus on companies such as us to have in place a set of "adequate procedures" to prevent bribery within their organization and supply chain globally — such procedures may include: staff and supplier training; policies; senior level commitment; and due diligence on suppliers and associated parties. The BA creates both civil and criminal offences, while penalties for breaching the legislation include fines and imprisonment (including for directors where a company is liable for failure to prevent bribery).

Regulations in Relation to Anti-Money Laundering (AML)

AML laws and regulations in England and Wales incorporate international standards set by the Financial Action Task Force (FATF) pursuant to the EU's 5th Money Laundering Directive (5MLD).

Ridge Outdoor and Solar Tackle Limited are subject to various AML regulations and guidance, including but not limited to, Proceeds of Crime Act 2002 (POCA), The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017), The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (MLR 2019), and The Joint Money Laundering Steering Group's (JMLSG) Guidance on the Prevention of Money Laundering and Terrorist Financing. We must maintain a robust AML compliance program, including risk assessments, customer due diligence, transaction monitoring, and reporting suspicious activities to the appropriate authorities.

Regulations on Transfer Pricing in the U.K.

The UK follows the OECD Transfer Pricing Guidelines, which require transactions between related entities to be conducted at arm's length.

Arm's Length Principle

The arm's length principle is the cornerstone of the UK's transfer pricing rules. It requires that transactions between associated enterprises be conducted as if they were unrelated, each acting in its own best interest. This principle is enshrined in UK law under Part 4 of the Taxation (International and Other Provisions) Act 2010. According to TIOPA 2010, transactions must reflect the commercial and financial conditions that would be made between independent enterprises.

HMRC Compliance and Enforcement

HMRC is responsible for enforcing transfer pricing legislation in the UK. HMRC conducts audits to ensure compliance and has the authority to make adjustments to taxable income if it determines that intercompany transactions were not conducted at arm's length. In cases where adjustments are made, interest and penalties may also be imposed. The compliance process is guided by the International Manual provided by HMRC. HMRC encourages businesses to engage in open dialogue through its Advance Pricing Agreement (APA) program, which allows companies to reach an agreement with HMRC on the appropriate transfer pricing methodology for specific transactions in advance. This can provide certainty and reduce the risk of future disputes. The APA process is outlined in the UK Statement of Practice 2 (2010).

OVERVIEW

Our history can be traced back to 1993 when our founder, Mr. Yang, started to engage in the business of leisure outdoor products, primarily focusing on the whole-industrial-chain operation of fishing-related equipment from design, R&D, production to sales. Through over 30 years of dedication, Zhejiang Topsun Holding Group focuses on both domestic and foreign trades and has emerged as an enterprise offering outdoor equipment with notable international presence across North America, Europe and Asia. Having R&D, manufacturing and sale of outdoor products at its core, Zhejiang Topsun Holding Group has developed into three business segments, namely investment, construction and operation of cultural creativity industrial parks, industrial financial investment and services, and cultural tourism. For detailed biography of Mr. Yang, see "Directors and Senior Management."

Under Zhejiang Topsun Holding, our Group focuses on the R&D, manufacturing and marketing of fishing-related equipment. To promote business specialization and market attention, Zhejiang Ridge Outdoor was established in June 2022. According to Frost & Sullivan, our Group is the largest fishing-related equipment manufacturer globally with a market share of 23.1%, as well as the largest fishing-related equipment manufacturer in China with a market share of 28.4%, both in terms of revenue in 2024.

As part of the Reorganization, our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on July 17, 2024 and became the ultimate holding company of our Group. See "— Reorganization" below for details.

OUR KEY MILESTONES

The following is a summary of our key business development milestones:

Year	Event
1993	Our founder, Mr. Yang, started to engage in the business of leisure outdoor products, primarily focusing on the whole-industrial-chain operation of fishing-related equipment from design, R&D, production to sales.
1999	We obtained the self-operated right to export and import from the Ministry of Commerce of the PRC, laying a solid foundation for our global expansion.
2002	A new production facility was constructed in Deqing, the PRC for business expansion and capacity expansion.

Year	Event
2007	We first participated in CHINA FISH (中國國際釣魚用品貿易展覽會), one of the largest foreign fishing tackle trade exhibitions in China.
2009	We set up an office in the United Kingdom to realize localized sales and business expansion into markets in Europe.
2010	We co-operated with a number of world-renowned fishing tackle brand companies to hold the first HENGFENG-FISHING TACKLE INHOUSE SHOW.
	We were rewarded with the Best Supplier Quality Award by a world-renowned fishing tackle brand group.
2012	We were granted the Provincial Industrial Design Center Certificate (省級工業設計中心證書) by the Zhejiang Provincial Economic and Information Committee (浙江省經濟和信息化委員會).
2015	We were granted the National Industrial Design Center Certificate (國家級工業設計中心證書) by the Ministry of Industry and Information Technology (工業和信息化部).
2016	Our product, Quick-folded Fishing Barrow (漁具快速折疊行李車), won the Red Dot Design Award (紅點設計大獎).
2017	We acquired Solar UK, a well known British fishing brand company, which signified the official launch of our OBM business model.
2018	We successfully applied new magnesium alloy, a robust and lightweight material which is mainly used in aviation manufacturing, to the manufacturing of fishing-related equipment.
2020	We successfully held HENGFENG-FISHING TACKLE INHOUSE ON-LINE SHOW, our first online fishing-related equipment exhibition, representing a breakthrough from the traditional offline mode of selecting products.
2021	We launched the first interdisciplinary product, Smart Electric Carp Power Barrow (智能電動漁具行李車).
	We were granted two invention patents overseas.
2022	We established Zhejiang Ridge Outdoor Co., Ltd.

Year	Event
2024	In line with our global market strategies, we established our domestic brands and a domestic sales team to facilitate better development of our domestic brands.

OUR MAJOR SUBSIDIARIES

During the Track Record Period, the following subsidiaries made a material contribution to our results of operation and financial position:

Name of subsidiary	Date of establishment	Place of establishment	Percentage of equity interest held by our Group	Principal business activities
Zhejiang Ridge Outdoor	June 8, 2022	PRC	100%	Design, R&D, production and sale of fishing-related equipment
Solar UK	April 29, 2004	United Kingdom	100%	Design, R&D and sale of fishing-related equipment

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY AND OUR MAJOR SUBSIDIARIES

Shareholding changes of our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on July 17, 2024 as the holding company of our Group. The initial authorized share capital of our Company was US$50,000 divided into 50,000 Shares with a par value of US$1.00 each. For subsequent major shareholding changes of our Company as part of the Reorganization, see "— Reorganization" below.

Shareholding changes of our major subsidiaries

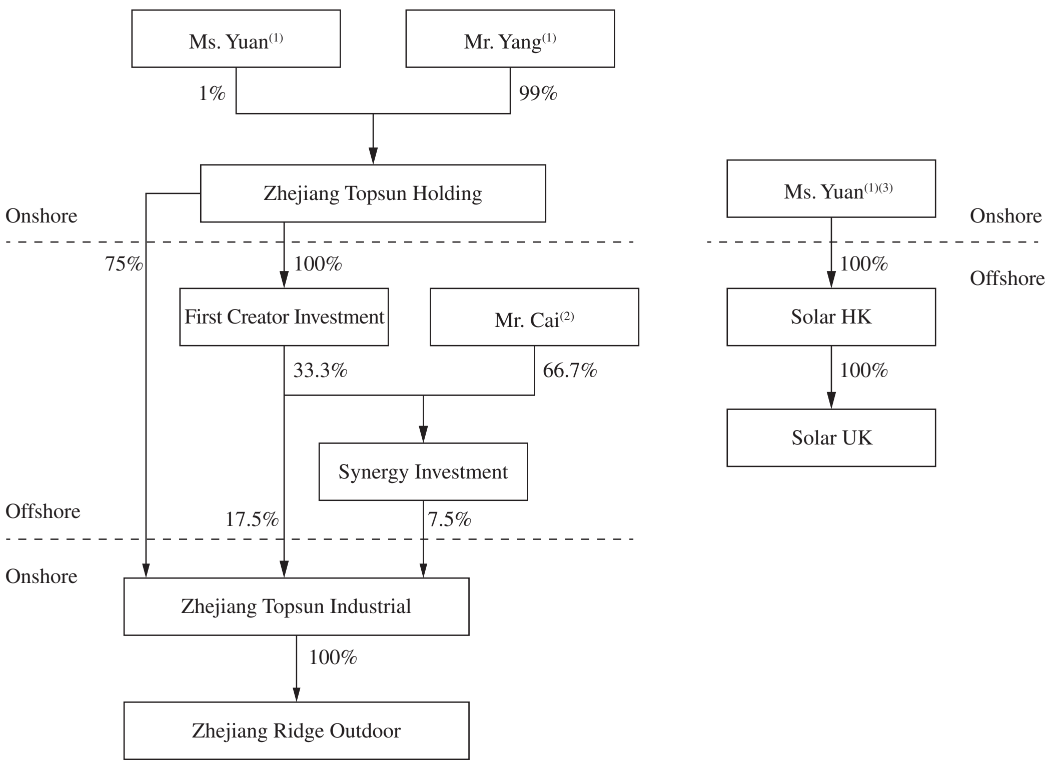
For details of the changes in shareholding in our major subsidiaries, see "— Reorganization" below and "1. Further information about our Company — D. Subsidiaries of our Company — (b) Changes in the share capital of our subsidiaries" in Appendix IV to this prospectus.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any acquisitions, disposals or mergers that we considered to be material to us.

REORGANIZATION

In preparation for the Listing, we undertook the Reorganization, pursuant to which (i) our Company becomes the holding company and listing vehicle of our Group and (ii) entities operating the businesses of the Group are aligned to create a unified shareholding and management structure. The following chart sets out the shareholding and corporate structure of our Group immediately before the Reorganization:



Notes:

(1) Mr. Yang and Ms. Yuan are in a spousal relationship.

(2) Mr. Cai is the overseas vice president of Zhejiang Topsun Industrial.

(3) Ms. Yuan acquired the entire equity interest in Solar UK on January 11, 2017 at a consideration of £410,000.

The Reorganization involved the following steps:

1. Transfer of equity interest in Zhejiang Ridge Outdoor to Future Trade Network and Huzhou Ruiyi

On September 28, 2024, pursuant to an equity transfer agreement between Zhejiang Topsun Industrial and Future Trade Network, Zhejiang Topsun Industrial transferred 0.23% of the equity interest in Zhejiang Ridge Outdoor to Future Trade Network at a consideration of RMB356,500, which was determined with reference to a valuation report prepared by an independent professional valuer based on the net asset value of Zhejiang Ridge Outdoor. The consideration was settled on November 14, 2024. Future Trade Network is a company incorporated under the laws of Hong Kong with limited liability and wholly owned by Mr. Drees Uwe, an Independent Third Party.

On September 28, 2024, pursuant to an equity transfer agreement between Zhejiang Topsun Industrial and Huzhou Ruiyi Equity Investment Partnership (Limited Partnership) (湖州鋭翼股權投資合夥企業(有限合夥)) ("**Huzhou Ruiyi**"), Zhejiang Topsun Industrial transferred 6.71% of the equity interest in Zhejiang Ridge Outdoor to Huzhou Ruiyi at a consideration of RMB10,396,780, which was determined with reference to a valuation report prepared by an independent professional valuer based on the net asset value of Zhejiang Ridge Outdoor. The consideration was settled on November 8, 2024.

Huzhou Ruiyi was formed as a limited partnership under the laws of the PRC on September 19, 2024. As of the Latest Practicable Date, it was owned as to (i) 1% by its executive partner, Mr. Yang; and (ii) 99% by 24 limited partners. Among these 24 limited partners, Mr. Zhang Wentao, an executive vice president of Zhejiang Topsun Industrial, held 10.14% of the limited partnership interest, Mr. Wu Guihua, our executive Director, held 6.71% of the limited partnership interest, and Ms. Wen Meixia, our non-executive Director, held 5.22% of the limited partnership interest. All of the remaining 21 limited partners, who are all Independent Third Parties, are employees of Topsun Group, and none of them held 10% or more of the limited partnership interest therein as of the Latest Practicable Date.

Upon completion of the aforementioned equity transfers and the registration with the competent authorities, Zhejiang Ridge Outdoor was converted from a PRC domestic enterprise to a foreign-invested enterprise and was owned as to 93.06%, 0.23% and 6.71% by Zhejiang Topsun Industrial, Future Trade Network and Huzhou Ruiyi, respectively.

2. Incorporation of our Company and Ridge Holding (HK)

Our Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability on July 17, 2024 as the holding company of our Group. The initial authorized share capital of our Company was US$50,000 divided into 50,000 Shares with a par value of US$1.00 each. Upon incorporation, our Company issued one Share to the initial subscriber, which was subsequently transferred on the same day to GreatCast, a limited liability company incorporated under the laws of BVI on July 2, 2024 and wholly owned by Mr. Yang as of the date of such transfer and as of the Latest Practicable Date. On the same day, July 17, 2024, our Company allotted (i) 47,499 Shares to GreatCast; and (ii) 2,500 Shares to MAYYA, a limited liability company incorporated under the laws of BVI on May 30, 2023, which is wholly owned by Mr. Cai, the overseas vice president of Zhejiang Topsun Industrial.

On October 18, 2024, (i) each of our Shares with a par value of US$1.00 each in the authorized share capital of our Company (including the issued and unissued share capital) was subdivided into 2,000 Shares with a par value of US$0.0005 each (i.e., the Share Subdivision) such that following the Share Subdivision, the authorized share capital of our Company was US$50,000 divided into 100,000,000 Shares with a par value of US$0.0005 each; and (ii) following the Share Subdivision, the authorized share capital of our Company was increased from US$50,000 divided into 100,000,000 Shares with a par value of US$0.0005 each to US$500,000 divided into 1,000,000,000 Shares with a par value of US$0.0005 each, by the creation of an additional 900,000,000 unissued Shares with a par value of US$0.0005 each to rank *pari passu* in all respect with the existing Shares.

On August 15, 2024, Ridge Holding (HK) was incorporated under the laws of Hong Kong with limited liability. On the same day, Ridge Holding (HK) allotted 10,000 shares to our Company, pursuant to which Ridge Holding (HK) became a wholly owned subsidiary of our Company.

3. Transfer of Shares to Future Trade Network and Outrider Partnership

On October 18, 2024, GreatCast transferred 230,000 Shares, representing 0.23% of the equity interest in our Company, to Future Trade Network at a consideration of US$50,211.27, which was determined with reference to a valuation report prepared by an independent professional valuer based on the net assets value of Zhejiang Ridge Outdoor. The consideration was settled on November 7, 2024. Future Trade Network was at the time of the transfer and as of the Latest Practicable Date wholly owned by Mr. Drees Uwe, an Independent Third Party. See "— Pre-IPO Investment — Background of the Pre-IPO Investor."

On October 18, 2024, GreatCast transferred 6,707,600 Shares, representing 6.71% of the equity interest in our Company, to Outrider Partnership at a consideration of US$3,353.8, which was determined based on the nominal value of the total issued share capital of our Company and was settled in August 2025.

Outrider Partnership was formed as a limited partnership with legal personality under the laws of the BVI on October 3, 2024. Outrider Partnership is a shareholding platform established by Mr. Yang to recognize the contributions of certain employees of Topsun Group and our Group, who are the limited partners of Outrider Partnership who enjoy the economic benefits of the Shares held by Outrider Partnership. As of the Latest Practicable Date, it was owned as to (i) 1% by its general partner, Taihong, a limited liability company incorporated under the laws of BVI on September 3, 2024, which was in turn wholly owned by Mr. Yang; and (ii) 99% by 24 limited partners. Among these 24 limited partners, Mr. Zhang Wentao, an executive vice president of Zhejiang Topsun Industrial, held 10.14% of the limited partnership interest, Mr. Wu Guihua, our executive Director, held 6.71% of the limited partnership interest, and Ms. Wen Meixia, our non-executive Director, held 5.22% of the limited partnership interest. All of the remaining 21 limited partners, who are all Independent Third Parties, are employees of Topsun Group, and none of them held 10% or more of the limited partnership interest therein as of the Latest Practicable Date.

Upon completion of the aforementioned transfer of Shares, our Company was owned as to 88.06%, 5.00%, 0.23% and 6.71% by GreatCast, MAYYA, Future Trade Network and Outrider Partnership, respectively.

4. Transfer of Solar UK

Pursuant to a share purchase agreement between Solar HK and our Company, Solar HK transferred its entire equity interest in Solar UK to our Company at a consideration of £410,000, which was determined based on the consideration paid to acquire Solar UK in 2017. The consideration was settled on November 8, 2024. Upon completion of such transfer, Solar UK became a wholly owned subsidiary of our Company.

To finance the acquisition of Solar UK, in November 2024, our Group obtained an interest-free loan of USD550,000 from Topsun Outdoors Limited, which is an entity controlled by Mr. Yang, our non-executive Director and one of our Controlling Shareholders. Such loan was fully repaid in December 2025.

5. Establishment of Zhejiang Ridge Creative and acquisition of Zhejiang Ridge Outdoor

On October 30, 2024, a wholly foreign-owned enterprise, Zhejiang Ridge Creative, was established under the laws of the PRC as a limited liability company with a registered capital of USD2 million. Zhejiang Ridge Creative became directly wholly owned by Ridge Holding (HK).

On October 31, 2024, Zhejiang Ridge Creative entered into equity transfer agreements with Zhejiang Topsun Industrial, Future Trade Network and Huzhou Ruiyi to acquire 93.06%, 0.23% and 6.71% of the equity interest in Zhejiang Ridge Outdoor at a consideration of RMB144,246,720, RMB356,500 and RMB10,396,780, respectively. The considerations were determined with reference to a valuation report prepared by an independent professional valuer based on the net asset value of Zhejiang Ridge Outdoor. The considerations were settled on November 14, 2024, November 15, 2024 and November 15, 2024, respectively. Upon completion of such transfer and the registration with the competent authorities, Zhejiang Ridge Outdoor became a wholly owned subsidiary of our Company.

To finance the acquisition of Zhejiang Ridge Outdoor, Zhejiang Ridge Creative obtained an interest-free loan of RMB150 million from Zhejiang Topsun Holding in November 2024. As of the Latest Practicable Date, such loan had been settled.

Compliance with PRC laws and regulations

Our PRC Legal Advisor confirmed that (i) the establishment of our subsidiaries in the PRC and their subsequent shareholding changes have complied with the relevant PRC laws and regulations; and (ii) the Reorganization in relation to Zhejiang Ridge Outdoor disclosed in this section has complied with all applicable PRC laws and regulations.

PRE-IPO INVESTMENT

Details of the Pre-IPO Investment are set out in the table below:

Name of the Pre-IPO Investor	Future Trade Network
Date of the agreement	October 18, 2024
Amount of consideration paid	US$50,211.27
Settlement date of the consideration	November 7, 2024
Basis of determination of the consideration	The consideration was determined by the parties with reference to a valuation report prepared by an independent professional valuer based on the net assets value of Zhejiang Ridge Outdoor.
Cost per share	US$0.22
Discount to the Offer Price(1)	85.45%
Use of proceeds	Not applicable
Strategic benefits to our Group brought by the Pre-IPO Investor	Our Directors are of the view that our Group could benefit from the Pre-IPO Investor's knowledge and experience in the fishing-related equipment industry.
Shareholding of the Pre-IPO Investor in our Company immediately after completion of the Reorganization but prior to completion of the Global Offering	0.23%

Lock-up period	The Pre-IPO Investor is not subject to any lock-up arrangement at the time of Listing under the relevant agreement in relation to the Pre-IPO Investment.
Public float	The Shares held by the Pre-IPO Investor are considered as part of the public float for the purpose of Rule 8.24 of the Listing Rules as (i) the Pre-IPO Investor is not a director, chief executive or substantial shareholder of our Company or its subsidiaries or a close associate of any of them (the "**Non-Public Shareholders**"); (ii) the acquisition of the Shares by the Pre-IPO Investor was not financed by the Non-Public Shareholders; and (iii) the Pre-IPO Investor is not accustomed to take instructions from a Non-Public Shareholder in relation to the acquisition, disposal or other disposition of the Shares held by the Pre-IPO Investor.
Special rights of the Pre-IPO Investor. .	Nil

Note:

(1) The discount to the Offer Price is calculated based on (i) the assumption that the Offer Price is HK$11.75 per Share, being the mid-point of the indicative Offer Price range of HK$11.25 to HK$12.25 per Share; and (ii) the exchange rate of USD1 to HK$7.79796.

Background of the Pre-IPO Investor

Future Trade Network is a company incorporated under the laws of Hong Kong with limited liability and wholly owned by Mr. Drees Uwe, an Independent Third Party. Mr. Drees Uwe was a former long-term business partner of Topsun Group and had offered valuable insights and advices to Mr. Yang on the development of Topsun Group.

Sponsor's confirmation

On the basis that (i) the Listing will take place more than 120 clear days after the completion of the Pre-IPO Investment; and (ii) no special right in connection with the Pre-IPO Investment was granted to the Pre-IPO Investor, the Sole Sponsor confirms that the Pre-IPO Investment is in compliance with the Pre-IPO Investment Guidance (as defined in the Guide for New Listing Applicants).

PUBLIC FLOAT

Rule 8.08 of the Listing Rules requires that there must be an open market in the securities for which listing is sought. This will normally mean that for a class of securities new to listing, at least a minimum prescribed percentage of that class of securities must be held by the public at the time of listing. Where the expected market value of the class of securities at the time of listing is not exceeding HK$6,000,000,000, the minimum prescribed percentage is 25%. Based on (i) the indicative Offer Price range of HK$11.25, HK$11.75 and HK$12.25 per Offer Price (being the low end, mid-point and high end of the Offer Price range, respectively), and (ii) 128,205,000 Shares are expected to be in issue immediately upon completion of Global Offering, it is expected that the market value of the Shares at the time of Listing will be HK$1,442 million, HK$1,506 million, and HK$1,571 million, respectively.

The Shares held by GreatCast and Outrider Partnership, representing approximately 73.92% of our total issued Shares upon the completion of the Global Offering, will not be counted towards public float. Save as disclosed above, no other Shareholder is a core connected person of our Company as defined in the Listing Rules. Therefore, the Shares held by the other Shareholders, representing approximately 26.08% of the issued share capital of the Company upon the completion of the Global Offering, will count towards the public float for the purposes of Rule 8.08 of the Listing Rules, which is in compliance with the requirement under Rule 8.08(1) of the Listing Rules.

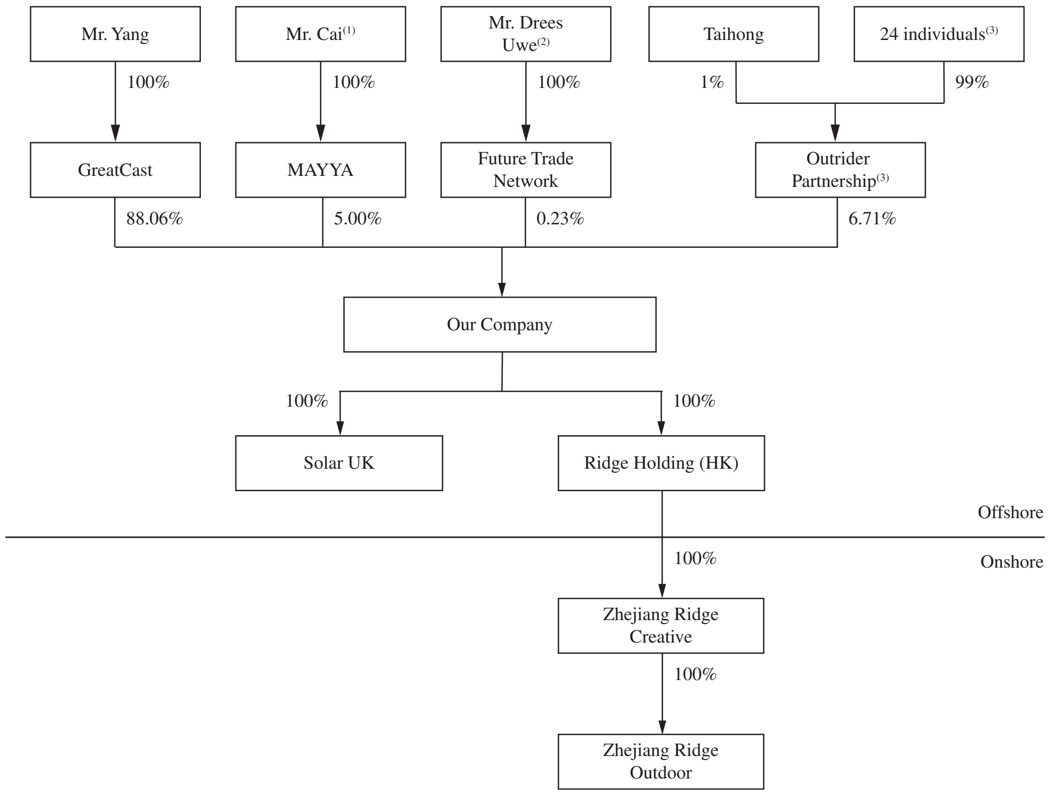
FREE FLOAT

Rule 8.08A of the Listing Rules provides that, there must be sufficient shares for which listing is sought by a new applicant that are held by the public and available for trading upon listing. This will normally mean that the portion of the class of shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (i) represent at least 10% of the total number of issued shares in the class of shares for which listing is sought (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (ii) have an expected market value at the time of listing of not less than HK$600,000,000. The Company is expected to satisfy the free float requirement under Rule 8.08A(1) of the Listing Rules.

CORPORATE STRUCTURE

The following diagrams illustrate our shareholding and corporate structure (1) immediately after completion of the Reorganization but prior to completion of the Global Offering and (2) immediately following completion of the Global Offering.

1. Immediately after completion of the Reorganization but prior to completion of the Global Offering



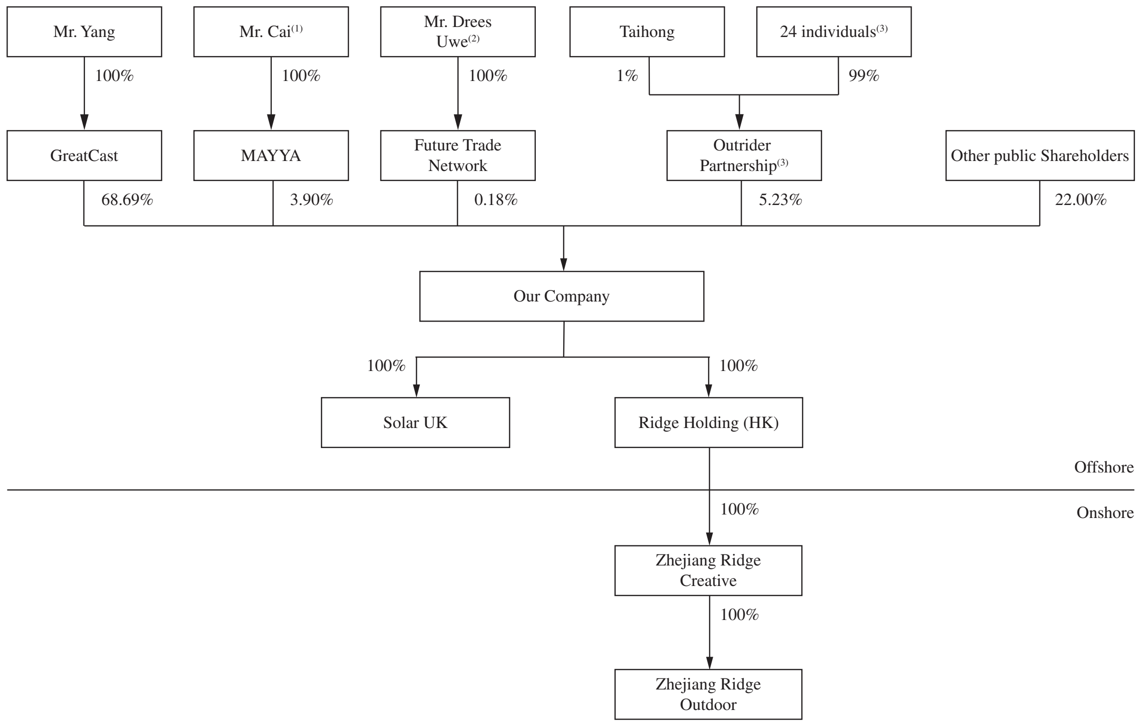
Notes:

(1) Mr. Cai is the overseas vice president of Zhejiang Topsun Industrial.

(2) Mr. Drees Uwe is an Independent Third Party.

(3) Outrider Partnership was formed as a limited partnership with legal personality under the laws of the BVI on October 3, 2024. As of the Latest Practicable Date, it was owned as to (i) 1.00% by its general partner, Taihong, a limited liability company incorporated under the laws of the BVI on September 3, 2024, which was in turn wholly owned by Mr. Yang; and (ii) 99.00% by 24 limited partners. Among these 24 limited partners, Mr. Zhang Wentao, an executive vice president of Zhejiang Topsun Industrial, held 10.14% of the limited partnership interest, Mr. Wu Guihua, our executive Director, held 6.71% of the limited partnership interest, and Ms. Wen Meixia, our non-executive Director, held 5.22% of the limited partnership interest. All of the remaining 21 limited partners, who are all Independent Third Parties, are employees of Topsun Group, and none of them held 10% or more of the limited partnership interest therein as of the Latest Practicable Date.

2. Immediately following completion of the Global Offering



Note:

Notes (1) to (3): See the corresponding notes for the chart under "Immediately after completion of the Reorganization but prior to completion of the Global Offering)" above.

PRC REGULATORY REQUIREMENTS

M&A Rules

According to the Regulations for Merger with and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "**M&A Rules**") jointly issued by MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the STA, the CSRC, the State Administration of Industry and Commerce and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, if a Chinese Mainland company or individual intends to acquire its/his/her related domestic company through an offshore company which it/he/she lawfully established or controls, such acquisition shall be subject to the examination and approval of MOFCOM. The M&A Rules further purports to require that an offshore special vehicle, or a special purpose vehicle, formed for listing purposes and controlled directly or indirectly by Chinese Mainland companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange. Pursuant to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) effective as of January 1, 2020 and public Q&A section on the official website of MOFCOM, the approval requirements by the MOFCOM and its local branches for the establishment and registration changes of foreign-invested enterprises have been abolished since the implementation of the Foreign Investment Law of the PRC.

As advised by our PRC Legal Advisor, unless new laws and regulations are enacted or MOFCOM and CSRC publish new provisions or interpretations on the M&A Rules in the future, prior CSRC or MOFCOM approval for the Global Offering is not required under the M&A Rules.

SAFE Registration

Pursuant to the Circular on Relevant Issues Concerning Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 37**"), promulgated by SAFE and came into effect on July 4, 2014, which replaced the Circular on Relevant Issues Concerning Foreign Exchange Administration of Financing and Round-trip Investment Conducted by Domestic Residents through Offshore Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 75**") (i) a Chinese Mainland resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or indirectly controlled by the Chinese Mainland resident for the purpose of conducting investment or financing, and (ii) following the initial registration, the Chinese Mainland resident is also required to register with the local SAFE branch for any major change in respect of the Overseas SPV, including, among other things, a change of Overseas SPV's Chinese Mainland resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular on Further Simplification and Improvement in Foreign Exchange Administration Policy for Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "**SAFE Circular 13**"), promulgated by SAFE which became effective on June 1, 2015, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interest in the domestic entity are located.

As advised by our PRC Legal Advisor, as at the Latest Practicable Date, the shareholders who we are aware of being subject to SAFE Circular 37 have completed the initial registration requirement as regulated under SAFE Circular 37.

OVERVIEW

Who We Are

We ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan. Fishing-related equipment market is a sub-sector of fishing gear market which encompasses fish tackle market. Fishing-related equipment market accounted for approximately 5.2% of the fishing gear market globally in terms of retail sales in 2024, according to Frost & Sullivan. We had a market share of 1.3% in the global fishing gear manufacturing market in terms of revenue in 2024, according to Frost & Sullivan. Fishing gear encompasses both fishing tackle and fishing-related equipment. Fishing tackle refers to the tools utilized for capturing fish from aquatic environments, such as fishing rods, reels, hooks, lines and baits. Fishing-related equipment, on the other hand, pertains to items designed to enhance anglers' convenience, comfort and efficiency in outdoor settings. Fishing-related equipment generally includes fishing chairs and bed chairs, seatboxes, barrows, backpacks, sleeping bags and tents. We have been focusing on fishing-related equipment and have cultivated a broad product portfolio primarily encompassing (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters. Our products are expertly crafted to serve a wide range of fishing scenarios such as carp fishing, match fishing, lure fishing, fly fishing and ice fishing.

We operate a dual business model, combining OEM/ODM manufacturing capabilities with a growing OBM presence to address diverse market demands. Capitalizing on our product portfolio, product design and development, supply chain and quality control, we offer outdoor fishing-related equipment brands with OEM/ODM solutions spanning across the entire process from product design to manufacturing. We have become a global leader in fishing-related equipment OEM/ODM solutions. During the Track Record Period, we primarily derived our revenue from the OEM/ODM model, which accounted for 94.1%, 90.2%, 92.3% and 93.1% of our total revenue in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. In addition, building on our solid experience in fishing-related equipment design and manufacturing, we strategically expanded into own brand operations. We acquired the renowned UK-based carp fishing brand, Solar, in 2017.

With more than 30 years of accumulated expertise, we have forged long-term, stable partnerships with prominent outdoor equipment brands worldwide, particularly fishing tackle brands. Our client network includes globally recognized outdoor equipment retailers such as Decathlon, globally recognized fishing brands such as Rapala VMC and Pure Fishing, well-known UK fishing brands such as Fox, Nash, Trakker, and Preston, as well as renowned U.S. outdoor equipment companies such as Ardisam. As of the Latest Practicable Date, our products had been sold to over 40 countries, including mature markets with rich fishing traditions such as the U.K. and U.S., as well as rapidly growing markets such as China and Southeast Asia.

Leveraging our competitive advantages built through years of experience, we have been strengthening our market position. In the fishing-related equipment manufacturing industry in China, our market share has steadily increased from 23.4% in 2022 to 28.4% in 2024, solidifying our position as a market leader with continued growth potential. During the Track Record Period, our gross profit margin increased from 23.2% in 2022 to 26.6% in 2024, and further increased to 27.7% in the eight months ended August 31, 2025.

OUR STRENGTHS

Well-known Fishing-related Equipment Manufacturer Globally, with Ongoing Exploration into OBM Operations, Favorably Positioned to Capture Market Opportunities

We are a global leader in the fishing-related equipment industry. With a main focus on fishing-related equipment for over 30 years, we have built up a diverse product portfolio featuring high quality, underpinned by our product design and development, supply chain and quality control, thereby establishing a deep moat in the fishing-related equipment industry. Being an established fishing-related equipment manufacturer globally enables us to capture market opportunities leveraging extensive market insights and resources. According to Frost & Sullivan, we are a well-known fishing-related equipment manufacturer globally. Our market share in China was 28.4% in terms of revenue in 2024, substantially surpassing other industry players in China.

Driven by rising demand for fishing, expanding sales channels and favorable government policies across various regions, the global fishing gear market is sizable and on an upward trajectory, providing us with vast market potential. According to Frost & Sullivan, the market size of the global fishing gear industry, in terms of retail sales, increased from RMB120.4 billion in 2019 to RMB140.9 billion in 2024, representing a CAGR of 3.2%. This growth is expected to continue at a CAGR of 7.1% from 2025 to 2029, with the market size expected to reach RMB194.1 billion in terms of retail sales by 2029. China stands as the top producer of fishing gear worldwide. Benefiting from the overall growth of the fishing gear market, the market size of the fishing gear manufacturing industry in China, in terms of revenue, increased from RMB27.0 billion in 2019 to RMB30.2 billion in 2024, representing a CAGR of 2.3%. This market size is expected to further increase to RMB43.9 billion in 2029 at a CAGR of 7.8%. Within the fishing gear market in China, the fishing tackle market and the fishing-related equipment market are expected to grow at a CAGR of 7.8% and 10.1% from 2025 to 2029, respectively. Our early-mover advantages enable us to consistently accumulate market experiences, expand product portfolio, enhance product quality and enlarge our market position.

With over 30 years of dedication in the fishing-related equipment industry, we have accumulated profound market insights and strategically expanded into own brand operations. We acquired the renowned UK-based carp fishing brand, Solar, in 2017. Solar, founded in 1987, is one of the longest established carp fishing brands in the U.K. We have comprehensively upgraded the Solar brand since our acquisition. We enable Solar to accelerate the launch of more market-oriented fishing-related equipment, resonating with a growing number of anglers. Additionally, we have broadened Solar's sales network to deepen market reach and reinforcing its marketing efforts through strategically tailored online and offline campaigns designed to engage local customers. With our comprehensive support, Solar's sales in 2024 has grown to approximately threefold compared to 2018.

Global Customer Network, Built on Long-term and Stable Partnerships with Renowned Outdoor Equipment Brands

As of the Latest Practicable Date, we sold our products to over 40 countries and regions leveraging our continuous sales and marketing efforts. We target mature markets such as the UK, U.S., France and Japan that are generally characterized by a longstanding angling tradition, a deeply rooted fishing culture and a consistent demand for premium fishing gear. We have also been strategically expanding our presence in growing markets across East Asia and Southeast Asia, where fishing has gained significant traction in recent years with significant growth potential.

Our customer network includes globally recognized outdoor equipment retailers such as Decathlon, globally recognized fishing brands such as Rapala VMC and Pure Fishing, well-known UK fishing brands such as Fox, Nash, Trakker, and Preston, as well as renowned U.S. outdoor equipment companies such as Ardisam. We have forged long-term, stable partnerships with these prominent outdoor equipment brands. For example, our partnerships with Decathlon, Fox, Nash and Preston have been in place for over 10 years. These globally renowned brands generally have rigorous supplier selection criteria, demanding high product quality and continuous product advancement. Our long-term relationships with them not only demonstrate the competitiveness and reputation of our products and services, but also support our continuous expansion in new markets and acquisition of new customers. As of August 31, 2025, we had 85 customers with whom we maintained partnerships exceeding five years. We bolster the brand development for our customers during such long-term partnerships. With our comprehensive product portfolio and continuous product advancement, we enable customers to continuously enrich their product pipeline and enhance competitiveness. The high quality of our products elevates the satisfaction of end users for our customers. Our frequent collaboration with customers for improvement in fishing-related equipment materials and technology also enhances their brand strength. This collaborative approach to brand development has allowed us to build and refine core expertise in brand management, consumer-centric product development and market trend analysis, laying a solid foundation for our OBM development.

Our global customer network and long-standing, stable partnerships with renowned customers enable us to stay attuned to trends and developments in the global fishing-related equipment market. This allows us to consistently launch and upgrade products catering to customer demand, while also gaining valuable experience to expand our own fishing-related equipment brand and seize the vast opportunities in the global market.

Comprehensive Product Portfolio Facilitating Diverse Fishing Scenarios, Underpinned by Industry-leading Product Design and Development

We have been relentlessly focusing on fishing-related equipment products for more than 30 years. Through continuous product development, we have expanded product categories featuring different functions, forming a broad product portfolio. Our products primarily include (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters. Our offerings not only provide essential support functions throughout fishing activities, such as casting, landing, fish protection and environment detection, but also enhance the overall angling experience with features that ensure greater comfort, efficient storage, ease of transport and convenient mobility. Together, these elements create a comprehensive suite of product solutions for various fishing scenarios. As of August 31, 2025, our product portfolio encompassed over 10,000 SKUs of fishing-related equipment, catering to the needs of anglers in various regions and environments. In addition to the breadth of our product offerings, our advanced product design capabilities and uncompromising commitment to quality ensure that our products consistently garner sustained recognition and demand from both customers and end users. Upon launch, our products typically enjoy enduring market acceptance. Our regular after-sales customer surveys indicate that the vast majority of our customers are satisfied with our product quality, delivery and services.

We have established a robust product design and development system to ensure continual product launches that can fulfill market demand timely. Our product design and development process is meticulously structured, comprising main stages: demand collection and product planning, concept development, project approval and initiation, product development and validation. Key departments, including sales, product management, R&D, production and quality control, are engaged throughout various phases to ensure that new products align with evolving market demand while maintaining commercial feasibility. We also collaborate with professional anglers, whose expert input helps refine product functionalities and details. Market demand is the cornerstone of our design and development strategy. Our disciplined approach to product advancement has enabled us to achieve and accumulate a wealth of notable accomplishments. For example, our quick-folded fishing barrow was awarded the Red Dot Design Award in 2016. As of the Latest Practicable Date, we held 86 patents, including 63 utility model patents, six invention patents and 17 design patents in China, as well as 41 patents in countries or regions outside China. We maintain a leadership position in the fishing-related equipment manufacturing industry with such a robust portfolio of patents.

Drawing on our extensive experience in the fishing-related equipment industry and our advanced product design and development system, we have developed a keen ability to anticipate and respond to market trends in the fishing-related equipment industry, consistently driving product advancement and setting new industry benchmarks. For instance, we were among the early adopters of Duralite® materials for production of fishing-related equipment, which has rendered our fishing-related equipment such as chairs significantly lighter, more durable, environmentally sustainable and highly elastic. In September 2020, we launched a fishing leisure chair incorporating electric heating technology, designed to offer enhanced comfort in cold environments. One year after its debut, the chair achieved sales of 2,400 units with new customers placing orders every year. Sales increased to 6,504 units in 2022. Additionally, in 2021, we introduced an electric carp power barrow to provide anglers with a practical, labor-saving solution for transporting fishing gear. In its debut year, the electric carp power barrow achieved sales of 1,650 units, with overall growth over the subsequent three years. In March 2023, we unveiled the first fishing sofa chair, designed for superior seating comfort. In its debut year, the fishing sofa chair achieved sales of 400 units, with a subsequent increase to 10,750 units in the following year. These impressive surges underscore our products' keen alignment with market trends and strong appeal to customers.

Mature and Efficient Supply Chain, Setting the Industry Standard for Performance and Reliability

We operate three large-scale, highly automated production plants capable of flexible production. Our in-house plants support the production of (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters. As of the Latest Practicable Date, the designed annual production capacity of our plants was 6.2 million units, with daily production capabilities of approximately 9,300 chairs, bedchairs and other accessories, 11,900 bags and 970 tents. Our robust production capabilities not only ensure efficient fulfillment of large-scale OEM/ODM orders, but also lay a solid foundation for the future expansion of our OBM operations. We also maintain outstanding flexible production capabilities and can swiftly adapt and reconfigure our production lines and capacities in response to market fluctuations and evolving demand. This agility ensures that our operations remain aligned with market dynamics and enables us to capitalize on emerging opportunities. For example, most of our equipment and production lines are versatile, capable of producing a wide array of accessories and products, which can be allocated based on specific order requirements. We employ "U"-shaped production lines in the chairs, bedchairs and other accessories production plant, which optimize processing efficiency and enable flexible adaptation to the unique requirements of different products. Furthermore, we have cultivated highly skilled cross-trained workforce, proficient in various manufacturing processes, enabling swift transition between different product specifications and product demand. Through timely procurement of raw materials and production of semi-finished products that are synchronized with sales, we can respond swiftly to changing production needs and ensure effective inventory management. Our flexible production enables us to expedite production cycle by 20% and enhance production efficiency by 10%.

Our production techniques and processes are advanced and efficient, fueled by continuous optimization and upgrades. We have achieved a low NQC rate below 0.08% during the Track Record Period. Automation is extensively integrated into our production, as demonstrated by our use of advanced automated production equipment and technologies that improve our production efficiency, lower production costs, and further ensure product quality and high yield rates. The automated production equipment can typically improve efficiency by two to five times compared to traditional equipment. In addition, we have a dedicated department responsible for the continuous optimization of our production processes and workflows. This team routinely assesses our production operations for identifying inefficiencies and devising improvement initiatives.

In addition, suppliers and raw materials are essential to the quality of our products. Our robust procurement system works with high-performing suppliers to ensure quality and stable supply. Our business scale and agile cost analysis enhance our ability to secure favorable pricing with such suppliers.

Unwavering Focus on Quality, with Stringent Controls that Guarantee Exceptional Product Standards

Product quality is critical to our industry-leading market position and forms the core pillar of our business. To maintain high quality standards, we have implemented stringent, end-to-end quality management across all phases, from R&D to raw material sourcing, production and product inspection. We leverage advanced information systems to enhance digital quality control, ensuring every detail meets or exceeds customer expectations. Our quality management team is engaged early in the R&D phase, participating in project planning and reviews to devise a robust quality control framework for new products. We have developed comprehensive quality management protocols covering sample testing, raw material procurement, production and final inspection. These include over 130 methods and standards for raw material testing and rigorous inspection standards for 19 categories of finished products, ensuring consistent quality throughout every stage of the production process.

We have employed an extensive array of product quality testing equipment, to evaluate key performance attributes such as durability and waterproofing of finished products. Our products are also rigorously tested in a CNAS-accredited laboratory, which features over 90 pieces of advanced testing machinery and is capable of more than 100 specialized assessments, including impact, fatigue and hydrostatic pressure testing. Leveraging our profound industry experience and comprehensive understanding of product functionality, we continuously refine our testing protocols to align with user needs and practical usage scenarios. This meticulous and targeted approach ensures that every aspect of our products withstands the scrutiny of both customers and end users. For example, our needle detectors provide precise, sensitive and stable detection of metal contaminants, such as broken needles or wires, in soft materials.

Our stringent quality control system and comprehensive testing equipment guarantee high product quality, earning trust and recognition from customers. We routinely review and analyze quality issues and implement corresponding solutions to drive continuous improvement in product quality.

Seasoned Management Team with Extensive Industry Experience, Backed by a Well-established and Highly Capable Talent Structure

Our core management team consists of seasoned domestic and international professionals who bring extensive industry experience and a global perspective. Their deep understanding of the global outdoor equipment market fuels our continued growth and strategic development.

Our Founder and Chairman, Mr. Yang Baoqing, has a deep-rooted passion for fishing and a commitment to making the experience more accessible and enjoyable for all, which laid the foundation for our business. With over three decades of experience in the fishing-related equipment industry, Mr. Yang brings profound expertise in market trends, product development, production and sales. His visionary leadership has steered us to become an industry-leading player and drives our ongoing expansion and success.

Our executive Director and general manager, Ms. Lei Yang, brings a sharp strategic vision to our company underpinned by her keen understanding of brand positioning, market dynamics and consumer preferences. With an astute grasp of global markets — particularly in Europe and America — she could leverage her expertise in targeted marketing, such as sophisticated social media campaigns, to effectively enhance our market reach and strengthen our competitive edge across global markets. Meanwhile, our executive Director and deputy general manager, Mr. Wu Guihua, has over 20 years of experience in international trade, with a well-rounded expertise in procurement, R&D, manufacturing, sales and brand management in the fishing-related equipment sector. Under his leadership, our global business has grown significantly, earning high recognition from our clients.

Our overseas operations are guided by industry experts who blend local insights and professional angling expertise. Mr. Martin Locke serves as brand ambassador and co-leads product development for the Solar UK. A passionate angler with multiple carp fishing records across Europe, Mr. Martin Locke has significant influence and a well-established reputation within the European fishing community. Additionally, Mr. James Massey, business director of the Solar UK, brings over 20 years of experience in the fishing gear industry. Having held key roles with two prominent brands in the fishing sector, Mr. James Massey possesses comprehensive expertise in product development, sales and marketing.

Our talent pool spans both domestic and international markets, forming a stable and well-rounded talent system. As of August 31, 2025, we had over 170 employees with more than 10 years of industry experience, who possess a deep understanding of the industry and our business, enabling us to better navigate market trends. Our team at the Solar brand, with their expertise in marketing, promotion and operations, has an in-depth knowledge of the local fishing-related equipment market in the U.K., playing a key role in driving the brand's sustainable growth.

OUR STRATEGIES

Holistically Strengthen OBM Operations, Expand Own Brand Portfolio and Increase Direct Market Engagement

We have been advancing a targeted strategy to strengthen our OBM capabilities, anchored by the operation of Solar, our UK-based fishing-related equipment brand acquired to strengthen our position in the global fishing-related equipment market. With Solar as a cornerstone asset, we aim to deepen our market reach, amplify brand presence and create a scalable model for future OBM initiatives.

Our strategy involves targeted expansion of Solar. For example, we plan to the broaden product lines of Solar and introduce new fishing-related equipment categories that align with its brand positioning. We also plan to expand our sales team and further explore sales channels for Solar by cooperating with more downstream retailers.

Our experience with Solar has provided a framework of standardized processes in brand management, product development and efficient marketing strategies within the OBM model. Building on these insights, we are positioned to scale our OBM efforts by launching or acquiring additional fishing gear brands, applying this operational model to optimize growth across multiple markets and customer segments. This structured approach enables us to gradually form our fishing-gear-brand matrix, foster new growth momentum for our business, speed up product launches and fortify our presence in the fishing-related equipment industry.

We particularly plan to enhance our visibility in the fishing-related equipment market in China. According to Frost & Sullivan, the size of the fishing gear market in China is anticipated to increase from RMB32.9 billion in 2024 to RMB47.1 billion in 2029, at a CAGR of 7.4%. To capture the vast market opportunities in China, we plan to introduce premium brands tailored to main fishing scenarios in China. Furthermore, the substantial growth potential of the Chinese market is anticipated to attract globally recognized fishing gear brands seeking entry through strategic distribution partnerships. With our established relationships with leading brands and deep insights into the Chinese market, we aim to act as a trusted agent for a select group of global fishing gear brands that align with local fishing practices in China. This strategy can not only enhance our brand management expertise but also reinforce our customer relationships, solidifying our position as a premier partner in this rapidly expanding market.

As we recognize the value of an extensive sales network for OBM operations, we plan to continually expand both online and offline sales channels. Online, we plan to strengthen cooperation with leading e-commerce platforms to drive customer engagement. Particularly, we plan to seize the cross-border e-commerce opportunities by launching brands targeting fishing enthusiasts in Europe and North America. Offline, we plan to broaden into more channels such as supermarkets and outdoor product retailers, offering more direct access to our products.

We also recognize the critical role of strategic marketing in driving growth. To sustain future development of OBM operations, we plan to strengthen our online and offline marketing network and deepen our talent pool. Online, we plan to tailor and refine our digital marketing strategies to target distinct consumer segments globally, leveraging KOLs and social media to boost our overseas presence, while driving domestic sales through live streaming. Offline, we aim to elevate brand visibility and promote fishing culture by sponsoring anglers and competitions. Through integrated online and offline marketing and promotion efforts, we intend to expand our brand influence and advance the growth of our OBM operations.

We intend to use our net proceeds for brand and development to implement this strategy. See "Future Plans and Use of Proceeds."

Advance the Continuous Development of a Full-category, Well-structured Product Range to Cover Diverse Scenarios

We have identified the substantial growth potential in the global fishing gear market. With diverse demand across fishing gear categories, there remain product segments we have yet to enter, representing untapped opportunities for our portfolio. By strategically broadening our offerings, particularly into the new categories, we can deliver more comprehensive solutions for anglers and drive business growth. Leveraging our supply chain capabilities and established reputation, we aim to expand into selected new fishing gear categories based on our market insights. In 2024, the size of the global fishing tackle market had reached RMB133.7 billion in terms of retail sales, nearly 20 times the size of the fishing-related equipment market, according to Frost & Sullivan. With this considerable market potential, we aim to expand in high-potential fishing tackle categories such as rods, reels, hooks, lines and baits.

Furthermore, we are committed to driving product design and development through advanced technologies. For example, we plan to implement the latest surface treatment technologies to improve product appearance and quality, apply high-frequency heat pressing to enhance waterproofing, integrate technologies for remote control and monitoring, and apply lighting techniques for electrical fishing products. Moreover, we plan to offer fishing-related equipment with both photography and videography capabilities, enabling anglers to capture and share memorable moments in real-time and enhancing social engagement. We believe that ongoing advancement in fishing-related equipment products enables us to meet evolving customer needs, enhancing comfort, convenience and enjoyment in fishing experience.

We have been strategically broadening the range of settings where our products are effective. Fishing is a globally popular outdoor activity, encompassing diverse environments shaped by geographic, climatic and seasonal factors as well as varied techniques, creating scenarios such as sea, lake, river, stream and ice fishing. On the one hand, we aim to meet the needs of consumers across these diverse settings by offering tailored, location-specific fishing gear, continually deepening and enriching our product lineup for each scenario. On the other hand, we are not confined to existing fishing scenarios. Leveraging our product design and development capabilities, we plan to introduce highly functional fishing gear that expands the possibilities, enabling new natural and lifestyle settings to become part of the fishing experience.

With our strategy to develop a full-category, well-structured product range to cover diverse fishing scenarios, we aspire to reimagine the global fishing leisure lifestyle. Our goal is to enable more people to deepen their connection with nature through fishing and enjoy the joy it offers.

We intend to use our net proceeds for product design and development and the establishment of a global fishing gear innovation center to implement this strategy. See "Future Plans and Use of Proceeds."

Expand Global Market Reach and Build New Growth Engines

We have cultivated a global customer network and have maintained long-term, stable relationships with many globally renowned outdoor equipment brands. Our established customer network provides a strong foundation that can be strategically leveraged to support and accelerate the launch of new products. During the Track Record Period, Europe and North America were our core markets, with well-established fishing cultures and strong demand for fishing-related equipment, serving as our key revenue drivers. We aim to deepen our presence by strengthening relationships with existing customers and expanding our market share through an extended product range, elevated quality and enhanced service offerings.

Beyond Europe and North America, rising incomes and an increasing interest in leisure outdoor activities are driving rapid growth in fishing enthusiasts across China, Southeast Asia, Eastern Europe and South America. These regions are emerging as high-potential markets with diverse demand for fishing-related equipment. We plan to enter these fast-growing markets to seek new growth momentum. Specifically, through product development and customer acquisition, we plan to: (i) launch tailored products to adapt to local fishing environments and conditions; and (ii) explore potential opportunities with leading global outdoor equipment brands and retailers.

We intend to use our net proceeds for brand and development to implement this strategy. See "Future Plans and Use of Proceeds."

Continuously Optimize the Supply Chain and Improve Digital Operations

Our strong production capabilities serve as a solid foundation for meeting the needs of global customers and developing our own brand. Over the years, we have continuously enhanced our production capabilities. Empowered by three large-scale, highly automated production plants capable of flexible manufacturing, our robust supply chain can deliver with high efficiency and exceptional product quality. We plan to further enhance our production capabilities through: (i) introducing more advanced production equipment to improve automation and production efficiency; (ii) enhancing flexible production to meet increasing customization requirements; and (iii) strengthening green production capabilities in terms of raw materials use, production processes and production facilities.

To address the risks associated with global production, tariffs and trade policies, we may explore the establishment of overseas production bases, driven by market demand, local manufacturing conditions and cost efficiencies. This strategy aims to reduce production costs while helping to balance the impact of tariffs and trade policy changes through a diversified global footprint.

We also plan to enhance our digital operations. Building on our existing management systems for procurement, warehousing, logistics and manufacturing, we plan to strengthen our information systems through software and hardware upgrades and system architecture optimization. Our goal is to continuously improve digitalization across different business segments and create an integrated system for intelligent management of each business process.

We intend to use our net proceeds for the upgrade of our production facilities and enhancement of our digitalization capabilities to implement this strategy. See "Future Plans and Use of Proceeds."

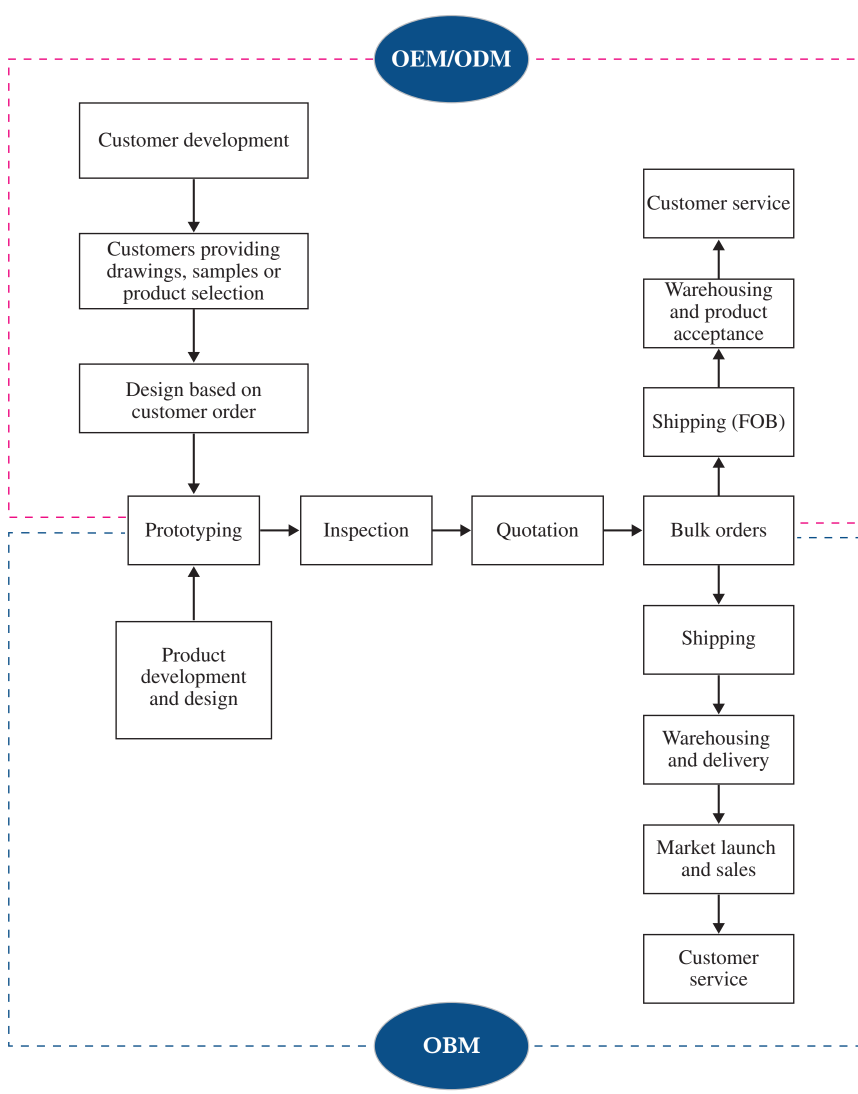
OUR BUSINESS MODEL

We ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan. Our product portfolio primarily encompasses quality fishing-related equipment that offers reliable and well-designed outdoor solutions for rest, camping, storage, shelving and transportation to anglers of all skill levels. As of the Latest Practicable Date, leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries across Europe, North America, Australia, South Africa and East Asia, establishing long-term, in-depth relationships with globally renowned outdoor equipment brands such as Decathlon, Pure Fishing, Rapala VMC, FOX, NASH, Preston, Trakker and Ardisam.

Capitalizing on our product portfolio, product design and development, supply chain and quality control, we offer outdoor equipment brands with OEM/ODM solutions spanning across the entire process from product design to manufacturing. During the Track Record Period, we primarily derived our revenue from the OEM/ODM model, which accounted for 94.1%, 90.2%, 92.3% and 93.1% of our total revenue in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. Through continuous development, organic growth and strategic acquisitions, we have evolved from a company primarily focused on OEM/ODM operations into a vertically integrated player with a complementary OBM model. This transition was marked by our acquisition of Solar, a renowned UK-based carp fishing brand, in 2017. As of August 31, 2025, Solar offered 513 SKUs of premium fishing-related equipment, enhancing our brand portfolio and market presence.

While our OEM/ODM operations remain the cornerstone of our business, driving scalability, cost efficiency and customization for global customers, our OBM model, led by Solar, has enabled us to expand into branded, premium product lines. We enable Solar to accelerate the launch of more market-oriented fishing-related equipment, such as high-end fishing chairs, bed chairs, sleeping bags and tents. As of August 31, 2025, Solar offered 513 SKUs of premium fishing-related equipment, well-recognized by an increasing number of anglers. We also enable Solar to continuously expand and solidify its sales network and strengthen its partnerships with renowned fishing brands, building a more comprehensive and broad sales network for Solar. This complementary approach allows us to capture higher margins, foster brand loyalty and diversify our revenue streams. By combining the strengths of both models, we are able to maintain a balanced strategy that strengthens our leadership position in the global fishing-related equipment market while offering exceptional value to customers and partners alike.

The following diagram illustrates our typical business procedures under both the OEM/ODM model and the OBM model:



The following table sets forth a breakdown of our revenue by sales channel in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
OEM/ODM model	769,719	94.1	417,856	90.2	529,325	92.3	359,483	91.9	428,604	93.1
OBM model	33,732	4.1	39,586	8.5	41,318	7.2	29,736	7.6	30,435	6.6
Others[(1)]	14,961	1.8	5,809	1.3	2,820	0.5	1,823	0.5	1,230	0.3
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Note:

(1) Others mainly include the sales of raw materials, material processing and rental income.

The following table sets forth a breakdown of our sales volume by sales channel for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(pieces in thousand)				
OEM/ODM model	5,996	4,007	5,382	3,669	4,445
OBM model	128	156	120	92	73
Total	**6,124**	**4,163**	**5,502**	**3,761**	**4,518**

OUR PRODUCTS

We have cultivated a broad product portfolio of fishing-related equipment and other products, primarily comprising (i) chairs, bedchairs and other accessories, (ii) bags and (iii) tents. Committed to user experience, we strive to provide professional and reliable solutions for rest, camping, storage, shelving and transportation. As of August 31, 2025, our product portfolio encompassed over 10,000 SKUs of fishing-related equipment ranging from fishing chairs, fishing bed chairs, rod pods, seat boxes, barrows, bivvies, brollies, fishing bags and landing nets.

The following table sets forth a breakdown of our revenue by product category in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Sales of products										
– Chairs, bedchairs and other accessories	364,316	44.5	240,044	51.8	290,743	50.7	207,758	53.1	224,256	48.7
– Bags	198,342	24.2	108,501	23.4	144,000	25.1	98,532	25.2	131,540	28.6
– Tents	238,338	29.1	105,953	22.9	131,054	22.9	80,923	20.7	101,829	22.1
– Others[(1)]	17,335	2.2	7,782	1.7	6,735	1.2	3,195	0.8	2,077	0.5
Rental income	81	0.0	971	0.2	931	0.1	634	0.2	567	0.1
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Note:

(1) Others mainly include the sales of raw materials, material processing and sales of Solar products not in the categories of chairs, bedchairs and other accessories, bags and tents.

Grounded in our deep understanding of user demands, we offer fishing-related equipment to anglers of all skill levels to meet their precise needs in diverse fishing scenarios such as carp fishing, match fishing, lure fishing, fly fishing and ice fishing. For example, we offer quality carp fishing-related equipment suitable for long fishing sessions and overnight camping, including carp fishing tents constructed from specialized fibers that ensure strong color fastness, water resistance and durability, as well as carp fishing chairs with ergonomic design and flexible adjustability for various terrains. We also offer professional equipment for match fishing, which is designed to meet the technical requirements of professional anglers and optimize their performance during intense competitive events. In addition, we offer specialized ice fishing-related equipment crafted from insulated, cold-resistant materials, ensuring safety, stability and warmth in extreme temperatures.

Chairs, bedchairs and other accessories

We offer a comprehensive portfolio of chairs, bedchairs and other accessories primarily including fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes, all meticulously engineered to provide a balance of versatility, comfort, durability, user convenience and aesthetic design. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we rolled out 372 SKUs, 529 SKUs, 561 SKUs and 457 SKUs under this category, respectively. Our revenue generated from chairs, bedchairs and other accessories amounted to RMB364.3

million, RMB240.0 million, RMB290.7 million and RMB224.3 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 44.5%, 51.8%, 50.7% and 48.7% of our total revenue in the respective periods.

Versatility and comfort. We closely observe and incorporate market trends and user needs into our products to enhance their versatility and comfort. For example, our fishing seatbox offers outstanding adjustability to accommodate diverse terrain conditions for professional anglers in match fishing. The efficient sliding connection between the leg tube locking mechanism and the main frame allows for easy leg adjustments to adjust the height of the seatbox. To ensure the comfort of our products, we meticulously select the surface materials of our products and adopt the ergonomic design on our product. For example, in response to the growing demand for comfortable seating in the European carp fishing market, we have developed a fishing sofa chair that combines the features of traditional carp fishing chairs with the comfort of a leisure sofa, offering a comfortable seating experience, especially during long fishing sessions. We have also equipped the chair with a ratchet adjuster, allowing users to easily modify the backrest angle for greater adaptability and comfort across diverse fishing environments, such as from riversides to uneven terrains.

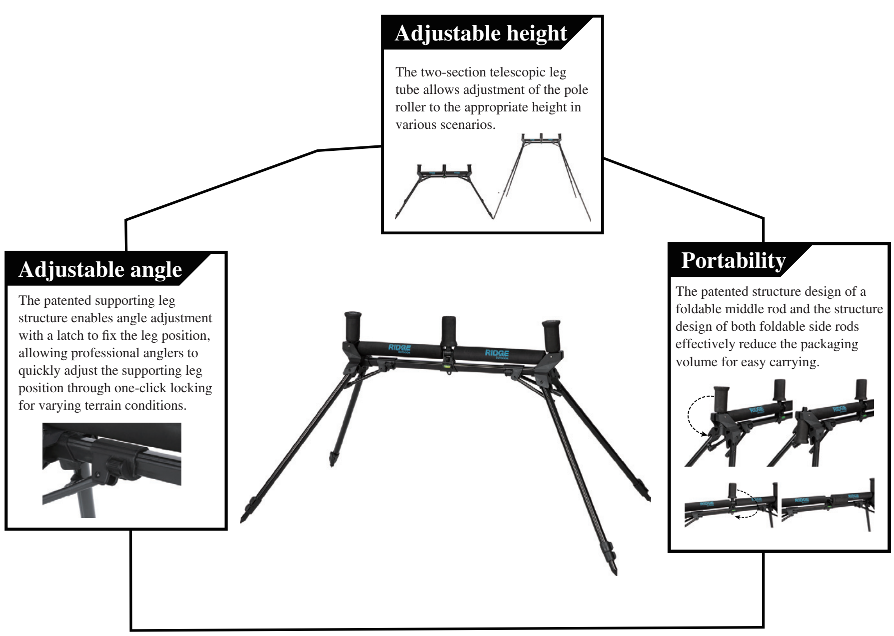
Durability and user convenience. Durability and user convenience are at the core of our product design because fishing is a strenuous activity and involves all weather conditions. We construct the chairs, bedchairs and other accessories frames using robust, lightweight materials such as aluminum alloy and high-strength carbon fiber, ensuring they withstand demanding outdoor conditions while remaining portable. For example, we were among the early adopters of Duralite® materials for production of fishing-related equipment, which has rendered our fishing-related equipment such as chairs significantly lighter, more durable, environmentally sustainable and highly elastic. We also select surface materials such as waterproof polyester, making our products suitable for prolonged use in diverse weather conditions. In addition, we provide exceptional user convenience through our products. For example, our fishing seatbox is equipped with sliding rail accessories for quick installation of add-ons to meet personalized needs. The push-button opening system provides one-click access to the storage compartment, enhancing efficiency during competitions.

Aesthetic design. Aesthetically, we follow a functionality-driven design philosophy, prioritizing practical utility while incorporating industrial design elements through thoughtful structural aesthetics, surface treatment and color selection. For example, recognizing the impact of color on visual perception and drawing inspiration from nature, we have widely applied camouflage designs to our fishing-related equipment, integrating well-designed camouflage patterns with advanced fabric technology to enhance both functionality and aesthetic appeal. To meet the preferences of different markets, we have developed targeted camouflage designs, such as the "Mist Forest" ("迷霧森林") series for the European market, drawing inspiration from serene forest scenes in morning mist, as well as the "Heron's Whisper" ("水痕鷺影") series for the North American market, reflecting riverbed patterns and heron footprints using shades of blue to convey vitality and energy. We also adopt trendy design to enhance the aesthetic appeal of our products to attract customer attention and differentiate our products from our competitors. Aligning with local tastes, our targeted designs position our products to stand out in competitive markets.

The following table sets forth our representative chairs, bedchairs and other accessories and its key features:

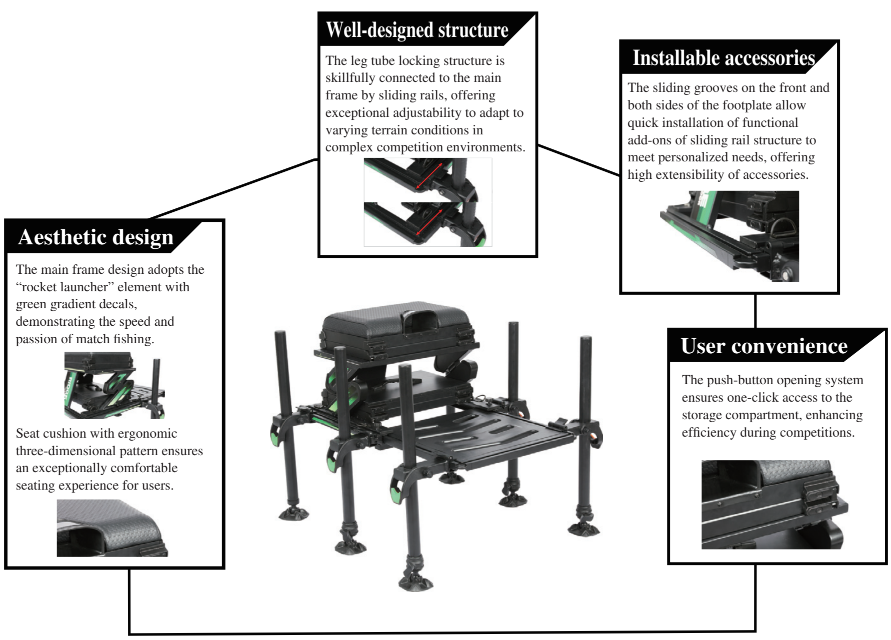
Fishing Chair

Rod Pod



Carp Fishing Power Barrow

Seatbox



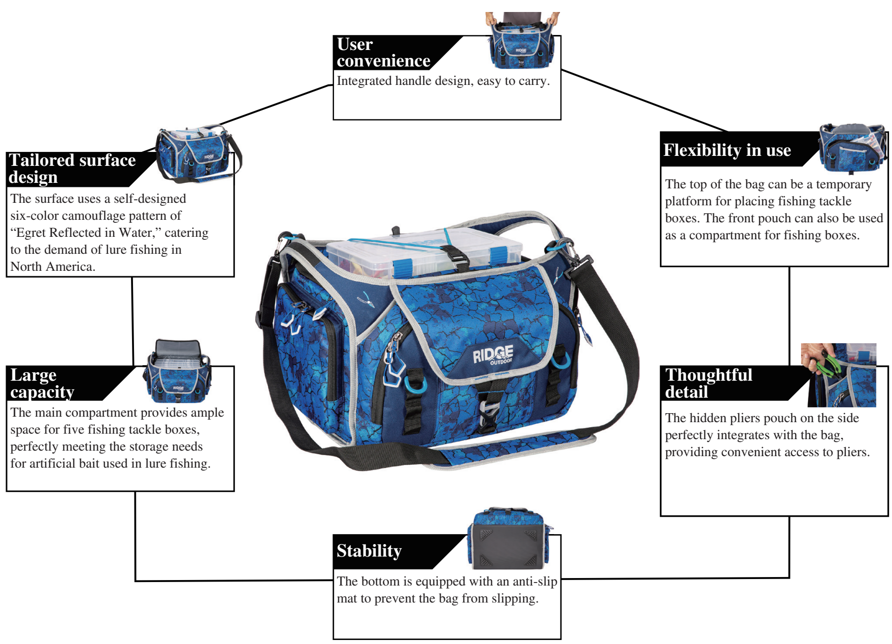
Bags

We offer robust and versatile bags for the storage and protection of fishing tackle and tools. Our bag portfolio primarily consists of shoulder bags, fishing backpacks, rod holdalls, sleeping bags and unhooking mats. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we rolled out 484 SKUs, 481 SKUs, 746 SKUs and 690 SKUs of bags, respectively. Our revenue generated from bags amounted to RMB198.3 million, RMB108.5 million, RMB144.0 million and RMB131.5 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 24.2%, 23.4%, 25.1% and 28.6% of our total revenue in the respective periods.

Our bags are designed to balance aesthetic design, durability and functionality. Our bags feature contemporary design that combines clean lines and multiple color options, making our bags visually appealing and stylish, catering to diverse taste and preferences. We use waterproof and tear-resistant materials such as quality polyesters and nylons to provide long-lasting protection for valuable fishing tackle such as rods, reels and lures. Our modular bag designs offer flexibility, allowing users to customize, organize and adapt their bags for specific fishing scenarios. For example, we offer sling bags that are specifically designed for lure fishing. The main compartment is sized to store tackle boxes for lures, while dedicated side pockets are designed to hold frequently used and easily accessible items such as pliers and water bottles. Additionally, for user convenience and mobility, the sling bag can be easily converted into a waist or shoulder bag, enabling anglers to switch positions and change lures effortlessly. This versatility makes it an ideal choice for active anglers who require quick and easy access to their gears while moving through different environments. We introduced a comprehensive bag portfolio for covering multiple fishing scenarios.

The following table sets forth our representative bag products with their key features:

Lure Fishing Bag



Unhooking Mat

Unique fabric design
The unhooking mat adopts self-designed five-color camouflage fabric to achieve a flexible integration, symbolizing the harmonious coexistence between anglers and carp during carp fishing activities.

Functional appearance
The unhooking mat adopts the shape of a baby cradle, providing ultimate protection to the carp.

Convenient structure
The new pop-up structure can be opened in seconds and folded easily.

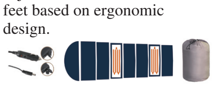
Heated Sleeping Bag

Attractive appearance
The appearance of the sleeping bag uses a gradient color akin to a carp's surface, infusing the product with a richer sense of color within a grand and elegant primary palette.

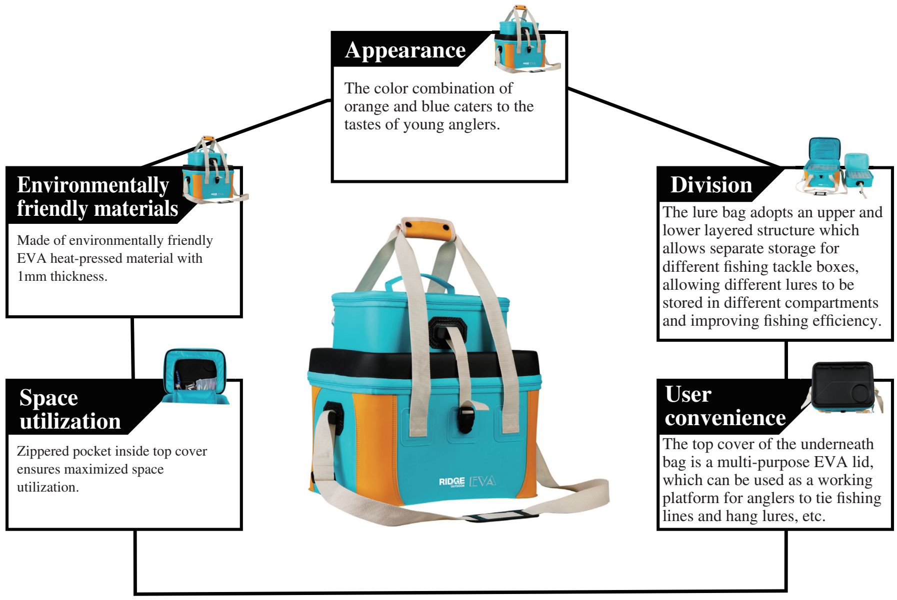
Comfort material
The inner layer of the sleeping bag is made of new soft lamb wool with better thermal insulation performance.

Functionality
The sleeping bag has built-in heating pads and a padded liner to ensure better thermal insulation in cold temperatures.

Intelligent temperature control
Four levels of temperature adjustment enable temperature adjustment at the waist and feet based on ergonomic design.



Lure Fishing Heat-pressed EVA Carryall



Tents

We offer a range of quality tents designed specifically for outdoor fishing activities, including bivvies, social bivvies, shelters, umbrellas and ice fishing tents, widely recognized for their durability, comfort and stability. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we rolled out 162 SKUs, 205 SKUs, 286 SKUs and 153 SKUs of tents, respectively. Our revenue generated from tents amounted to RMB238.3 million, RMB106.0 million, RMB131.1 million and RMB101.8 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 29.1%, 22.9%, 22.9% and 22.1% of our total revenue in the respective periods.

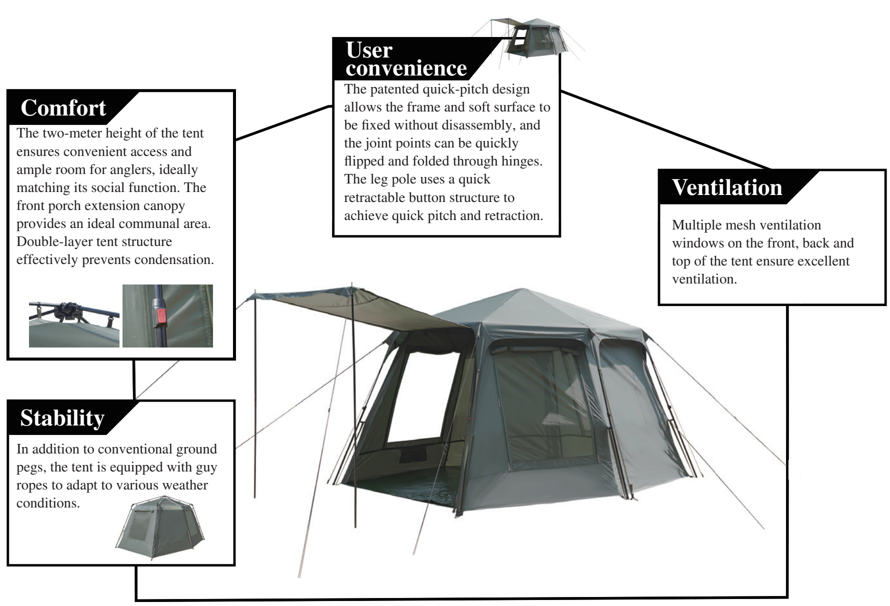
Durability. To cope with all-season and all weather nature of fishing, our tents are engineered with a stable structure, using high-strength aluminum for the frames and durable polyester fabric for the outer surface that effectively protects anglers in extreme weather conditions such as strong winds and heavy rain. We also employ advanced stitching techniques to reinforce the seams, preventing tearing and water leaks, ensuring the tents remain robust even after prolonged use in challenging environments. For example, our bivvy is designed with durable, waterproof fabric paired with a thick PVC groundsheet to enhance its waterproof performance. We build the frame with an aluminum pole structure featuring an eight-claw design for stable support, even on uneven ground.

Comfort and stability. We focus on comfort and stability in our tent designs, ensuring they meet the demands of extended fishing sessions. We meticulously select lightweight materials such as aluminum and fiber glass to reduce tents' overall weight, making them easy to transport. The multi-layer structure of our tents allows anglers to make adjustments according to the surrounding environment, providing optimal ventilation, warmth, wind resistance and waterproofing as needed. For instance, our octopus type quick set-up tent is equipped with multiple ventilation openings to ensure good air circulation, preventing condensation and maintaining comfort inside the tent. Our tents also offer spacious interiors for movement and storage, while equipped with multiple storage pockets for convenient organization of fishing gear.

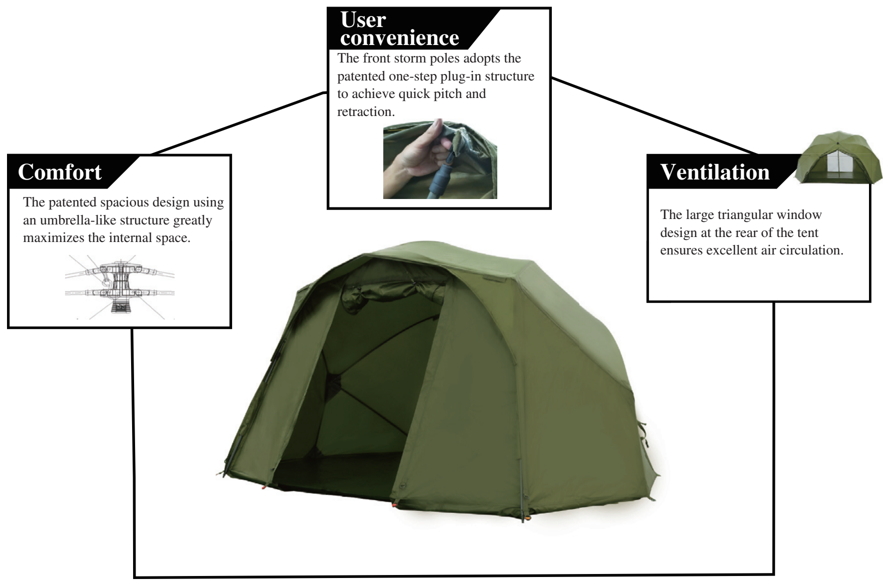
The following table sets forth our representative tent products with their key features:

Octopus Type Quick Set-up Tent

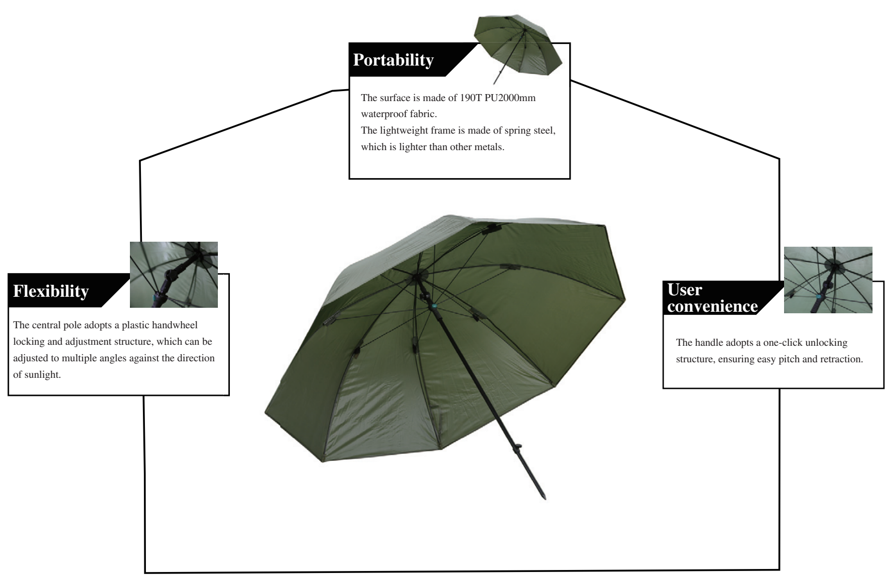
Quick Set-up Social Tent



Brolly



Fishing Umbrella



PRODUCT DESIGN AND DEVELOPMENT

Product design and development are essential to our long-term competitiveness. With a focus on product quality, our product design and development team utilizes advanced technology and extensive industry knowledge to develop quality outdoor equipment with rugged durability and practical features aligning with evolving industry preferences. From concept to production, our rigorous development process involves thorough market research, product planning and development to ensure high standards of performance and durability. During the Track Record Period, our research and development costs totaled RMB11.8 million. As of the Latest Practicable Date, we held 86 patents, including 63 utility model patents, six invention patents and 17 design patents in China, as well as 41 patents in countries or regions outside China.

Product Design and Development Capabilities

We have established a competitive product design and development team comprising experienced personnel specializing in both hardware structural design and soft fabric design. As of August 31, 2025, our team consisted of over 20 experienced personnel, with an average industry experience of over eight years. To incentivize our product development team, we have implemented various initiatives, including research and development awards and project-based bonuses. Supported by our product design and development team, we continuously optimize our product portfolio with structural and aesthetic advancement that enhance product functionality, portability, durability and aesthetic design. Leveraging long-term, in-depth collaborations with globally renowned outdoor equipment brands, we stay attuned to evolving market demand, dynamically aligning product features with customer needs and swiftly adapting to changing preferences. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we launched 1,018, 1,215, 1,593 and 1,300 new SKUs, respectively, with their revenue contribution accounting for 15.8%, 22.4%, 20.9% and 20.5% of our total revenue in the respective periods.

We are committed to ensure continual product launches that fulfill market demand timely. We identify emerging market demand through: (i) close collaboration with downstream customers to understand their requirements and develop tailored solutions; (ii) comprehensive market research and field observations to anticipate and interpret industry trends; and (iii) rigorous analysis of internal product data to uncover evolving consumer preferences and drive iterative enhancements.

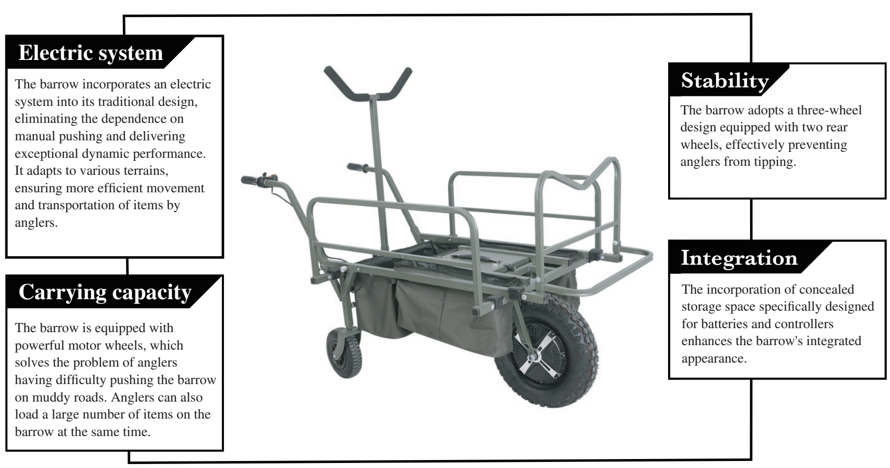
We also actively explore advanced technologies to expand market reach and attract new customers. We are dedicated to developing sustainable, energy-efficient products by integrating heating, electrification and environmentally friendly materials into our product development, enhancing user experience and meeting the growing demand for eco-conscious products. By staying ahead of industry trends, we are well positioned to capture emerging market opportunities, broaden our customer base and differentiate our products in an increasingly competitive landscape.

Case Study — Carp Power Barrow

In 2021, we developed an electric carp power barrow to provide anglers with a practical, labor-saving solution for transporting fishing gear. Anglers often face challenges using traditional manual barrows, especially on rough or uneven terrain, where significant physical effort is required, and load capacity is limited. Our electric carp power barrow addresses these issues by enhancing load capacity and ease of movement, allowing anglers to transport larger volumes of fishing gear with reduced effort.

The following picture presents our carp power barrow with key features:

Carp Power Barrow



During the development process, our team engaged in interdisciplinary collaboration and leveraged our supply chain resources to integrate electronic components into the barrow design, laying the foundation for future development of electronics-integrated fishing-related equipment. By partnering with leading high-end fishing-related equipment brands, we successfully brought this carp power barrow to market, showcasing our ability to swiftly address market pain points through advanced product development.

Case Study — Fishing Chair

In 2020, we launched a fishing chair incorporating electric heating technology. Specifically designed for mid- to high-end fishing enthusiasts who enjoy fishing in cold environments, the fishing chair features soft fleece and durable polyester fabric, combined with a detachable heated cushion to ensure warmth and comfort in low-temperature conditions. Additionally, the chair is equipped with expandable and practical accessories, including a sturdy rod holder and a convenient tray for storing fishing rods and other fishing gear.

The following picture presents our fishing chair with key characteristics:

Fishing Chair

Product Design and Development Process

We have established a robust product design and development process that follows several key steps to ensure the creation of quality products.

- ***Market research.*** Our product design and development team, in close collaboration with the sales team, gathers extensive advanced market information and customer feedback to identify the specific needs and desired features for new products. This process involves two approaches, namely (i) global information collection, where we conduct broad market research and industry analysis to understand overarching market demand and pinpoint industry challenges; and (ii) targeted information collection, where we engage directly with specific customer groups and industry experts to gain deeper insights into their unique preferences and requirements. These approaches enable us to design products that are tailored to meet both broad market needs and specific customer expectations.

- ***Product Development Planning.*** Based on the comprehensive analysis of market research results, combined with the company's overall strategic planning, our product design and development team formulates detailed product development plans that specify the main product categories, development strategies, as well as the specific features and technical specifications of each product. The plans also outline development timelines for implementation, establishing clear schedules and milestones to ensure efficient resource management and minimize potential risks during development.

- ***Project Initiation.*** The product development plan undergoes an inter-departmental evaluation, where our product design and development, sales, production and quality control teams collaborate to assess market viability, design feasibility, production capabilities and quality control measures. Such a collaborative process ensures thorough vetting of the plan before it is submitted for approval. Once refined, the product development plan is submitted for approval by the product director and general manager, ensuring alignment with broader company goals and standards before official project initiation.

- ***Product Development.*** Following project initiation, our product design and development team creates detailed product designs and technical drawings. We conduct multiple rounds of reviews to evaluate each design's feasibility, ensuring practicality and implementability. We then produce initial prototypes, which undergo rigorous inspection by our quality control department. Typically, these prototypes go through two to three iterations of inspection and refinement to optimize the design for mass production. Throughout this phase, we adhere to strict quality control guidelines to ensure all prototypes meet our internal standards and specific customer requirements. Once the prototypes pass all quality checks, our expert team conducts a final review before approving the product for market introduction, ensuring it meets the demands of our target customers and upholds our internal standard of quality.

OUR PRODUCTION

We have developed comprehensive production capabilities, enabling us to fulfill large-scale customer orders and support the ongoing expansion of our OBM business. By retaining in-house production for the majority of our products, we protect our proprietary technologies and intellectual property, allowing us to continuously optimize production processes, enhance operational efficiency and maintain stringent quality control standards.

Our production strategy is built on the following core philosophies, namely, flexible production, digital production and green production.

Flexible production. We have instituted a flexible production system, leveraging adjustable production lines, versatile production equipment configurations and a cross-trained workforce to enable scalable production. By enabling swift transition between different product specifications, our production system allows us to efficiently manage both large-scale and customized orders without compromising efficiency. For example, our “U”-shaped production lines in the chairs, bedchairs and other accessories production plants allow for adaptions and seamless operations across various product processes within a single layout, optimizing resource allocations while maintaining production efficiency. We also utilize digital analytics to enable flexible adjustment in product output in response to evolving customer demand. By instituting the flexible production system, we have achieved an overall reduction in in-process inventory, expediting the production cycle and enhancing overall production efficiency. Our flexible production system has enabled us to swiftly meet the soaring market demand in 2022, achieving a total annual production volume of 5.6 million units.

Digital production. We have consistently advanced the digitalization of our production systems to enhance production management and efficiency. At the core of our production operations is our ERP system, which facilitates comprehensive management throughout the entire business life cycle from order intake, planning and procurement to production, inventory management and payment reconciliation. The ERP system operates synergistically with our other key IT systems, including OMS for order management, WMS for warehousing management and MES for manufacturing execution. Collectively, our IT systems ensure precise monitoring, control and analysis of production data, enhancing production efficiency and ensuring consistent quality across the manufacturing process. See “— Information Technology.”

Green production. Our green production initiatives focus on sustainable practices. We incorporate low-carbon, environmentally friendly materials such as recycled aluminum, recycled iron and recyclable polypropylene into our product designs. These efforts help reduce our environmental impact and strengthen our market competitiveness. For further details, see “— Environmental, Social and Corporate Governance — Environmental Protection.”

Production Plants and Capacity

As of the Latest Practicable Date, we operated three production plants in Deqing, Zhejiang, China, with a total gross floor area of 63,637.7 sq.m. and a combined production capacity of 6.2 million units. Our large-scale production capability enables us to respond effectively to market demand while benefiting from economies of scale.

We dedicate each of our production plants to the production of (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters, respectively. The specialization of each plant allows us to streamline production processes, optimize machinery and allocate workforce resources more effectively, ensuring that the specific requirements of each product category are met. This approach enhances production efficiency and enables us to consistently deliver quality products that align with market trends and customer specifications. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our production plants operated at utilization rates of 86.0%, 78.9%, 80.2% and 78.3%, respectively.

The following table sets forth the key information of our production plants as of August 31, 2025:

Production Plants	Operation Commencement Date	Production Lines	Gross Floor Area	Major Products	Designed Annual Production Capacity
			(sq.m.)		*(Thousand Units)*
Chairs, bedchairs and other accessories production plant	January 2004	15	22,483.6	Chairs, bedchairs and other accessories	2,600
Bag production plant . .	January 2005	23	23,770.0	Bags	3,330
Tent production plant . .	January 2005	10	17,384.1	Tents	270
Total		**48**	**63,637.7**		**6,200**

The following table sets forth the details of our production lines for the years indicated:

	Year ended December 31,									Eight months ended August 31,		
	2022			2023			2024			2025		
	Designed production capacity[1]	Actual production Volume	Utilization Rate[2]	Designed production capacity[1]	Actual production Volume	Utilization Rate[2]	Designed production capacity[1]	Actual production Volume	Utilization Rate[2]	Designed production capacity[1]	Actual production Volume	Utilization Rate[2]
	(Thousand Units)	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*	*(Thousand Units)*	*(Thousand Units)*	*(%)*
Chairs, bedchairs and other accessories	3,000	2,634	87.8	1,800	1,413	78.5	2,300	1,787	77.7	1,930	1,497	77.6
Bags	3,000	2,546	84.9	1,800	1,437	79.9	3,500	2,871	82.0	2,190	1,718	78.5
Tents	600	498	83.0	250	186	74.5	180	139	77.3	195	163	83.6
Total	**6,600**	**5,678**	**86.0**	**3,850**	**3,036**	**78.9**	**5,980**	**4,798**	**80.2**	**4,315**	**3,378**	**78.3**

Notes:

(1) Designed production capacity is calculated based on the budget of each operating season and effected by the adjustment of product line structure for each operating season. We estimate the design production capacity based on our demand forecast, venues, equipment, staffing and employee efficiency. At the beginning of each operating season, we prepare our designed production capacity by arranging venues, equipment and staff according to our estimation. For example, if we anticipate higher sales in the upcoming operating season, we allocate additional venues, equipment and staffing at the beginning of such operating season. In addition, we typically maintain a buffer in such arrangements to accommodate situations where actual demand exceeds our estimation. Specifically, when the actual demand exceeds our forecast, we provide additional incentives to our employees, such as additional bonuses, to increase our actual production volume. Designed production capacity for the year ended December 31, 2022, 2023 and 2024 is calculated based on the following assumptions: (i) our production facilities run for 8 hours per day; and (ii) we operate for 280 working days per year. Designed production capacity for the eight months ended August 31, 2025 is calculated based on the following assumptions: (i) our production facilities run for 8 hours per day; and (ii) we operate for 194 working days during the period. In 2022, we leased an additional production facility to accommodate increased demand driven by heightened consumer interest in fishing. In light of the market condition in 2023, we terminated the lease for this production facility. In 2024, we experienced a rebound in sales volume, driven by the recovery of market condition, as well as our efforts on the expansion of our sales channel and upgrade of its products. Considering the significant increase in customer demand, we increased our design production capacity through employing production staff and expanding production lines to guarantee sufficient product supply. See "Industry Overview — Overview of Global Fishing Gear Industry — Market Size of Global Fishing Gear Industry."

(2) The utilization rate is calculated by dividing the actual production volume for the year indicated by the designed production capacity for the year indicated. In 2022, our sales surged as consumer enthusiasm for fishing grew. In 2023, along with the phasing out of the public health incidents, our sales moderated with the rise of alternative entertainment options. In line with market demand for our products, our production volume and utilization decreased in 2023. See "Financial Information — Period-to-Period Comparison of Results of Operations — Year Ended December 31, 2023 Compared with Year Ended December 31, 2022 — Revenue." We increased our production volume in 2024 in anticipation of growing customer demand.

Subcontracting

In line with market practices, according to Frost & Sullivan, we outsource certain auxiliary production processes, such as sewing, hardware processing and silk-screening, to subcontractors, including third-party outdoor equipment manufacturers, Topsun Group and the Service Providers, see "Connected Transactions — Non-Exempt Continuing Connected Transactions — Products and Services Procurement Framework Agreement." By outsourcing certain auxiliary production processes to subcontractors, we alleviate pressure on our in-house production capacity, enable effective cost control and enhance our overall production efficiency.

During the Track Record Period, we engaged Topsun Group to procure certain auxiliary production services, such as sewing and hardware processing. We believe that such arrangement can alleviate the pressure on our in-house production capacity, enable cost control and enhance our overall production efficiency. We may request Topsun Group to provide auxiliary services and Topsun Group would provide the processing services based on our instructions and requirements. We provided the raw materials or semifinished products for their handling. Topsun Group had to follow our requests and instructions and did not involve decision-making or strategic thinking throughout the process. They are responsible for ensuring timely delivery, product quality and confidentiality. We reserved the right to request rework if their product quality did not meet our agreed standards. Their auxiliary services were charged based on the actual volume of production. We made settlement with them on a monthly basis.

When selecting third-party subcontractors, we comprehensively evaluate key factors, including price, quality, production capabilities, location, financial stability and overall reputation. Our quality control department conducts strict quality control checks to ensure that the products produced by our subcontractors meet our rigorous quality standards.

The salient terms of our typical agreements with subcontractors are set forth below:

Duration and termination	The agreement typically has a duration of one year. We reserve the right to terminate the agreement if our subcontractors fail to deliver on time or there are significant quality issues, in which case our subcontractors would be liable for any resulting damages and losses.
Principal obligations of parties	Our subcontractors are responsible for ensuring delivery, product quality and confidentiality, among other things. We are responsible for providing materials, technical documents, drawings, samples and inspection standards, as well as covering inspection costs.

Payment and settlement	We issue invoices and make settlements with our subcontractors on a monthly basis.
Quality warranties and assurance	Based on the processing specifications, samples or approved models provided by us, we shall assign personnel to oversee the production process. Our subcontractors are required to perform processing and manufacturing according to the standards we provide. If the agreed product conformity rate is not met, our subcontractors shall be responsible for the costs of rework, quality losses, scrapped materials and any delays in delivery.

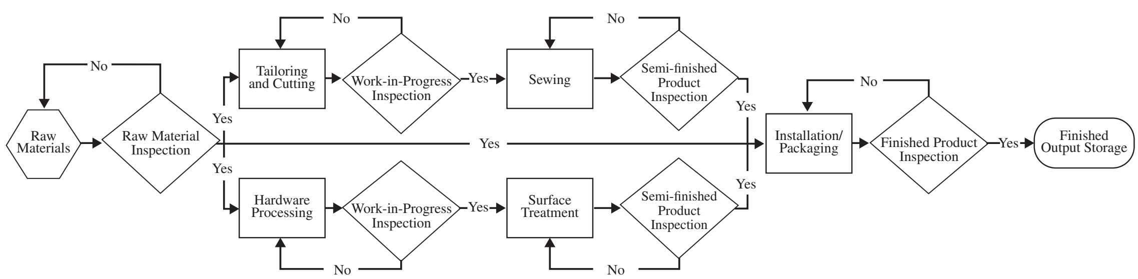
Production Equipment

We are committed to staying at the forefront of technological advancements in production. By continuously introducing advanced manufacturing equipment and optimizing our production processes, we aim to enhance both product quality and production efficiency. Our major machinery and equipment are primarily sourced from leading manufacturers in China and Germany. The integration of advanced technology in our production lines has significantly improved our overall operational efficiency and product quality. During the Track Record Period, our product conformity rate was 97.3%, 97.8%, 97.6% and 97.5% in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively.

We have incorporated advanced laser processing technology into our production equipment, significantly enhancing both precision and efficiency. For example, laser cutting machines deliver fully automated cutting, improving efficiency by two to three times compared to traditional circular saws (傳統圓鋸), while our laser strip-cutting machines (激光切帶機) improve efficiency fivefold. Our automatic tailor machine (自動裁床) have replaced manual labor, increasing efficiency fivefold. Additionally, our laser engraving machines (激光雕刻機) meet the growing demand for customized products. Advanced visual AI technology is applied in automatic line-marking machines, allowing precise material positioning and increasing efficiency by three times. Automation and intelligent systems are implemented throughout the entire production process, including automatic double-bending machines (自動雙彎機), automatic tailor machines (自動裁床), automatic spreading machines (自動拉布機), automatic pattern sewing machines (自動花樣機), automatic template sewing machines (全自動模板機) and automatic label bonding machines (水洗標自動黏合機). Additionally, our production line features an integrated intelligent hanger system (智能懸掛系統), which automatically transfers workpieces between workers, streamlining workflows. This system also records product data in real time, enabling effective monitoring of quality and production metrics. For example, several fixed procedures in outdoor equipment production previously required manual labor. By employing specialized jigs (工裝夾具), we have reduced this dependency and streamlined multiple steps into a single, more efficient operation. For tent production, where fiber rods once required manual drilling, we have implemented equipment that drills and inserts rods simultaneously, simplifying the procedure and boosting efficiency by approximately 30%. Our key production equipment also includes tube cutting and bending machines, drilling machines, riveting machines, gas-shielded and argon arc welders, Eastman cutting knives, sewing machines and template printers. By utilizing these technologies and equipment, we have also improved overall management efficiency and product quality, ensuring our production processes are both precise and cost-effective.

Production Process

We have developed meticulous and highly efficient production processes tailored to each of our major product categories, as illustrated in the diagram below:



- ***Raw material inspection.*** For chairs, bedchairs and other accessories, our quality control team inspects raw materials such as metals for cracks, bends and other potential defects before they enter production. For bags and tents, our team checks fabrics for tears, decolorization and other imperfections to ensure they meet our standards. See "— Quality Control — Raw Material Inspection."

- ***Raw material processing.*** For chairs, bedchairs and other accessories, raw materials are cut, bent, drilled, welded and painted to match the design specifications. In contrast, for bags and tents, fabrics are cut into the required shapes based on the design plans and sewn together to form the basic components of the final product.

- ***Component inspections.*** After raw material processing, all components undergo inspections. For chairs, bedchairs and other accessories, the focus is on checking metal parts for quality and consistency, while for bags and tents, the inspection ensures the size, shape and appearance of the sewn components meet the required standards.

- ***Grinding and assembly.*** For chairs, bedchairs and other accessories, components such as legs, seats and frames are assembled through grinding and welding. For bags and tents, the assembly process involves adding elements such as straps, pockets and compartments for bags, or attaching flysheets, inner tents and threading poles for tents.

- ***Product inspections and packaging.*** For all products, our quality control department performs comprehensive inspections on finished products to minimize defects and ensure they meet customer requirements. Once approved, the products are packaged and prepared for delivery. See "— Quality Control — Finished Product Inspection."

Our production cycle, from order placement to dispatch, typically ranges from 60 to 90 days.

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

Procurement

The raw materials used in our production primarily include fabric and hardware. For the production of chairs, bedchairs and other accessories, we mainly use materials such as iron tubes, aluminum tubes and polyester fabrics. For packaging, we primarily use materials such as cardboard and Styrofoam. We primarily procure raw materials from China and evaluate our suppliers based on a comprehensive set of criteria, including operational capabilities, quality assurance systems and production processes. This process involves detailed sourcing plans, on-site visits, sample verification and a thorough approval assessment by our team to ensure suppliers meet our standards of reliable quality and reasonable pricing.

To mitigate raw material price fluctuations, we regularly analyze market conditions, utilize digital tools for real-time price tracking, establish long-term supplier relationships and sign long-term contracts. We also explore material alternatives, maintain buffer stock, use hedging mechanisms and diversify sourcing across regions to stabilize costs and ensure supply chain resilience.

Inventory Management

We have implemented stringent inventory management measures to maintain a stable and optimal level of stock of our raw materials, semi-finished products and work in process and finished products. We employ a make-to-order inventory management model to ensure the accurate supply of products aligning with market demand and avoid obsolete inventory. As of December 31, 2022, 2023 and 2024 and August 31, 2025, we had inventory of RMB129.1 million, RMB87.3 million, RMB122.0 million and RMB113.4 million, respectively, and our inventory turnover days was 90.9 days, 115.2 days, 90.1 days and 85.4 days, respectively, see "Financial Information — Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories".

Our inventory management strategy is meticulously designed to align production with sales, ensuring that we meet customer demand without the risk of overstocking. By reserving production capacity based on customer requirements, we maintain optimal inventory levels and enhance operational efficiency. Our dedicated inventory management team employs a range of measures to oversee and control stock, including regular asset audits, monitoring and on-site stocktaking and supplier-assisted inventory checks. These comprehensive practices enable us to maintain high standards of inventory performance and responsiveness to market needs.

Warehousing and Logistics

During the Track Record Period, we have engaged third-party logistics service providers for the delivery of our products. The service provider is responsible for arranging personnel for transportation and customs clearance, ensuring the safe and timely delivery of products to the designated location in compliance with relevant transport regulations and our instructions. In the event of any delays, damage or loss attributable to the logistics service provider's fault, they shall be liable to provide compensation in accordance with the terms set forth in the agreement. We also procure warehousing and logistics services from the Service Providers for the storage of our products. The Service Providers are responsible for ensuring appropriate warehousing conditions and for operating in compliance with relevant laws, regulations and the terms of our agreement. See "Connected Transactions — Non-Exempt Continuing Connected Transactions — Products and Services Procurement Framework Agreement."

During the Track Record Period, we engaged Topsun Group to procure warehousing services for the storage of our finished products. We have established a long-term and stable business relationship with Topsun Group. They have acquired a comprehensive understanding of our business and operational requirements and have been capable of fulfilling our demands with a stable and high quality supply of warehousing services, improving our operational efficiency. Topsun Group was required to ensure proper storage condition in accordance with relevant laws, regulations and our agreement. They were required to conduct regular inspections to ensure the safety and integrity of finished products stored in their warehouse. When our finished products were stored, Topsun Group was responsible for carrying out inspections to ensure that the contents, quality and standards of the our products align with our agreement. We had the right to inspect our stored products at any time. We may required Topsun Group to deliver our stored products on our behalf per our requests. They were responsible for damages of any late delivery or misdirected delivery. The warehousing services were charged based on the volume of the stored products and duration of the storage. The delivery services were charged based on the volume of the delivered products.

QUALITY CONTROL

We have instituted an end-to-end quality control system throughout the course of our business, encompassing product design and development, production and finished product inspection. Our quality control system is built on a robust foundation of internationally recognized standards, including ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety. These certifications demonstrate our commitment not only to product quality but also to environmental sustainability and employee well-being. By employing an end-to-end quality control system, we have consistently achieved exceptional product conformity rates of 97.3%, 97.8%, 97.6% and 97.5% in 2022, 2023, 2024 and the eight month ended August 31, 2025, respectively.

Product Design. Our quality control begins at the design stage, where we implement advanced product quality planning to prevent defects and streamline production. Before production begins, we adopt comprehensive product quality planning to identify potential issues and maintain strict quality standards. For each new project, our quality control department collaborates with our product design and development team to develop a customized quality control plan. This plan defines the standard production procedures and identifies critical quality control checkpoints throughout the process. For example, we prepare detailed quality control checklists for every stage of production to ensure all criteria are met before progressing to the next stage. Additionally, products destined for specific markets, such as the U.S. and Europe, undergo inspection according to BIFMA-X5.1-2017 and EN581-2:2015 standards, respectively, ensuring that our products meet the safety and quality requirements of different regions and enhancing their competitiveness in global markets.

Raw material inspection. We also have rigorous raw material inspection processes, adhering to approximately 130 distinct inspection standards, using advanced machinery such as fabric inspection machines equipped with sensors to detect weaving flaws, stains, inconsistencies and fabric length. In addition, we inspect metal pipes, fabrics, accessories and hardware with computerized systems to assess appearance, structure and dimensions. For example, we perform electrical tests on metal parts to ensure compliance with safety standards. Each batch of materials is labeled for traceability, and defective materials are promptly returned to suppliers with requests for replacement. We also monitor the conformity rate of raw materials supplied and work closely with our suppliers to ensure consistent quality. Such initiative ensures that only high-quality raw materials are used in production, reducing the likelihood of defects later in the process.

Production inspection. We conduct inspections at every stage of the production process. A dedicated team is responsible for overseeing quality control in our production plants, ensuring that the process complies with applicable laws, industry standards and our internal guidelines. Our quality control department inspects core components and semi-finished products, monitoring key aspects including appearance, precision and durability. Daily inspections are performed by team leaders, with supervisors conducting weekly checks and plant managers performing monthly spot checks. Any defective products or components are either discarded or reworked based on the severity of the defect. We have also implemented a digital and smart quality control system that records, monitors, analyzes and addresses quality issues in real-time. This system allows us to identify potential problems early and prevent them from escalating, ensuring that production runs smoothly and consistently meets our high standards.

Finished product inspection. Our quality control department conducts rigorous inspection on finished products to ensure they meet customer standards and requirements. We follow 19 major categories of finished product inspection standards, and our internal guidelines are based on international standards from the U.K., U.S., Europe, Japan and China, ensuring compliance with the regulations of our target markets. We have instituted advanced inspection equipment, including fabric inspection machines, water pressure gauges, aluminum hardness testers, impact testers, tire fatigue testers and barrow-wheel motor inspection equipment. Each finished product undergoes rigorous inspection to ensure it is durable, practical and meets customer specifications. Additionally, our CNAS-accredited lab enables us to conduct key tests such as impact resistance, fire retardancy, fatigue and tear strength in-house, ensuring full control over product quality.

SALES, MARKETING AND CUSTOMER SERVICE

Leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries and regions across Europe, North America, Australia, South Africa and East Asia as of the Latest Practicable Date. Our extensive network enables us to effectively reach a diverse customer base and adapt to varying market demand, establishing long-term, in-depth relationships with globally renowned outdoor equipment brands such as Decathlon, Pure Fishing, Rapala VMC, FOX, NASH, Preston, Trakker and Ardisam. We are able to effectively manage and maintain this broad network leveraging our profound industry expertise, skilled business development team, strong customer loyalty and proactive global outreach.

During the Track Record Period, we primarily sold our products to customers with their principal place of business in Europe, Chinese Mainland and North America. The following table sets forth our revenue breakdown by geographic region based on the locations where our services or products were delivered for the years indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Europe[(1)]	537,561	65.7	325,684	70.3	420,435	73.3	290,782	74.4	347,410	75.5
Chinese Mainland[(1)]	102,983	12.6	78,545	17.0	87,446	15.2	60,726	15.5	70,032	15.2
North America[(1)]	154,053	18.8	46,228	10.0	49,959	8.7	28,812	7.4	29,736	6.5
Others[(2)]	23,815	2.9	12,794	2.7	15,623	2.8	10,722	2.7	13,091	2.8
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Notes:

(1) During the Track Record Period, some customers may specify product delivery to countries or regions outside their principal place of business. Therefore, the revenue breakdown by geographic region reflects the location where our services or products were delivered, rather than the customers' principal place of business.

(2) Others refer to Oceania, Africa, South America and Asia-Pacific (excluding Chinese Mainland).

Our Sales Channels

OEM/ODM Model. We primarily serve as an OEM/ODM provider for leading outdoor equipment brands, offering solutions for product design, development and production. During the Track Record Period, our OEM/ODM customers primarily comprised globally leading fishing-related equipment brands and retailers. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our revenue from OEM/ODM model amounted to RMB769.7 million, RMB417.9 million, RMB529.3 million and RMB428.6 million, respectively, representing 94.1%, 90.2%, 92.3% and 93.1% of our total revenue in the same periods.

Tracing back to our journey with Zhejiang Topsun Holding, as of August 31, 2025, we had 85 customers with whom we maintained partnerships for more than five years, accounting for 66% of our total customer base. See "History, Reorganization and Corporate Structure." Our long-term partnerships with customers are built on a foundation of consistent performance, exceptional customer service and a shared vision for the future of outdoor equipment, which underscores our ability to foster and sustain mutually beneficial relationships and allows us to stay attuned to evolving market preferences.

We primarily engage in FOB sales with our OEM/ODM customers, pursuant to which we handle the transportation of the products to ports, export customs declarations and the loading of products onto ships. Upon the products being loaded, the customer assumes responsibility for the shipment, including shipping costs and the risk of damage or loss. In addition, we occasionally engage in Ex Works ("EXW") sales with our OEM/ODM customers, pursuant to which our responsibility ends when the products are collected from our warehouses or other designated locations. The customer assumes responsibility for all transportation costs and risks from collection onwards. The salient terms of our typical OEM/ODM agreements with customers are set forth below:

Duration and termination	In line with industry norm according to Frost & Sullivan, the agreement generally does not specify terms and we supply products based on each specific order placed by customers.
Principal obligations of parties	We manufacture products according to the standard of the sample product approved by the customer. For FOB sales, we are responsible for product shipment, export customs declaration, and bear the costs and risks until the products are loaded onto the ship. For EXW sales, our responsibility ends when the products are collected from our warehouses or other designated locations.
Payment and credit terms	Payment is usually made by telegraphic transfer or letter of credit. We generally grant a credit period ranging from 30 to 90 days or require prepayment to our customers.

Risk allocation	For FOB sales, we bear the risk until the products are loaded onto the ships, after which the risk transfers to the customer. For EXW sales, we bear the risk until the products are collected by customers from our warehouses or other designated locations.
Quality warranties and assurance	We are responsible for ensuring that the product quality comply with the sample product approved by our customers. The customer may object to their quality within a certain period after receipt.
Intellectual property rights arrangement . . .	The customer's trademarks and proprietary designs are for their exclusive use. We do not retain intellectual property rights for product designs made for customers.

OBM Model. We primarily sell our self-branded Solar products to retailers including specialized fishing shops and fishing gear retail chains worldwide, which in turn sell such products to individual customers through their retail outlets. As of December 31, 2022, 2023, 2024 and August 31, 2025, we sold our own-brand Solar products to 363, 351, 329 and 339 customers, respectively. Through Solar UK, we generally maintain a buyer-seller relationship with our OBM customers and recognize revenue when they accept our products upon delivery. Our revenue generated from the OBM model was RMB33.7 million, RMB39.6 million, RMB41.3 million and RMB30.4 million, respectively, accounting for 4.1%, 8.5%, 7.2% and 6.6% of our total revenue in the same periods.

The salient terms of our typical agreements with OBM customers are set forth below:

Duration and termination	In line with industry norm according to Frost & Sullivan, the agreement generally does not specify terms and we supply products based on each specific order placed by customers.
Pricing policy	The selling price to our OBM customers is typically determined based on our production costs, brand equity, market demand and the competitive landscape. We also provide recommended retail price to our OBM customers to ensure price consistency across the market. See "— Pricing."

Payment and credit terms	Payment is usually made by telegraphic transfer or letter of credit. We typically grant our OBM customers a credit period ranging from 30 to 60 days.
Minimum purchase requirements	We would not set a minimum purchase amount for customers.
Risk allocation	The risk is transferred to customers when products are delivered to their warehouses.
Product return and exchange	Return or exchange is provided under certain circumstances such as product defects or inconsistency with product description.
Quality warranties and assurance	The product warranty period is generally one year. See "— Sales, Marketing and Customer Service — Sales and Marketing Strategy — OBM Model."

To prevent price discrepancies and minimize the risk of cannibalization, we provide recommended retail prices to our OBM customers for Solar products and maintain close oversight to ensure consistent pricing across markets. We reserve the right to terminate collaborations or reduce product supplies if OBM customers violate our pricing standards. In addition, to mitigate the risk of channel stuffing, we generally do not permit product returns or exchanges, except in specific cases, such as product defects or inconsistencies with product descriptions.

Our Customers

During the Track Record Period, our OEM/ODM customers primarily comprised of outdoor equipment brands and retailers. Revenue from our five largest customers in each year or period during the Track Record Period represented 57.5%, 57.2%, 57.7% and 54.9% of our total revenue in the same respective periods. Revenue from our largest customer in each year or period during the Track Record Period represented 17.9%, 15.7%, 15.4% and 17.7% of our total revenue in the same respective periods. For risks relating to major customers, see "Risk Factors — Risks Related to our Business and Industry — Our success depends on our strong relationships with certain major customers. Any interruption of collaboration or deterioration of the relationship with our major customers could adversely affect our business, financial condition and results of operations."

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

Year Ended December 31, 2022

No.	Customer	Major Services or Products Purchased	Location	Principal Business	Revenue	% of our total revenue	Year of commencement of business relationship	Credit Period	Payment Method	Category
					(RMB'000)					
1. . .	Customer A[1]	Chairs, bedchairs and other accessories, tents and bags	U.S.	Outdoor products	146,468	17.9%	2015	60 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
2. . .	Customer B[2]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	93,612	11.4%	2006	60 days	Bank transfer	OEM/ODM customer; outdoor equipment retailer
3. . .	Customer C[3]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Fishing products	88,874	10.9%	2010	35 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
4. . .	Topsun Group[4]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	88,819	10.9%	2022	30 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
5. . .	Customer D[5]	Chairs, bedchairs and other accessories, tents and bags	U.K., Poland	Fishing products	53,131	6.5%	1995	45 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
	Total				470,904	57.5%				

Year Ended December 31, 2023

No.	Customer	Major Services or Products Purchased	Location	Principal Business	Revenue	% of our total revenue	Year of commencement of business relationship	Credit Period	Payment Method	Category
					(RMB'000)					
1.	Customer B[2]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	72,796	15.7%	2006	60 days	Bank transfer	OEM/ODM customer; outdoor equipment retailer
2.	Topsun Group[4]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	60,969	13.2%	2022	30 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
3.	Customer C[3]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Fishing products	46,005	9.9%	2010	35 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
4.	Customer A[1]	Chairs, bedchairs and other accessories, tents and bags	U.S.	Outdoor products	45,211	9.8%	2015	60 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
5.	Customer D[5]	Chairs, bedchairs and other accessories, tents and bags	U.K., Poland	Fishing products	39,954	8.6%	1995	45 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
	Total				264,935	57.2%				

Year Ended December 31, 2024

No.	Customer	Major Services or Products Purchased	Location	Principal Business	Revenue	% of our total revenue	Year of commencement of business relationship	Credit Period	Payment Method	Category
					(RMB'000)					
1.	Customer B[2]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	88,414	15.4%	2006	60 days	Bank transfer	OEM/ODM customer; outdoor equipment retailer
2.	Customer C[3]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Fishing products	83,671	14.6%	2010	35 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
3.	Topsun Group[4]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	61,981	10.8%	2022	30 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
4.	Customer E[6]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Outdoor products	48,956	8.5%	2008	45 days	Bank transfer	OEM/ODM customer; outdoor equipment brand retailer
5.	Customer A[1]	Chairs, bedchairs and other accessories, tents and bags	U.S.	Outdoor products	48,053	8.4%	2015	60 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
	Total				331,075	57.7%				

Eight months ended August 31, 2025

No.	Customer	Major Services or Products Purchased	Location	Principal Business	Revenue	% of our total revenue	Year of commencement of business relationship	Credit Period	Payment Method	Category
					(RMB'000)					
1. . .	Customer B[2]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	81,481	17.7%	2006	90 days	Bank transfer	OEM/ODM customer; outdoor equipment retailer
2. . .	Topsun Group[4]	Chairs, bedchairs and other accessories, tents and bags	China	Outdoor products	54,413	11.8%	2022	30 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
3. . .	Customer C[3]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Fishing products	45,024	9.8%	2010	45 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
4. . .	Customer D[5]	Chairs, bedchairs and other accessories, tents and bags	U.K., Poland	Fishing products	43,156	9.4%	1995	60 days	Bank transfer	OEM/ODM customer; outdoor equipment brand owner
5. . .	Customer E[6]	Chairs, bedchairs and other accessories, tents and bags	U.K.	Outdoor products	28,697	6.2%	2008	45 days	Bank transfer	OEM/ODM customer; outdoor equipment brand retailer
	Total				**252,771**	**54.9%**				

Notes:

1. Customer A is an outdoor products manufacturer founded in 1960, focusing on the design, production and sales of durable outdoor products.

2. Customer B is a leading integrated sports good group founded in 1976, focusing on the R&D, production, logistics and retail of sports goods.

3. Customer C a professional fishing brand founded in 1969, focusing on the sales of fishing products for mainstream fishing scenarios.

4. Topsun Group is a company principally engaged in R&D, manufacturing and sale of leisure outdoor products, investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism, with a registered capital of RMB50.0 million.

5. Customer D is a famous carp fishing brand founded in 1992, focusing on the R&D, production and sales of carp fishing products.

6. Customer E is a leading fishing brand founded in 2001, focusing on the sales of carp fishing products.

To the best of our knowledge, except for Topsun Group, each of our five largest customers in each year or period during the Track Record Period was an Independent Third Party. To the best of our knowledge, except for Topsun Group, none of our Directors, their close associates or any Shareholders of our Company, who or which to the knowledge of the Directors owned more than 5% of our Company's issued share capital, had any interest in any of our five largest customers in each year or period during the Track Record Period.

Sales and Marketing Strategy

Our sales and marketing strategies are tailored to support both our OEM/ODM and OBM models, focusing on customer engagement and product differentiation to ensure that our products meet the evolving needs of customers around the world.

OEM/ODM Model

In the OEM/ODM model, we offer customized product design and manufacturing services tailored to the specific requirements of our OEM/ODM customers, reinforcing our professional image and competitive positioning. By integrating supplier resources and optimizing supply chain management, we have built a flexible supply chain that can rapidly respond to changes in customer orders, reducing lead times and improving customer satisfaction. Additionally, we continually invest in product design and development to improve product functionality, which helps expand our product range and deepen collaborations with customers.

Post sales, we emphasize strengthening customer relationships by maintaining regular communication through customer visits, feedback loops and continuous engagement. This allows us to stay aligned with customer needs and market trends, ensuring smooth coordination from product development through after-sales services. Additionally, we proactively address any issues that customers may encounter, continually optimizing internal customer service processes to ensure fast responses. This ensures that issues encountered by customers are resolved promptly, further enhancing satisfaction and loyalty.

To boost product sales, we actively participate in international trade shows such as CHINA FISH, a renowned fishing gear exhibition widely recognized by global manufacturers and traders. We also host internal exhibitions to showcase our latest offerings and expertise in fishing-related equipment, which allows us to broaden our global market reach.

OBM Model

For Solar, we have established a sales network focusing on the European market and are continually expanding our market coverage to achieve steady sales growth. Our sales channels for Solar primarily include specialized fishing shops and fishing gear retail chains worldwide, allowing us to meet diverse customer demands across various regions. We also collaborate with intermediary service providers to expand our customer base and broaden customer reach. We further boost brand visibility and customer loyalty through a variety of marketing and promotion activities, such as trade shows and product roadshows, where customers can experience our products firsthand, enhancing brand recognition and word-of-mouth promotion. We have also equipped more local sales personnel in Europe for Solar, leveraging their language skills and local market knowledge to strengthen our sales of Solar products across

Europe. For example, our Solar brand ambassador, Mr. Martin Locke, who has set multiple carp fishing records across Europe, has utilized his professional expertise to assist in expanding Solar's customer base, solidifying its image as a premier authority in the field.

These efforts have helped us expand our OBM brand, Solar, particularly in key markets such as the U.K., where we focus on strengthening brand engagement and growth. Through personalized marketing, direct customer interaction and promotional campaigns, we continue to build a strong brand presence and reach in global markets.

Pricing

We have adopted different pricing strategies for our OEM/ODM and OBM models to effectively meet the different demands of these business models and ensure profitability.

In the OEM/ODM model, we primarily base our pricing on the prices of comparable products in the market, while factoring in our production costs, the expected margin, product complexity, labor and technology involved, order volume, credit terms provided and the strength of our relationship with the customer. Additionally, pricing is influenced throughout the year by negotiations with customers, market conditions and, when applicable, exchange rate fluctuations. The pricing in this model is primarily cost-focused and tailored to customer needs. We typically agree on the final price of products in purchase orders after thorough discussions with our OEM/ODM customers.

In the OBM model, we primarily base our selling price on production costs, brand equity, market demand and the competitive landscape. To prevent price discrepancies and minimize the risk of cannibalization, we provide recommended retail prices to our OBM customers for Solar products and maintain close oversight to ensure consistent pricing across markets. We reserve the right to terminate collaborations or reduce product supplies if OBM customers violate our pricing standards.

Customer Service

We prioritize customer experience and are committed to providing attentive, timely service to our global customers. To support both our OEM/ODM and OBM models, we have established a comprehensive after-sales service system that ensures prompt and efficient assistance, regardless of location. During the Track Record Period, we maintained a low NQC rate below 0.08%. During the Track Record Period and up to the Latest Practicable Date, we did not receive any complaint that would have a material adverse effect on our business operations. We may be subject to potential civil, administrative or criminal liabilities in the event of producing or selling defective products. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material product recalls and/or disputes and product liability claims due to the quality and safety issues of our products.

OEM/ODM Model

We offer comprehensive customer services for OEM/ODM customers encompassing product design, sales and marketing, order processing, product delivery and after-sales services. Though we generally do not allow product return for OEM/ODM customers, they generally have a certain period of time to inspect product quality upon receipt. Our warranty policy offers an one year free warranty service for defects resulting from manufacturing, including repairs or product replacement. For damage caused by other factors, we charge a reasonable repair fee. After the warranty period, repair services are available at a cost. However, the warranty excludes normal wear and tear, product modifications, improper storage or maintenance and use outside the intended purpose.

OBM Model

In our OBM model, we offer a specialized after-sales service team to provide full support to our customers. Product return or exchange is provided under certain circumstances such as product defects or inconsistency with product description. Our return and warranty policy allows for returns within a certain period of time, provided the product remains in its original condition, with intact packaging and all accessories, and does not affect its resale. Customers must provide proof of purchase and a reason for the return. The warranty period for OBM products is typically one year, during which defects caused by manufacturing will be addressed through free product replacement. For damage caused by other factors, we charge a reasonable fee for repairs, except in cases where the product cannot be repaired. Similar to the OEM/ODM model, our warranty for OBM products does not cover normal wear and tear, product modifications, improper storage or maintenance, or use outside the product's intended purpose. During the Track Record Period, there was no product return.

OUR SUPPLIERS

Our suppliers primarily comprised of raw material suppliers, including hardware and fabric suppliers. Purchases from our five largest suppliers in each year or period during the Track Record Period represented 30.9%, 27.2%, 31.7% and 34.9% of our total purchases in the same respective periods. Purchases from our largest supplier in each year or period during the Track Record Period represented 14.2%, 12.8%, 11.2% and 14.8% of our total purchases in the same respective periods. For risks relating to our major suppliers, see "Risk Factors — Risks Related to our Business and Industry — We rely on the stability of our supply chain. Any loss or deterioration in our relationship with our key suppliers, any disruption in the supply of raw materials and services or any significant increase in the prices of raw materials and services could materially and adversely affect our business, financial condition and results of operations." During the Track Record Period, we did not experience any delay in or shortage of supply, price fluctuation on products sourced or product delivery issues which would have had a material impact on our business, financial condition or results of operations.

The salient terms of the agreements with our suppliers are set forth below:

Duration and termination . . . . The agreement typically has a duration of three years and shall terminate upon the fulfillment of agreed rights and obligations by both parties.

Payment and credit terms . . . . We may make prepayment to our suppliers or may be granted a credit period of up to 120 days depending on the terms of the agreements.

Quality standard and warranty . . . . The suppliers shall comply with the quality standard stipulated in the agreement. We shall conduct quality inspections on the products delivered by our suppliers according to the quality standards specified in the agreement. If there are hidden quality defects that cannot be discovered during the inspection, we can raise objections upon the quality within certain periods of time after receipt of products.

Risk allocation . . . . The supplier bears the risk related to material quality, delayed delivery and any breaches of confidentiality or integrity agreements.

The following tables set forth the details of our five largest suppliers in each year or period during the Track Record Period:

Year Ended December 31, 2022

No.	Supplier	Products/services provided	Location	Background	Scale[8]	Purchase amount	% of our total purchase amount	Year of commencement of business relationship	Credit Period	Payment Method
						(RMB'000)				
1. . .	Topsun Group[1]	Raw materials, warehousing and processing services	China	Outdoor products	RMB50.0 million	83,141	14.2%	2022	90 days	Bank transfer
2. . .	Supplier A[2]	Raw materials	China	Outdoor products and fabric production	approximately RMB13 million	39,480	6.7%	2016	60 days	Bank transfer
3. . .	Supplier B[3]	Processing services	China	Bags processing and bags production	approximately RMB1 million	24,637	4.2%	2013	60 days	Bank transfer
4. . .	Supplier C[4]	Raw materials	China	Outdoor products and fabric production	approximately RMB30 million	20,286	3.5%	2004	60 days	Bank transfer
5. . .	Supplier D[5]	Raw materials	China	Raw material processing	approximately RMB5 million	13,523	2.3%	2018	15 days	Bank transfer
	Total					181,067	30.9%			

Year Ended December 31, 2023

No.	Supplier	Products/ services provided	Location	Background	Scale[8]	Purchase amount	% of our total purchase amount	Year of commencement of business relationship	Credit Period	Payment Method
						(RMB'000)				
1. . .	Topsun Group[1]	Raw materials, warehousing and processing services	China	Outdoor products	RMB50.0 million	33,654	12.8%	2022	90 days	Bank transfer
2. . .	Supplier E[6]	Processing services	China	Bags and fabric production	approximately RMB0.5 million	9,870	3.8%	2023	60 days	Bank transfer
3. . .	Supplier F[7]	Raw materials	China	Fabric production	approximately RMB13.7 million	9,734	3.7%	2007	60 days	Bank transfer
4. . .	Supplier A[2]	Raw materials	China	Outdoor products and fabric production	approximately RMB13 million	9,243	3.5%	2016	60 days	Bank transfer
5. . .	Supplier D[5]	Raw materials	China	Raw material processing	approximately RMB5 million	9,080	3.5%	2018	15 days	Bank transfer
	Total					71,581	27.2%			

Year Ended December 31, 2024

No.	Supplier	Products/ services provided	Location	Background	Scale[8]	Purchase amount	% of our total purchase amount	Year of commencement of business relationship	Credit Period	Payment Method
						(RMB'000)				
1. . .	Topsun Group[1]	Raw materials, warehousing and processing services	China	Outdoor products	RMB50.0 million	48,060	11.2%	2022	90 days	Bank transfer
2. . .	Supplier E[6]	Processing services	China	Bags and fabric production	approximately RMB0.5 million	42,062	9.8%	2023	60 days	Bank transfer
3. . .	Supplier D[5]	Raw materials	China	Raw material processing	approximately RMB5 million	18,724	4.4%	2018	15 days	Bank transfer
4. . .	Supplier C[4]	Raw materials	China	Outdoor products and fabric production	approximately RMB30 million	13,817	3.2%	2004	60 days	Bank transfer
5. . .	Supplier A[2]	Raw materials	China	Outdoor products and fabric production	approximately RMB13 million	13,503	3.1%	2016	60 days	Bank transfer
	Total					136,166	31.7%			

Eight months ended August 31, 2025

No.	Supplier	Products/ services provided	Location	Background	Scale[8]	Purchase amount	% of our total purchase amount	Year of commencement of business relationship	Credit Period	Payment Method
						(RMB'000)				
1. . .	Supplier E[6]	Processing services	China	Bags and fabric production	approximately RMB0.5 million	39,714	14.8%	2023	60 days	Bank transfer
2. . .	Topsun Group[1]	Raw materials, warehousing and processing services	China	Outdoor products	RMB50.0 million	20,868	7.8%	2022	90 days	Bank transfer
3. . .	Supplier D[5]	Raw materials	China	Raw material processing	approximately RMB5 million	13,454	5.0%	2018	45 days	Bank transfer
4. . .	Supplier A[2]	Raw materials	China	Outdoor products and fabric production	approximately RMB13 million	10,671	4.0%	2016	60 days	Bank transfer
5. . .	Supplier F[7]	Raw materials	China	Fabric production	approximately RMB13.7 million	8,916	3.3%	2007	60 days	Bank transfer
	Total					**93,623**	**34.9%**			

Notes:

1. Topsun Group is a company principally engaged in R&D, manufacturing and sale of leisure outdoor products, investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism.

2. Supplier A was established in 2016. The company is primarily engaged in the production and sale of bags, chemical fibers and apparel.

3. Supplier B was founded in 2013. The company specializes in the production and sale of leisure products, such as bags.

4. Supplier C was established in 1996. The company is mainly engaged in the production and sale of outdoor products and fabric.

5. Supplier D was established in 2001. The company specializes in the processing of aluminum alloy profiles.

6. Supplier E was established in 2022. The company is primarily engaged in the manufacturing of bags and fabric. All transactions with Supplier E are conducted on an arm's length basis. The ultimate beneficial owner of Supplier E is our former employee who worked with us for many years. The ultimate beneficial owners of Supplier E have no other past or present relationships (family, employment, business, financing, trust, shareholding or otherwise) with our Company or our Company's subsidiaries, respective substantial shareholders, directors or senior management, or any of their respective associates, other than being our supplier. We commenced our collaboration with Supplier E primarily due to the strong alignment between the our product requirements and Supplier E's supply capabilities, as well as the limited number of alternative suppliers located in close proximity to our production plants. Our purchase amount from Supplier E increased from RMB9.9 million in 2023 to RMB42.1 million in 2024, primarily due to our increased procurement need which aligned with our increased sales, driven by the expansion of our sales channel and upgrade of our products, as well as the market's recovery. See "Financial Information — Year Ended December 31, 2024 Compared with Year Ended December 31, 2023 — Revenue."

7. Supplier F was established in 2004. The company focuses on the development and sale of new fabric materials.

8. For a public company, the scale represents its annual revenue; for a private company, the scale represents its registered capital.

To the best of our knowledge, except for Topsun Group, each of our five largest suppliers in each year or period during the Track Record Period was an Independent Third Party. To the best of our knowledge, except for Topsun Group, none of our Directors, their close associates or any Shareholders of our Company, who or which to the knowledge of the Directors owned more than 5% of our Company's issued share capital, had any interest in any of our five largest suppliers in each year or period during the Track Record Period.

OVERLAPPING OF CUSTOMERS AND SUPPLIERS

Topsun Group, one of our five largest customers in each year or period during the Track Record Period, was also one of our five largest suppliers in each respective periods. The services that we procured from Topsun Group were mainly warehousing services and processing services. These purchases amounted to RMB83.1 million, RMB33.7 million, RMB48.1 million and RMB20.9 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 14.2%, 12.8%, 11.2% and 7.8% of our total purchase amounts in the same periods. The products that Topsun Group purchased from us were mainly chairs, bedchairs and other accessories, tents and bags. The revenue arising from such sales amounted to RMB88.8 million, RMB61.0 million, RMB62.0 million and RMB54.4 million in 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively, representing 10.9%, 13.2%, 10.8% and 11.8% of our total revenue in the same periods. Our gross profit relating to such sales to Topsun Group was RMB11.1 million, RMB11.1 million, RMB12.8 million and RMB11.4 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. Our gross profit margin relating to such sales to Topsun Group was 12.5%, 18.2%, 20.7% and 21.2% in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, compared to our overall gross profit margin of 23.2%, 26.6%, 26.6% and 27.7% in the same respective periods. Our sales to and purchases from Topsun Group were not inter-conditional with each other. All of our sales to and purchases from Topsun Group were conducted in the ordinary course of business under normal commercial terms and on an arm's length basis. The terms of our agreements with Topsun Group were generally comparable to those with other suppliers and customers.

Customer B, one of our five largest customers in each year or period during the Track Record Period, was our supplier in 2024. Customer B is a professional sports goods retailer, primarily dealing in outdoor and sports products. Customer B owns a subsidiary corporation, responsible for supplying raw materials to Customer B. Therefore, customer B also supplies raw materials to its customers. The raw materials that we procured from Customer B were mainly fabric. The principal business of Customer B is sales of outdoor products. Customer B typically supplies its exclusive raw materials to its OEM/ODM suppliers, including us, to ensure product quality and material cost control. These purchases were RMB1.6 million, RMB0.6 million, RMB0.9 million and RMB4.2 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 0.3%, 0.2%, 0.2% and 1.6% of our total purchase amounts in the same periods. The products that Customer B purchased from us were mainly chairs, bedchairs and other accessories, tents and bags. The revenue arising from such sales amounted to RMB93.6 million, RMB72.8 million, RMB88.4 million and RMB81.5

million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 11.4%, 15.7%, 15.4% and 17.7% of our total revenue in the same periods. Our arrangement with Customer B was not a bundled or back-to-back trading arrangement.

INFORMATION TECHNOLOGY

Information technology systems are essential to competitiveness and efficient operations. We have instituted a systematic information technology system covering all material aspects of our operations, including raw material procurement, production management, inventory management and order management. Our key information technology systems are set forth below:

- **ERP System.** The procurement of raw materials and production management are primarily supported by our ERP system, which enables closed-loop management of internal business processes, from receiving sales orders, production planning, procurement execution and production management, to the inbound and outbound management of finished products and procurement reconciliation and payments.

- **WMS System.** Inventory management is primarily handled through the Warehouse Management System ("WMS") for materials and finished products, enabling precise management of both material and finished products warehouses. The WMS systems for materials and finished products currently used by the company are self-developed warehouse management systems. These systems facilitate automated inbound and outbound processes for materials and finished products, integrated with PDA scanning tools, improving warehouse staff efficiency and the overall management of warehouses.

- **OMS System.** The order management system ("OMS") is primarily used for managing the order execution process. The OMS currently used is a self-developed order management system that manages the entire order life cycle, from receiving orders, order pricing, order review and agreement signing, to order execution, shipment (including booking, customs declarations and container loading) and, lastly reconciliation and receipt of payments, providing closed-loop management.

- **MES System.** The manufacturing execution system ("MES") integrates with various hardware to automate the calculation of employees' piece-rate wages. The system connects with our intelligent hanger system to collect real-time employee productivity data. It can further access standard working hours and rates for each process through integration with the ERP system. The system establishes order subsidy coefficients, applying models like production ramp-up efficiency and learning curves, to calculate real-time piece-rate wages. Additionally, the piece-rate wage inquiry terminal in the system allows employees to check their wages in real-time, significantly boosting work motivation.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any information technology system failure or downtime that had a material adverse effect on our business operations.

INTELLECTUAL PROPERTY

Intellectual property is fundamental to our success and competitiveness. As of the Latest Practicable Date, we held 86 patents and 72 trademarks in the PRC as well as other intellectual property rights overseas. For details, see "Appendix IV — Statutory and General Information — Further Information About Our Business — Intellectual Property Rights."

We rely on a combination of patent, copyright, trademark and trade secret protection laws in the PRC and other jurisdictions along with confidentiality procedures and contractual provisions to safeguard our intellectual property rights.

Our Intellectual Property Management Policy provides a structured approach to managing and protecting our intellectual property assets. This policy establishes detailed procedures applicable to all technological development projects within our Company, including the assessment of patent application feasibility and the implementation of confidentiality measures, thereby facilitating the timely protection of our intellectual property. Additionally, we require all R&D personnel to maintain and submit technical documentation in compliance with applicable laws, regulations and internal policies.

To prevent infringement of third-party intellectual property rights, we have implemented preventative measures and contractual safeguards. Our policy mandates that all written agreements contain clauses for intellectual property protection with specific provisions on the allocation of rights. In cases of potential infringement, the policy sets forth clear procedures for gathering evidence, assessing impact and determining appropriate responses including initiating industrial and commercial complaints, pursuing litigation or reporting to regulatory authorities.

We did not have any material disputes or any other pending legal proceedings of intellectual property rights with third parties during the Track Record Period and up to the Latest Practicable Date. We believe that we have taken reasonable measures to prevent infringement of our intellectual property rights.

COMPETITION

We primarily compete with other fishing-related equipment manufacturers in China and globally. The fishing gear manufacturing industry in China is relatively fragmented, with the top five fishing gear manufacturers holding an aggregate market share of 10.4% in terms of revenue in 2024, according to Frost & Sullivan. We ranked second in China's fishing gear manufacturing industry in terms of revenue in 2024, with a market share of 1.8%, according to the same source. Within the fishing-related equipment manufacturing industry, we are the largest fishing-related equipment manufacturer globally with a market share of 23.1%, as well as the largest fishing-related equipment manufacturer in China with a market share of 28.4%, both in terms of revenue, according to Frost & Sullivan.

Grounded on our product design and development capabilities, advanced production technologies and integrated supply chain management, we believe we are well-positioned to further consolidate our leadership in the fishing-related equipment industry. By continuing to leverage our expertise, scale and reputation, we aim to expand both domestically and globally, while meeting the evolving demands of our customers and maintaining our competitive edge in the market. See "Industry Overview."

RISK MANAGEMENT AND INTERNAL CONTROL

We have put in place a set of internal control and risk management procedures to address various potential operational, financial, legal and market risks identified in relation to our operations. We also periodically review these procedures to ensure their effectiveness. To ensure the ongoing implementation of our risk management policies and corporate governance measures in compliance with applicable laws, regulations and policies, we have adopted the following measures:

Compliance Risk Management

We prudently adhere to relevant law, industrial regulations and policies. Our Legal Audit Department serves as the leading entity in compliance risk management, responsible for formulating compliance risk management policies and providing guidance, supervision and coordination for various departments in conducting compliance risk management activities. We conduct periodic analysis and evaluation of the operational efficiency and risks of each department. In case any potential deficiencies or weaknesses are identified within the management processes, we instantly propose risk mitigation strategies, ensuring timely rectification.

Financial Risk Management

To ensure transparency and compliance in our financial activities, we employ external audits and an internal authorization and approval system. Our finance department regularly convenes meetings to discuss financial policies and issues, encouraging staff participation in training programs to enhance professional competencies. We have developed a robust budget management system and internal accounting rules. Through monthly management reports we assess the risks and performance of our business activities, supporting informed decision-making processes.

Information Safety and Data Privacy Risk Management

To ensure the security of sensitive data and the protection of our Company's information, we have implemented a specialized software system designed to monitor data compliance. The system facilitates differentiated management based on the roles and responsibilities of our employees. Employees with access to our Company's core confidential information are required to install encryption software on their working devices and their access to specific network resources is restricted to safeguard the data security of our systems. In the event of employee transfers or departures, we have established standard procedures to manage and protect the data and information related to their operational activities, reinforcing our information security barriers. Our approach ensures that sensitive information remains secure and that any potential risks associated with data handling are mitigated effectively.

Operational Risk Management

To ensure the efficient operation and seamless integration of our operational processes, we have established standardized procedures across the entire business sectors, including procurement, production, R&D and sales. We convene regular meetings both within departments and inter-departmentally to discuss existing issues within the business processes, facilitating timely information updates. We have implemented a prudent internal review mechanism to promptly assess the operational performance of each department and stage. Moreover, we place significant importance on the safety and health of our employees through organizing regular safety education sessions, conducting random safety inspections and maintaining fire safety equipment and other safety production facilities. See "— Environmental, Social and Corporate Governance — Corporate Governance — Occupational Safety and Health."

EMPLOYEES

As of August 31, 2025, we had 1,001 full-time employees, with 988 located in China and 13 in the U.K. The following table sets forth a breakdown of our employees by business function as of the same date:

Business Function	Number of Employees	Percent (%)
Production	777	77.6
R&D	43	4.3
Logistics and Warehousing	48	4.8
Sales and Marketing	51	5.1
Procurement and Supply Chain Management	25	2.5
Product and Design	22	2.2
Administration and Others	35	3.5
Total	**1,001**	**100.0**

Attracting, retaining and motivating qualified employees is critical to our success. We recruit talent through multiple channels, including recruitment websites, agencies and both internal and external referrals. To motivate and retain employees, we provide competitive salaries, comprehensive welfare packages and merit-based incentive schemes that align with individual performance. As required by PRC laws and regulations, we participate in employee social security programs, which include the housing provident fund, pension insurance, medical insurance, maternity insurance, work-related injury insurance and unemployment insurance.

We are committed to employee development and offer a range of training programs for all levels, from entry-level staff to management. New employees undertake induction training to familiarize themselves with our company culture, business and industry, ensuring smoother integration into their roles. Additionally, we offer regular, tailored training sessions to enhance the skills of our existing employees. These programs cover a wide array of areas, including safety protocols, quality control, management skills, legal compliance and professional competency.

We and our subsidiaries have established labor unions to safeguard employees' rights, promote participation in management decisions and mediate any disputes between the company and union members. We have maintained strong, positive relationships with our workforce and did not have any material labor disputes during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

We maintain insurance coverage over our daily operations. Our principal insurance policies primarily include product liability insurance, export credit insurance and property insurance for our production facilities, which we believe cover the major risks in our daily operations. In line with general market practice, we do not maintain certain policies that are not available in the locations where we operate, or that are not generally required by laws. See "Risk Factors — Risks Related to our Business and Industry — We may not have sufficient insurance to cover our business risks." We will continue to review and assess our risk portfolio and make necessary and appropriate adjustments to our insurance plans to align with our needs and with industry practice. According to Frost & Sullivan, our insurance coverage during the Track Record Period and up to the Latest Practicable Date was in line with the industry practice.

During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims in relation to our business.

PROPERTIES

Our headquarters office is located in Zhejiang, China. We own and lease properties in China and lease properties in the U.K. These properties are primarily used for production and office purposes. As of August 31, 2025, we had no single property with a carrying amount of 15% or more of our consolidated total assets. According to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus 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 the Latest Practicable Date, we owned one property in China with an aggregated gross floor area of approximately 38,463.1 sq.m., primarily used for production and office purposes. As of the Latest Practicable Date, we had obtained the land use right certificates for our owned properties.

Leased Properties

As of the Latest Practicable Date, we leased four properties in China with an aggregate gross floor area of approximately 30,703.1 sq.m., which were primarily used for production and office purposes. The leases generally have a term ranging from nine months to one year.

Properties in England

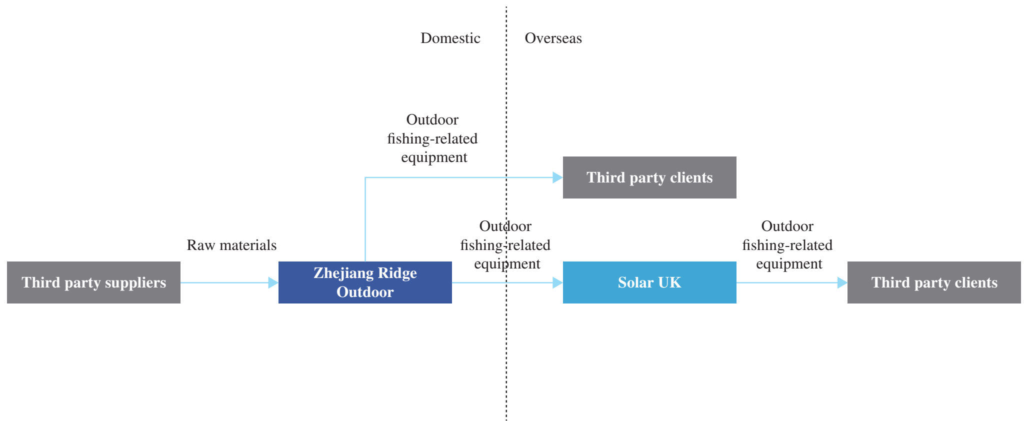
As of the Latest Practicable Date, we leased one property in England with a site area of 361.0 sq.m., which was primarily used for storage and distribution purposes.

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 Guidelines"). According to the OECD Guidelines, our intra-Group transactions should be on an arm's-length basis.

During the Track Record Period, we primarily operated in Chinese Mainland and the UK through our major subsidiaries, Zhejiang Ridge Outdoor and Solar UK. See "History, Reorganization and Corporate Structure — Our Major Subsidiaries."

The following diagram illustrates the intra-group transactions between Zhejiang Ridge Outdoor and Solar UK within the whole value chain during the Track Record Period:



During the Track Record Period, Zhejiang Ridge Outdoor and Solar UK engaged in certain intra-Group cross-border transactions, where Zhejiang Ridge Outdoor undertook research and development, procurement, production, certain after-sale services and general management and administration, while Solar UK sourced most of its fishing-related equipment from Zhejiang Ridge Outdoor and sold these products to third-party customers. The transfer pricing mechanism for the intra-Group cross-border transactions was on a cost plus basis. Our intra-Group cross-border transactions during the Track Record Period were all product sales in nature, amounting to RMB7.8 million, RMB14.0 million, RMB16.6 million and RMB12.2 million in 2022, 2023, 2024 and eight months ended August 31, 2025, respectively.

We have engaged a Transfer Pricing Consultant to provide transfer pricing review on the intra-Group cross-border transactions during the Track Record Period in accordance with the OECD Guidelines.

According to the functional and risk analysis performed by our Transfer Pricing Consultant, comparable uncontrolled price method ("CUP method") is selected to assess whether the transfer pricing arrangements related to the intra-Group cross-border transactions were consistent with the arm's length principle. Our Transfer Pricing Consultant also conducted supplementary test using the Transactional Net Margin Method ("TNMM"), selecting Solar UK as the tested party, to compare the profit level of Solar UK with comparable distributors.

According to the analysis result of CUP method, the gross profit margin derived from the intra-Group cross-border transactions during the Track Record Period was 26.3%, which fell within the full range of the gross profit margin range derived from comparable third-party transactions, which ranges from 15.8% to 26.7%.

According to the analysis result of TNMM method as a supplementary test, the weighted average operating margin of Solar UK from 2020 to eight months ended August 31, 2025 after special factor adjustment was 3.7%, which fell within the inter quartile range of the operating margin derived from the comparable companies, which ranges from 1.6% to 4.9%.

Based on the above analysis, our Transfer Pricing Consultant is of the view that, (i) in accordance with China's transfer pricing regulations and OECD Guidelines, the transfer pricing of our intra-Group cross-border transactions were in line with the arm's length principle; and (ii) our intra-Group transactions with transfer pricing arrangements during the Track Record Period complied with applicable laws and regulations in Chinese Mainland and the UK. Therefore, no potential adverse tax effects of the intra-group cross-border transactions had been identified based on the analysis result, according to our Transfer Pricing Consultant.

In addition, during the Track Record Period, in all tax jurisdictions where our Group's subsidiaries were required to comply with relevant transfer pricing documentation requirements, such subsidiaries had been in full compliance, according to our Transfer Pricing Consultant. Based on the tax filing data, our Group's subsidiaries had no obligations to prepare transfer pricing documentation during the Track Record Period since the threshold of transfer pricing documentation had not been reached. As of the Latest Practicable Date, our Group's subsidiaries had not been requested by any relevant tax authorities to prepare or submit any transfer pricing documentation.

Although benchmarking studies conducted in accordance with OECD Guidelines would generally be followed by all tax jurisdictions involved in our intra-Group transactions with transfer pricing arrangements, it does not have binding effect on any local taxation authorities in the event of transfer pricing controversy. See "Risk Factors — Risks relating to Our Business and Industry — Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the countries and regions where we operate." During the Track Record Period and up to the Latest Practicable Date, we did not receive any demands or challenges from relevant authorities in any jurisdiction for additional tax payment. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any inquiry, audit, investigation or challenge by any relevant tax authorities in Chinese Mainland and UK in relation to our intra-Group cross-border transactions.

We have implemented below internal control policies and procedures relating to transfer pricing, which would be updated periodically:

- Our finance team and management team regularly participate in transfer pricing training sessions organized by tax authorities or professional firms to maintain a comprehensive understanding of regulatory requirements and key tax practices;

- Our management team continuously monitors the transfer pricing arrangements for the intra-group transactions and updates the comparability analysis based on market conditions to ensure compliance with applicable transfer pricing regulations in relevant jurisdictions and the arm's length principle as outlined in OECD Guidelines;

- Our management team closely monitors the scale of transfer pricing transactions to ensure timely preparation and submission of relevant transfer pricing documentation upon reaching the thresholds; and

- If any transfer pricing documents are required for submission to tax authorities, such documents would be prepared by designated personnel and submitted after internal review and approval.

On the basis that (i) such internal control measures are comprehensive and have been well-established, with dedicated personnel being designated to supervise their implementation; and (ii) there had been no non-compliance incidents with the relevant transfer pricing laws and regulations during the Track Record Period and up to Latest Practicable Date, our Directors are of the view, which is concurred by the Sole Sponsor, that such internal control measures are sufficient and effective to ensure ongoing compliance with the relevant transfer pricing laws and regulations.

IMPACTS OF THE U.S. TARIFF POLICIES

The U.S. government has been rolling out a series of tariffs and relevant new policies since 2025, affecting various countries and regions as well as industries. For example, the U.S. announced a series of reciprocal tariffs under the IEEPA authority since 2025. The U.S. Supreme Court is currently considering the legality of the 2025 U.S. IEEPA tariff actions. Lower courts have held that the IEEPA tariff actions are unlawful. The U.S. Supreme Court is expected to issue its ruling in early 2026. If the U.S. Supreme Court finds the IEEPA tariff actions unlawful then refunds may be owed to the U.S. importers from the U.S. government. Our exports to the U.S. are primarily tent products. See "Regulatory Overview – Laws and Regulations of the U.S. – The U.S. Tariff Policies." Based on our export records to the U.S. and the relevant HTSUS codes of our products exported to the U.S., the applicable tariff rates of our the major tent products exported to the U.S. range from approximately 34.5% to 36.3% as of the Latest Practicable Date. Ultimately, however, as noted below, our U.S. customers are acting as the U.S. importers of record and have the legal obligation to pay import duties. In addition, as we are not the U.S. importers of record, we do not possess the actual tariff rates applied to our products exported to the U.S.

Ultimately, substantially all of our contractual obligations with customers for these U.S.-bound sales of products manufactured and packaged in China are structured under Incoterms® 2020 of Free On Board ("FOB"), pursuant to which we are not the importer of record who bears the responsibility for tariffs. In addition, underpinned by our industry-leading position, our U.S. customers had limited number of comparable suppliers of fishing-related equipment which can guarantee stable supply of large-volume and high-quality products. Therefore, we do not expect any short-term decline in demand for our fishing-related equipment from the U.S. customers. As of the Latest Practicable Date, we had not received any order cancellations or requests to suspend delivery of our products due to the U.S. tariffs from any customers. In 2022, 2023, 2024 and the eight months ended August 31, 2025, our revenue from North America was RMB154.1 million, RMB46.2 million, RMB50.0 million and RMB29.7 million, representing 18.8%, 10.0%, 8.7% and 6.5% of our total revenue in the same respective periods.

Based on the above, taking into consideration (i) our revenue from the U.S. accounts for a relatively small proportion, and our revenue and sales volume from North America remained relatively stable in the eight months ended August 31, 2025 compared with the same period of 2024; (ii) our industry-leading position and the limited number of comparable suppliers of fishing-related equipment for the U.S. customers in the fishing-related equipment industry, with no order cancellations or requests to suspend delivery of our products due to the U.S. tariffs from any customers as of the Latest Practicable Date; (iii) our U.S. customers are acting as the U.S. importers of record and have the legal obligation to pay import duties; (iv) our contractual framework with U.S. customers; (v) our stable and long-term relationship with U.S. customers; and (vi) our continuous efforts to mitigate the impact of U.S. tariff, including expansion of our customer base in Europe, Asia and South America, our Directors are of the view and the Sole Sponsor concurs that the recent U.S. tariff policies do not have any significant direct or indirect impacts on our business operations and financial performance.

However, the current U.S. tariff policies still remained highly uncertain. If the U.S. government imposes additional tariff on China in the future, it may increase the end retail price of our product. As a result, certain U.S. customers may choose to procure from other suppliers outside China, potentially affecting our sales volume to the U.S. Therefore, we have taken proactive measures, including (i) expanding global production footprint. In particular, we have conducted thorough market investigations and feasibility studies to expand our production capacity in Southeast Asia. We have also confirmed certain potential suppliers for our local supply chain; (ii) enhancing product competitiveness through optimization of production process to control costs. In particular, we simplify our product structure and adopt standardized and modular designs during product design and development to reduce material costs, enhance production efficiency and improve product quality. In addition, we increased our investment in automated production by employing advanced manufacturing equipment, including laser cutting machines and laser welding machines, to reduce our labor costs and enhance production efficiency; and (iii) diversifying our customer base, to mitigate potential risks. For example, we expanded our customer base in Europe, Asia and South America in 2025. We had 12 new customers in Europe, Asia and South America in the eight months ended August 31, 2025. Our revenue from Europe, Asia and South America increased by 19.2% from the eight months ended August 31, 2024 to the same period of 2025.

LICENSES, PERMITS AND APPROVALS

We are required to obtain a number of licenses, permits, approvals and certificates for our business. As advised by our PRC Legal Advisors, we had duly obtained the requisite licenses, permits, approvals and certificates from applicable authorities which are material to our operations, and such licenses, permits, approvals and certificates are valid and subsisting during the Track Record Period and up to the Latest Practicable Date.

The following chart sets forth the initial grant dates and renewal dates of our material licenses, approvals and permits up to the Latest Practicable Date:

License, Approval or Permit	Initial Date	Renewal Date
Business License(1) (營業執照)	November 1, 2024	No expiration unless we are dissolved, liquidated, declared bankrupt, deregistered, have our business license revoked, annulled, or are ordered to shut down in accordance with the PRC law or the provisions of or articles of association
Record of a Consignee or Consignor of Imported or Exported Goods (進出口貨物收發貨人備案)	July 8, 2022	No expiration unless we are dissolved, liquidated, declared bankrupt, deregistered, have our business license revoked, annulled, or are ordered to shut down in accordance with the PRC law or the provisions of or articles of association
Registration for Foreign Trade Operator(2) (對外貿易經營者備案登記表)	October 13, 2022	N/A
Registration Receipt of Fixed Pollution Source Emission (固定污染源排污登記回執)	April 19, 2023	September 25, 2029

Notes:

(1) We obtained our business license on June 8, 2022. Due to changes in equity, we subsequently completed industrial and commercial registration changes and obtained updated business licenses on September 26, 2022, October 9, 2024 and November 1, 2024.

(2) According to the Foreign Trade Law of the People's Republic of China, passed on December 30, 2022, foreign trade operators engaged in the import and export of goods or technology are no longer required to register for record filing.

We renew the licenses, permits, approvals and certificates from time to time to comply with the relevant laws and regulations. As advised by our PRC Legal Advisors, there is no material legal impediment to renewing our licenses, permits, approvals and certificates required for our operations.

LEGAL PROCEEDINGS AND COMPLIANCE MATTERS

We may from time to time become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral or administrative proceedings, and we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any noncompliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operations. Our Directors are of the view that we had complied, in all material respects, with all relevant laws and regulations in the jurisdictions in which we operated during the Track Record Period and up to the Latest Practicable Date.

Social Insurance and Housing Provident Funds

As required by the laws and regulations in the PRC, we participate in various employee social security plans that are administered by local governments, including housing provident fund, pension insurance, medical insurance, maternity insurance, work-related injury insurance and unemployment insurance. During the Track Record Period, we did not make full contribution of amount or full coverage of people of social insurance and housing provident funds for our employees in the PRC, primarily because (i) our OEM/ODM operation typically requires short-term labor occasionally to meet peak order demands, which added complexity to our compliance efforts; (ii) the applicable PRC laws and regulations governing social insurance and housing provident funds are intricate and vary by region, which added complexity to our compliance efforts; and (iii) certain employees were unwilling to pay the social insurance and housing provident funds in full as it requires additional contributions from our employees. Based on the estimation of our Directors, our shortfall of social insurance and housing provident fund contributions was approximately RMB16.4 million, RMB13.3 million, RMB15.4 million and RMB9.5 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively.

As advised by our PRC Legal Advisor, according to applicable PRC laws and regulations, we may be ordered to pay or make up the outstanding social insurance contributions within a prescribed time limit, from the date of default, a daily late fee of 0.05% of the overdue amount may be charged. If the payment is not made within the prescribed time limit, the relevant administrative department may impose a fine ranging from one to three times the unpaid amount. Moreover, according to *the Social Insurance Contribution Collection Measures of Zhejiang Province (《浙江省社會保險費徵繳辦法》)*, in addition to making the overdue payment, we may be imposed by the local tax authority a fine ranging from RMB10,000 to RMB50,000, if we fail to make the overdue payment within a specified period. We may be ordered by the local housing provident fund management center to make the overdue contribution within a prescribed time limit, if the contribution is still not made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement. We may also be ordered by the local housing provident fund management center to consummate the formalities of opening housing provident fund accounts for all our employees within a prescribed time limit, failure to do which may result in a fine ranging from RMB10,000 to RMB50,000.

Our Directors believe that the incident described above would not have a material adverse effect on our business, financial condition and results of operations, taking into consideration that: (i) during the Track Record Period and up to the Latest Practicable Date, we were not subject to any complaints, disputes or litigations from employees and administrative penalties with respect to the payment of social insurance and housing provident funds; (ii) our Controlling Shareholder and Zhejiang Topsun Industrial have undertaken to, pursuant to the terms and conditions of their confirmation, indemnify us against any losses and penalties which we may suffer as a result of the failure of our Group to comply with relevant laws, rules, and regulations governing social insurance and housing provident fund contributions; (iii) we have obtained confirmation letters issued by the relevant authorities confirming that no administrative penalty was imposed on us in this regard, as confirmed by our PRC Legal Advisor; and (iv) pursuant to the (a) Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Insurance Payment (關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知) promulgated on September 21, 2018 by the Ministry of Human Resources and Social Security, administrative enforcement authorities are prohibited from organizing and conducting, without permission, centralized collection of enterprises' historical social insurance arrears, (b) the Notice of the General Office of the State Administration of Taxation on Properly and Orderly Handling the Administration of Social Insurance Contributions, (《國家稅務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》) promulgated on September 13, 2018, law enforcement inspections must be standardized, and the self-organized collection of arrears for previous years is prohibited, (c) the Notice of the State Administration of Taxation on Implementing Further Measures to Support and Serve the Development of the Private Economy (《國家稅務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》) promulgated on November 16, 2018, no self-organized centralized collection of arrears for previous years shall be carried out for contributors, including private enterprises, and (d) no significant changes have occurred to such policies and their implementations up to the Latest Practicable Date. Based on the foregoing, our PRC Legal Advisor is of the view that the likelihood of our PRC subsidiaries as a whole being fined or requested by the competent authorities to pay any historical outstanding amount of social insurance and housing provident fund contributions or late payment fees for our employees is remote. According to the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor

Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋（二）》) (the "**Interpretation II**") promulgated by the Supreme People's Court on July 31, 2025 and implemented on September 1, 2025, any agreement between an employer and an employee, or any undertaking by the employee, purporting to waive statutory social insurance contributions shall be deemed void by the people's court.

Considering that (i) as advised by our PRC Legal Advisor, the Interpretation II does not repeal any currently effective PRC laws or regulations relating to social insurance, nor does it expand the scope of any applicable penalties relating to social insurance; and (ii) during the Track Record Period and up to the Latest Practicable Date, there have been no material employee complaints, reports, or related litigation or arbitration proceedings against our Group, our Directors believe that the Interpretation II has no material adverse impact on our business operation or financial condition.

With respect to the future contribution to social insurance and housing provident fund, we have been continuously educating employees to raise awareness about the importance of contributing to social insurance and the housing provident fund and require all new hires to fully comply with these contributions. While we will continue our efforts in promoting and requiring employees to cooperate in compliance of making full contributions, we have achieved near-complete coverage of social insurance and housing provident fund contributions for our employees as of August 31, 2025.

In addition, as required by the laws and regulations in the PRC, a company that enters into an employment contract with an employee shall be the one to make the social insurance and housing provident fund contribution in full for the employee. During the Track Record Period, we engaged third party to make contributions of social insurance and housing provident fund for some of our employees. As advised by our PRC Legal Advisor, we may be ordered to pay employees' social insurance and housing provident funds under our own official accounts rather than under the accounts of other parties. As of the Latest Practicable Date, we had paid nearly full coverage of our employees' social insurance and housing provident funds under our own official accounts. As advised by our PRC Legal Advisor, the likelihood of our PRC subsidiaries as a whole being fined or requested by the competent authorities to pay any historical outstanding amount of social insurance and housing provident fund contributions, or late payment fees, due to our practice of paying employees' social insurance and housing provident funds under third parties' accounts, is remote.

To monitor our compliance with relevant laws and regulations in respect of social insurance and housing provident fund contributions, we have taken the following internal control measures: (i) we have updated our employee handbook to comply with relevant PRC laws and regulations; (ii) we have strengthened the recruitment process to ensure new hires cooperate to make full contribution; (iii) we have designated our human resource department to conduct regular inspections on the compliance of contributions to social insurance and housing provident funds; and (iv) we plan to consult our PRC Legal Advisor on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant PRC laws and regulatory developments, including but not limited to PRC laws and regulations in relation to social insurance and housing provident funds, and will provide relevant employees with legal compliance trainings relating to the same.

Legal Proceeding with Anhui Kangsitai Textile Technology Co., Ltd.

In 2023, we had a dispute with Anhui Kangsitai Textile Technology Co. ("**Kangsitai**"), one of our fabric suppliers, regarding raw material quality and overdue payment. In December, 2024, Kangsitai filed a lawsuit against us, claiming for settlement of overdue payment totalling RMB1.1 million. In May 2025, Deqing People's Court ruled in favor of Kangsitai and requested our Company to pay the overdue payment of RMB1.1 million. In June 2025, we appealed to Huzhou Intermediate People's Court. As of the Latest Practicable Date, our appeal to Huzhou Intermediate People's Court has been withdrawn. After consultation with our PRC Legal Advisor and careful consideration of the adequacy of evidence, we have decided to accept the court's judgment to avoid further diversion of our management's attention. We have settled our payment to Kangsitai according to the court's judgement in December 2025.

The payment suspension was an isolated incident arising from the quality issues with the supplier's raw materials, and was not related to our general accounts payable management or liquidity position. Other than the overdue payment involved in the above lawsuit, our purchases from this supplier have been settled properly during the Track Record Period. We have terminated our collaboration with this supplier in December 2023. Our purchases from Kangsitai were RMB3.8 million, RMB3.0 million, nil and nil in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively, representing 0.6%, 1.1%, nil and nil of our total purchases in the same respective periods. As of December 31, 2023, 2024 and August 31, 2025, we have accrued the related payment of RMB1.1 million to this supplier under trade and other payables in the Historical Financial Information, which could cover our principal exposure under our legal proceeding with Kangsitai. We do not have any other material unrecorded liabilities in relation to our legal proceeding with Kangsitai which required recognition during the Track Record Period.

Taking into consideration that (i) the amount involved in such claim is relatively insignificant compared to our revenue and gross profit during the Track Record Period; (ii) the supplier was not our major supplier (not one of our five largest suppliers in each year or period during the Track Record Period); and (iii) the materials purchased from such supplier during the Track Record Period were mainly fabric materials, for which we have alternative supplies, our Company and our PRC Legal Advisor are of the view that such lawsuit does not have material adverse impact on our business, financial conditions and results of operations.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

We consider environmental, social and corporate governance ("ESG") matters as an integral part of our operations. In line with our core value of being a socially responsible company, we resolutely assume social responsibilities, raise environmental awareness and promote long-term sustainable development. We have implemented a set of policies on the environment, employee welfare and corporate governance, which we believe are in line with industry standards and regulatory requirements. Our Directors believe that the establishment and implementation of ESG principles and practices would enable us to fulfill our mission and strategic objectives while delivering long-term value to our stakeholders. Our Board has primary responsibility for overseeing the development and reporting of our ESG direction and strategy, identifying ESG-related risks and monitoring and evaluating our ESG performance. Moreover, our Board closely monitors evolving ESG-related laws and regulations, updating our ESG measures accordingly to ensure compliance with the latest regulatory requirements.

We have established an ESG management committee ("ESG Committee") to implement the ESG framework, set ESG-related goals and oversee their execution. Our ESG Committee members are appointed by our Directors and senior management. Their key responsibilities include:

- formulating, reviewing and implementing the ESG policies, the short-, medium- and long-term ESG targets and strategies to be approved by the Board;
- integrating the ESG policy into daily business operations;
- identifying, assessing and reporting environmental and social risks and opportunities to the Board;
- preparing the annual ESG report to be reviewed by the Board;
- monitoring the ESG performance of our subsidiaries regularly;
- supervising and reviewing our corporate social responsibility and sustainable development policies, practices, frameworks and management guidelines and providing suggestions for improvement; and
- reviewing our public announcements, disclosures and releases on our corporate social responsibility and sustainable development performance.

ESG is a key consideration in our management discussion. We have been working on setting ESG-related goals and targets in terms of use of resources, emissions, workplace management and supply chain management. Corresponding policies have been made, implemented and updated to achieve these goals and targets. We strive to provide and maintain a safe and healthy working environment whilst complying with all relevant laws and regulations. We also actively undertake our social responsibilities to improve social welfare. We intend to establish a review mechanism comprising our ESG Committee members. This team will report directly to our Board on a regular basis, ensuring that ESG matters receive direct oversight at the highest levels of our Group. We intend to compare the actual performance against these targets on an annual basis to assess our progress and demonstrate the achievability of our goals. Based on our progress, our ESG Committee may adjust our targets as needed. Further, we will analyze both the financial and non-financial impacts of our ESG initiatives. This includes assessing cost savings from reduced energy consumption, the benefits of enhanced brand reputation from our social initiatives and the long-term financial gains from sustainable business practices. These reviews help us to refine our strategies and ensure that our actions not only meet our ESG commitments but also contribute positively to our overall operational performance.

Potential Climate Risks on Our Business Operations and Financial Results

We actively identify and monitor environmental, social and climate-related risks and opportunities that may impact our business, strategy and financial performance and evaluate the magnitude of resulting impact over the short-, medium- and long-term horizon.

Our business is subject to both physical and transition risks due to climate change, which could potentially impact our operational and financial performance in the short, medium and long term. In these regards, we have established contingency plans to address potential emergencies and maximize our efforts to mitigate the potential impacts, ensuring the stability of our production activities.

Physical Risks

In recent years, global climate change has led to more frequent episodes of extreme weather which has brought forward risks to regions worldwide. In particular, heavy rainstorms are observed as a common natural disaster that may pose challenges to our supply chain, product storage and delivery. To mitigate the potential physical risks, we have meticulously established a contingency plan, based on which our emergency leadership group effectively coordinates the efforts and full support of other teams specializing in resource integration, on-site rescue, environmental protection, material dispatch, logistics support, information notification and expert consultation. We conduct regular monitoring of the surrounding environment by collecting information of geography, hydrology and topography to identify physical risks. We periodically regulate and update our emergency equipment supplies to ensure that all emergency reserves are effective and readily available. For example, we routinely conduct inspection on drainage systems and rainwater emergency collection pools in strict compliance with relevant standards to enhance our preparedness for rainstorms. Further, a tiered response mechanism with guidance for action is tailored to the scope and severity of potential natural events.

Transition Risk

Our transition risk is related to the evolving policy landscape and the periodic amendments to environmental laws and industrial regulations in the PRC, which may incur additional compliance costs. We diligently track global trends and China's national strategies for addressing climate change and improving environmental protection. We are committed to closely align with China's future initiatives, enhancing our capacity to respond to climate change and ensuring the long-term sustainability of our operations. We conduct comprehensive training sessions for employees to promptly inform the updated national policies and industrial regulations.

Opportunities

Despite the foregoing physical and transition risks, we have identified opportunities arising from the transition of environmental regulations. The PRC government's consistent efforts to enhance the synergistic efficiency of reducing pollution and carbon in wastewater treatment, significantly improving the water ecology of China. This improves both fishing environments and the fish propagation, we are presented with new opportunities to attract more consumers and expand our domestic market. In addition, our ongoing pursuit of advanced technologies and environmentally friendly practices enables us to achieve sustainable development in the long run. As our consumer base primarily consists of environmentally conscious fishing enthusiasts, our proactive engagement in environmental protection will enhance our brand image, expand our customer base and increase our customer loyalty.

Environmental Protection

We recognize the urgent need to address environmental and ecological challenges and are actively working to align our disclosure with the ISSB Standards. We adhere to the standards set or issued by the relevant PRC environmental laws and regulations in assessing and managing our impact on the environment as a result of our business activities. See "Regulatory Overview — Laws and Regulations on Environmental Protection." We have implemented company-wide environmental policies and standard operating procedures, mainly comprising management systems and procedures relating to raw materials procurement and waste disposal. In addition, we strive to conserve resources, reduce the discharge of waste and pollutants and support initiatives that contribute to the sustainable development.

Metrics and Targets

We closely monitor the metrics indicative of the environmental effects of our business operations and rigorously adhere to the standards and targets established by our management and relevant authorities. These metrics typically include resource consumption, GHG emissions and waste and pollutant management.

Consumption of Resources

We have adopted resource conservation policies and practices in our manufacturing with an emphasis on (i) advancement and automation of the manufacturing processes; (ii) environmentally and ecologically friendly packaging; (iii) supply chain management; and (iv) energy conservation. For example, we have phased out approximately 75 dated sewing machines, resulting in an annual electricity saving of 13.1 MWh. We have also introduced laser cutting machines to replace traditional pipe cutting and drilling processes, resulting in an annual electricity saving of 38.6 MWh.

The following table presents our use of resources for the periods indicated:

		Year ended December 31,			Eight months ended August 31
	Unit	**2022**	**2023**	**2024**	**2025**
Purchased Electricity	kWh	1,713,906	1,757,806	2,573,309	2,057,018
Intensity	kWh/1000 units production	301.85	578.99	536.33	608.88
Water	tonnes	29,100.6	34,265.9	36,330.0	28,262.4
Intensity	tonnes/1000 units production	5.13	11.29	7.57	8.37

Energy and resource consumption in our daily operations is influenced by adjustments in product lines and the transition to electric power. The baseline electricity consumption required to maintain production line operations and the operation of HVAC systems to improve the work environment during summer heatwaves, especially from June to September, results in higher intensity values during periods of lower production. Additionally, the domestic water consumption by factory employees and HVAC system cooling water evaporation has caused fluctuations in total water usage.

Corresponding to our carbon emission reduction target, we aim to reduce annual purchased conventional electricity by 10% within five years starting from 2025. Since our production activities do not consume water, our water consumption is mainly attributed to employee domestic use and factory cleaning. We aim to further reduce our annual water consumption by 5% within five years, using 2024 as the baseline.

GHG Emissions

As part of our climate-related transition plan, we are committed to reducing greenhouse gas ("GHG") emissions and are actively employing various measures to manage our GHG emission. For example, we have incorporated green energy equipment, such as electric forklifts, in our production processes to reduce emissions from the usage of gasoline and diesel fuel. Our main source of our Scope 1 and Scope 2 GHG emissions is electricity consumption. In response, we plan to purchase a new set of rooftop solar power plants or implement other clean energy solutions to reduce our carbon emissions as part of our green production initiative. The management of Scope 3 emissions is also a key part of our low-carbon footprint endeavors. We have made commitments with certain customers to annually reduce the carbon emissions associated with their products.

The following table presents our GHG emissions for the periods indicated:

Scope of GHG emissions	Emission Sources	Unit	Year ended December 31, 2022	2023	2024	Eight months ended August 31 2025
Scope 1 emissions(1) . . .	Combustion of natural gas	tCO_2e	54.01	37.44	42.24	28.57
Scope 2 emissions(2) . . .	Purchased electricity and steam	tCO_2e	983.32	1,006.89	1,473.78	1,177.60
Total		tCO_2e	**1,037.33**	**1,044.33**	**1,516.02**	**1,206.17**
Total Intensity . .		tCO_2e/1000 units production	**0.18**	**0.34**	**0.32**	**0.36**

Notes:

(1) Scope 1 GHG emissions refer to direct emissions from equipment and operations that are owned or controlled by our Company.

(2) Scope 2 GHG emissions refer to indirect emissions resulting from the generation of purchased or acquired electricity, heating, cooling and steam consumed within our Company.

The result of our GHG emissions is calculated based on ISO 14064-1:2018 and IPCC Emission Factor Database. We have begun tracking our Scope 3 GHG emissions. As outlined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), the main sources of our Scope 3 emissions are Purchased Goods and Services (Category 1), primarily from purchased fabrics and metals, and Upstream Transportation and Distribution (Category 4). Based on the emission factors listed in Greenhouse gas reporting: conversion factors 2023, we estimate that our Scope 3 carbon emissions are approximately 212,016 tonnes from January 1 to August 31, 2025. We are working to increase the proportion of renewable raw materials in our purchases and encourage our suppliers to reduce carbon emissions by using renewable energy, in order to control and reduce our Scope 3 emissions.

The fluctuation in GHG emissions during the Track Report Period is primarily attributed to variations in production volume, adjustments to production lines, and especially the additional use of equipment such as HVAC systems during specific months to improve the work environment quality in the factories. Besides, since maintaining the operation of production lines entails a certain level of baseline emissions, during periods of lower production, the emission intensity tends to increase. But the GHG emission intensity in 2024 is lower than that in 2023 at close production volume. Using 2024 as the baseline, we aim to reduce our annual carbon emissions by 20% within five years to meet the SBTi 1.5 °C scenario.

Waste Management

Considering our manufacturing business, we highly focus on the management of our access to resources and the related environmental impacts. We continually advocate for environmentally friendly production solutions, such as adopting plastic-free packaging, utilizing recycled aluminum, iron and polypropylene.

As we procure raw materials for our production, we are committed to considering environmental impacts throughout the entire product lifecycle. See "— Environmental Protection — Supply Chain Management". By 2027, we plan to increase the utilization of recycled iron and aluminum by 10% compared to the level of 2024. We also aim to introduce 20 types of environmentally friendly fabric products and provide key customers with 100% recyclable PE plastic bags as packaging materials by the end of 2027.

We are subject to environmental protection laws and regulations in the PRC. See "Regulatory Overview — Laws and Regulations on Environmental Protection." Considering that our production activities generate waste materials such as waste metal and waste fabrics, we have implemented a range of measures to minimize the environmental impact during our business operations. During the Track Record Period, the actual discharge of waste and pollutants stemming from our production facilities was well below the permitted levels.

We have established and implemented stringent treatment procedures for waste and pollutants from our production facilities:

- *Wastewater*. Our production plants employ a drainage system that separates rainwater from sewage and clean water from contaminated water. Domestic sewage is treated to meet environmental standards before discharging into the sewage treatment plant. No wastewater is generated during the production process. Each year, we engaged a qualified third-party inspection company to monitor our wastewater and provide relevant compliance reports.

- *Waste*. The waste generated from our production activities mainly consists of waste metal and fabric. All waste metal in our production plants is managed in accordance with regulatory requirements, with a general industrial waste ledger established and qualified companies engaged for recycling. The waste fabric is also collected and sold to a recycling company. The recycling rate has reached 100%.

- *Emissions*. Our production plants are equipped with appropriate exhaust gas collection and purification devices to ensure our emissions comply with environmental standards. Each year, we engaged a qualified third-party inspection company to monitor our exhaust gases and provide relevant compliance reports. No other pollutants are generated.

In addition, we have engaged professional services providers to handle household and kitchen waste in a unified manner. There has been no significant fluctuation in the amount of waste generated. During the Track Record Period and up to the Latest Practicable Date, we had complied with environmental laws and regulations applicable for our operations in all material respects. We plan to maintain the 100% recycling rate for waste metal and fabric in the long run.

Supply Chain Management

The environmental impacts caused by the raw materials used in the Group's products, which we have identified, originate mainly from the production processes of metals and fabrics. Mining and processing of metals can lead to land degradation, water pollution, waste discharge and accompanying greenhouse gas emissions. Fabric production processes likewise generate wastewater and pollutants.

We primarily purchase fabric, metal and hardware from our suppliers. As we are committed to sustainability and social responsibility, we have implemented mechanisms and policies to identify, evaluate and manage environmental and social risks throughout our supply chain. We conduct thorough due diligence on all potential suppliers before entering into agreements. This process includes evaluating their operational capabilities, quality assurance systems and production processes. After our collaboration, our suppliers are subject to periodic audits and assessments to ensure ongoing compliance with our environmental and social standards.

We prioritize suppliers who demonstrate a commitment to environmental sustainability. We have established a green supply chain system, requiring our suppliers to comply with environmental regulations and so collectively advance green production practices. This involves not only adhering to legal standards but also actively engaging in sustainable practices that minimize environmental impact. To foster a collaborative approach, we strengthen communication and cooperation with suppliers, customers and the community. This collective effort is aimed at promoting social responsibility across all levels of our operations. For instance, we entered into codes of conduct with our suppliers to ensure their compliance with our ethical and environmental standards. In addition, we work with our customers to promote environmentally friendly products, ensuring that sustainability is a key consideration in the products we offer.

In our supply chain management handbooks, environmental KPIs and relevant certifications of the target raw materials and products are included in our procurement process. We have more preferences to those using recycled material or with better environmental performance. Certifications provided by our suppliers include ISO 14001:2015 Environmental Management System Certificate, Global Recycled Standard (GRS) Scope Certificate, SCS Recycled Content Certification, bluesign® SYSTEM PARTNERSHIP, etc., covering aluminum, iron, fabric and packaging material. We also include an environmental requirements section in the procurement agreement with our suppliers, which covers HSE-related clauses and restrictions on hazardous substances to minimize the environmental impact of the raw materials used for our products.

We also encourage suppliers to participate in ESG oversight. This involves collecting feedback and continually improving our practices based on this input. We have established feedback channels for suppliers and regularly engaged external experts to conduct ESG assessments. These evaluations help us identify areas for improvement and ensure that our ESG practices remain robust and effective.

Corporate Governance

Employee Welfare

To align with our commitment to diversity and inclusion, we have undertaken measures to ensure a diverse workforce. We hire employees based on merit and are committed to providing equal opportunities without regard to gender, age, race, religion, or any other social or personal characteristics. Our workplaces are governed by strict policies to prevent any form of discrimination, physical or verbal harassment. Our employee composition reflected a balance across various demographics, including age and gender. As of August 31, 2025, we had 1,001 full-time employees, with 988 located in China and 13 in the U.K. The following table sets forth a breakdown of our workforce by age and gender as of August 31, 2025:

By Gender	Number of Employees	Percent (%)
Male	528	52.7
Female	473	47.3
Total	**1,001**	**100.0**

By Age	Number of Employees	Percent (%)
Below 30	271	27.0
31-40	298	29.8
41-50	314	31.4
Above 50	118	11.8
Total	**1,001**	**100.0**

We have established clear protocols of Occupational Health Management Policy and Employee Labor Safety and Protection Policy, pursuant to which we have established a comprehensive employee welfare system. Most of our employees are located in China. We provide employees in China with an insurance package as required by PRC laws and regulations. Additionally, we offer annual health checkups, free meals at work and organize team-building trips and activities. We also regularly organize third-party assessments of occupational disease hazards and promptly update and rectify occupational disease prevention measures to ensure employee health and safety.

Our commitment to employee welfare is further evidenced by comprehensive employee development programs. We are committed to offering an equitable, supportive and inclusive workplace environment. We provide a comprehensive remuneration system, offering competitive market-level salaries and job value-based compensation. We conduct regular external market salary surveys and have multiple salary adjustment channels, including annual, performance-based and job promotion adjustments, to increase employee income and steadily improve their living standards. We have also built a dual career development path, offering both professional and managerial routes to facilitate employee career advancement. We provide a complete training curriculum for employees and have established an experienced internal instructor team to enhance internal knowledge exchange and work efficiency.

Occupational Safety and Health

We strive to provide a safe and healthy working environment for all employees. By adhering to labor standards and safety regulations, we focus on increasing our employees' occupational well-being and sense of fulfillment at work. We have established an occupational safety and health management system that prioritizes safety in occupational environments. The system features a multilayered monitoring structure that encompasses all stages and aspects of our production and operations. We have also issued safety and health precautionary policies to specify individual protection requirements. In addition, we engage third-party assessment service to review and evaluate our occupational safety and health system to optimize the system and ensure a sustainable system.

Our occupational safety and health management system emphasizes safety during production activities, and follows a core strategy of Prevention, Education, Arrangement, Remedy and Construction ("PEARC"). With clear assignment of individual roles for all leaders and departments, the system ensures accountability at each management level. Our occupational health leadership group oversees the implementation of prevention and control measures, issues the annual health management plan and implements decisions on employee rewards and penalties. Further, our production plant directors have prime responsibility in each plant to lead the efforts in occupational disease prevention, including appointing a full-time health manager, organizing training, assisting with health check-ups, distributing protective equipment and ensuring the proper use of such equipments. We enforce an accountability tracing mechanism, ensuring individuals are held responsible for any failures in role fulfillment or compliance with regulations. Our comprehensive safety and health management system is certified to internationally recognized standards. See "— Quality Control."

To ensure effective implementation of our occupational safety and health management, we have formulated labor safety and protection guidelines for employees. For instance, we organize mandatory health checkups annually for workers engaged in risky operations. We require occupational disease diagnoses to be reported immediately to the human resources department, with position adjustments and timely treatment provided. Regular or irregular production safety inspections are conducted by the human resources department on a half-yearly basis, and by the production department on a quarterly basis. During the Track Record Period and up to the Latest Practicable Date, we had complied with applicable laws and regulations on occupational health and work safety in all material respects. During the Track Record Period, we did not record any accidents that had a material impact on our business or operations.

Anti-corruption

We are committed to maintaining high standards of integrity in all our business operations. As part of this commitment, we adhere to all relevant anti-bribery and anti-corruption laws, rules and regulations. We have established and rigorously enforce behavior guidelines to regulate the acceptance of gifts and entertainment by employees. Any violations or reports of violations are promptly investigated by our Legal Audit Department. We have implemented stringent internal control measures throughout all stages of our business operations to ensure strict compliance and lawful conduct.

During the Track Record Period and up to the Latest Practicable Date, we had not engaged in, supported or conspired with any individual to commit unlawful activities. No instances of non-compliance with relevant laws and regulations related to corruption, bribery, fraud or money laundering that have a significant impact on us have been identified during this period.

Social Responsibility

We believe that our continuous growth is driven by integrating social values into our business operation. Our commitment to social responsibility extends to active participation in community public welfare activities. By engaging in these initiatives, we contribute to the well-being of the communities in which we operate, reinforcing our role as a responsible corporate citizen.

In line with these values, we have established a "Dream Fund" ("圓夢基金") dedicated to fostering personal and professional development while providing support during challenging times. Each year, we award scholarships to support employees whose children have successfully gained admission to college, reflecting our dedicated support for their family's educational pursuits while rewarding their contribution to us. Furthermore, we provide timely financial assistance to employees having hardships, ensuring that those in need receive the support they require. These initiatives not only demonstrate our genuine care for employees but also reflects our broader sense of social responsibility. We recognize that our employees are our most valuable asset, and are committed to offering comprehensive support that extends beyond the workplace. Whether by facilitating career growth or providing assistance during personal hardships, we strive to be a reliable source of support, helping our employees realize their aspirations and navigate challenges. We believe that such initiatives foster a supportive and motivated workforce, contributing to the sustained growth of our business.

OVERVIEW

Upon Listing, transactions between members of our Group and our connected persons will constitute our transactions of our Company under Chapter 14A of the Listing Rules.

CONNECTED PERSONS

The table below sets forth the connected persons of our Company involved in the connected transactions set out in this section and the nature of their connection with us:

Name of Connected Persons	Connected Relationship
Mr. Yang	Chairman of the Board, one of our non-executive Directors and Controlling Shareholders
Zhejiang Topsun Holding . . .	Zhejiang Topsun Holding is owned as to 99% by Mr. Yang, Chairman of the Board, one of our non-executive Directors and Controlling Shareholders

SUMMARY OF THE TRANSACTIONS

Nature of Transaction	Waiver Sought	Historical Amount	Proposed Annual Cap for the Year Ending December 31, *(RMB million)* 2026	2027
		(RMB in millions)		
Non-exempt Continuing Connected Transaction				
1. Leasing Framework Agreement I.	Announcement requirement	For the year ended December 31, 2022: 0.1 2023: 1.0 2024: 0.9 For the eight months ended August 31, 2025: 0.6	1.0	1.0

Nature of Transaction	Waiver Sought	Historical Amount	Proposed Annual Cap for the Year Ending December 31, *(RMB million)* 2026	2027
		(RMB in millions)		
2. Products and Services Procurement Framework Agreement .	Announcement and independent shareholders' approval requirement			
2.1 Procurement of services		For the year ended December 31, 2022: 55.5 2023: 20.1 2024: 20.7 For the eight months ended August 31, 2025: 11.5	29.0	33.0
2.2 Procurement of products		For the year ended December 31, 2022: 23.5 2023: 11.9 2024: 26.3 For the eight months ended August 31, 2025: 8.5	32.0	36.3
3. Leasing Framework Agreement II	Announcement requirement	For the year ended December 31, 2022: 1.1 2023: 4.6 2024: 4.6 For the eight months ended August 31, 2025: 3.4	5.9	5.9
4. Products Provision Framework Agreement .	Announcement and independent shareholders' approval requirements	For the year ended December 31, 2022: 66.2 2023: 50.3 2024: 55.0 For the eight months ended August 31, 2025: 50.4	80.0	90.0

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have conducted the following transactions in the ordinary and usual course of our business, which will, upon Listing, constitute continuing connected transactions of our Company subject to the annual reporting, announcement and independent Shareholders' approval requirements (as the case may be) under Chapter 14A of the Listing Rules (the "**Continuing Connected Transactions**").

1. Leasing Framework Agreement I

Principal terms

The Company entered into a framework agreement with Zhejiang Topsun Holding (the "**Leasing Framework Agreement**") on January 28, 2026, pursuant to which we will lease properties to Topsun Group for a term less than 12 months each. The initial term of the Leasing Framework Agreement I shall commence on the Listing Date until December 31, 2027. Relevant subsidiaries of both parties will enter into separate underlying agreements for a term of less than 12 months which will set out the specific terms and conditions according to the principles provided in the Leasing Framework Agreement I. As of the Latest Practicable Date, the Company has leased one property to Topsun Group for warehousing use.

Reasons for and benefits of the transaction

During the Track Record Period, we have leased properties to Topsun Group. Compared with Independent Third Parties, Topsun Group has a better understanding of our leasing requirements. We consider that the terms of the Leasing Framework Agreement I are consistent with normal commercial terms and leasing our spared properties to Topsun Group also brings a steady rental income and cash flows to the Group.

Pricing policies

The rents during the leasing term shall be determined on normal commercial terms after arm's length negotiations between the relevant parties and with reference to: (i) the prevailing market rents of similar properties in the same or nearby area or similar locations in the PRC; and (ii) the conditions of the property, including but not limited to its location and the facilities associated with the property, which are in the best interests of our Company and our Shareholders as a whole.

Historical amount

The total rental income from Topsun Group were approximately RMB0.1 million, RMB1.0 million, RMB0.9 million and RMB0.6 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

Annual caps

The total rental income from Topsun Group under the Leasing Framework Agreement I for the two years ending December 31, 2026 and 2027 shall not exceed RMB1.0 million and RMB1.0 million, respectively.

Basis of annual caps

In determining the annual caps for the transactions contemplated under the Leasing Framework Agreement I, we have considered, among other things, the following:

- the historical transaction amount, in particular, the rental income from Topsun Group for the year ended December 31, 2024 amounted to approximately RMB0.9 million;

- the expected demand of Topsun Group for such properties; and

- the expected market rent of the similar properties in the same or adjacent area on normal commercial terms.

2. Products and Services Procurement Framework Agreement

Principal terms

We entered into a framework agreement with Mr. Yang Baoqing (on behalf of Topsun Group and his other associates, together, the "**Products and Service Providers**") on January 28, 2026 (the "**Products and Services Procurement Framework Agreement**"), pursuant to which, our Group will procure I. various supporting and/or ancillary services, including but not limited to (i) warehousing services such as loading and unloading, packing and storage of goods; (ii) processing services such as electrophoresis in accordance with our instruction; (iii) IT services such as software operation and maintenance services; (iv) testing services such as quality testing on fabrics etc.; and (v) other supporting and/or ancillary services such as property management services, and II. products, such as folding table, folding cabinet, heat-pressing fishing bags, and materials such as plastic parts, screws and nuts from the Products and Services Providers. Despite we typically manufacture our products on our own during the whole process, if we consider it cost-effective for our Group to outsource and/or allocate such work to Topsun Group, or to alleviate pressure on our in-house production capacity during peak seasons, we may request Topsun Group to provide certain processing services and/or manufacture certain products, and Topsun Group will then provide the processing services and/or manufacture the required products based on our instructions and requirements. The Group typically procures materials from its suppliers directly as the majority of the materials required by the Group are customized for fishing scenarios. The Group considers it more cost-effective to procure certain materials from Topsun Group taking into account the quality of the materials, the commercial terms it offers are no less favourable than those offered by Independent Third Parties etc., and may from time to time procure such materials that are commonly used in manufacturing and production such as plastic parts, screws and nuts from Topsun Group. The initial term of the Products and Services Procurement Framework Agreement shall commence on the Listing Date until December 31, 2027. Relevant subsidiaries/associates of both parties will enter into separate underlying agreements and/or orders which will set out the specific terms and conditions according to the principals provided in the Products and Services Procurement Framework Agreement. As certain services such as IT services are provided by an associate of Mr. Yang Baoqing rather than the Topsun Group, the Products and Services Procurement Framework Agreement was entered into between the Group and Mr. Yang Baoqing instead of Topsun Group.

Reasons for and benefits of the Transaction

Our Company has been purchasing such supporting and/or ancillary services, products and materials from the Products and Service Providers during the Track Record Period in the ordinary and usual course of our business. Our Group and the Products and Service Providers have established a long-term and stable business relationship, and these Products and Service Providers have acquired a comprehensive understanding of our business and operational requirements. Therefore, we believe it is in the best interest of the Group and our shareholders as a whole to continue to procure such services, products and materials from these Products and Service Providers who are capable of fulfilling our demands with a stable and high quality supply of services, products and accessories on terms which are similar to or better than those offered by Independent Third Parties. In addition, it is currently more cost-effective for the Company to outsource and/or allocate procedural and commoditized work to these Products and Service Providers rather than to maintain its own headcounts for processing such work, and by outsourcing such work to Topsun Group during our peak seasons, we could alleviate pressure on our in-house production capacity, enable effective cost control and enhance our overall production efficiency.

Pricing policies

The fee to be charged by Topsun Group shall be determined through arm's length negotiations between the relevant parties, taking into account factors including (i) the volume of services, products and accessories required, (ii) expected cost and expense to be borne by the Products and Service Providers, and our cost and expense to manufacture the same products, and (iii) the prevailing market price of comparable services, products, and materials. For each type of services, products, and materials under the Products and Services Procurement Framework Agreement, the Group will obtain fee quotes from Independent Third Parties for services, products, and materials of the same or similar type, nature and quality at least on an annual basis and/or before entering into any definitive agreements to ensure the terms offered by the Products and Service Providers are similar to or better than the terms offered by Independent Third Parties under the similar circumstances. Specifically, the purchase price of products and materials is mainly determined with reference to the cost borne by the Topsun Group, the prevailing market rates for comparable materials, and the cost to be incurred by us if we would manufacture such products by ourselves; the pricing of processing services is mainly determined with reference to prevailing market rates for comparable services; the pricing of IT services is mainly determined with consideration given to the costs to be incurred by the Products and Service Provider; the pricing of testing services is determined based on a cost-plus basis.

Historical amounts

The transaction amounts in respect of our procurement of the above various supporting and/or ancillary services, including (i) warehousing services; (ii) processing services; (iii) IT services; (iv) testing services; and (v) property management services and other supporting and/or ancillary services were approximately RMB55.5 million, RMB20.1 million, RMB20.7 million, and RMB11.5 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively. The transaction amounts in respect of our procurement of the above products, such as folding table, folding cabinet, heat-pressing fishing bags, and materials such as plastic parts, screws and nuts were approximately RMB23.5 million, RMB11.9 million, RMB26.3 million and RMB8.5 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

The table below sets forth the transaction amounts for the procurement of services and products for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

	For the year ended December 31, 2022	For the year ended December 31, 2023	For the year ended December 31, 2024	For the eight months ended August 31, 2025
	(RMB in millions)			
Procurement of supporting and/or ancillary services	55.5	20.1	20.7	11.5
Procurement of products	23.5	11.9	26.3	8.5
Total	**78.9**	**32.1**	**47.0**	**20.0**

Note: Any discrepancies in the table above between the total shown and the sum of the amounts listed are due to rounding.

Annual caps

The transaction amounts in respect of our procurement of the above various supporting and/or ancillary services, including but not limited to (i) warehousing services; (ii) processing services; (iii) IT services; (iv) testing services; and (v) property management services and other supporting and/or ancillary services under the Products and Services Procurement Framework Agreement for the two years ending December 31, 2026 and 2027 shall not exceed RMB29.0 million and RMB33.0 million respectively. The transaction amounts in respect of our procurement of the above products, such as folding table, folding cabinet, heat-pressing fishing bags, and materials such as plastic parts, screws and nuts under the Products and Services Procurement Framework Agreement for the two years ending December 31, 2026 and 2027 shall not exceed RMB32.0 million and RMB36.3 million, respectively.

The table below sets forth the annual cap for the procurement of services and products for the two years ending December 31, 2026 and 2027, respectively.

	For the year ended December 31, 2026	**For the year ended December 31, 2027**
	(RMB in millions)	
Procurement of supporting and/or ancillary services	29.0	33.0
Procurement of products	32.0	36.3
Total	**61.0**	**69.3**

Basis of annual caps

In determining the annual caps for the transactions contemplated under the Products and Services Procurement Framework Agreement, we have considered, among other things, the following:

- the historical transaction amounts, in particular, the transaction amount as mentioned above for the year ended December 31, 2024 amounted to RMB47 million;

- the expected increasing demand of such services, products and materials to match the back-office and business operating needs stemming from the expected growth of our business scale along with the development of the global fishing gear industry;

- the global fishing gear industry is under continuous development. According to Frost & Sullivan, the global fishing gear market is expected to continue at a CAGR of 7.1% from 2025 to 2029, with the market size expected to reach RMB194.1 billion in terms of retail sales by 2029; and

- the expected market price of such services and accessories.

3. Leasing Framework Agreement II

Principal terms

The Company entered into a framework agreement with Mr. Yang Baoqing (on behalf of Topsun Group and his other associates, together, the "**Lessors**") on January 28, 2026 (the "**Leasing Framework Agreement II**"), pursuant to which we will lease properties from Lessors for a term less than 12 months each. The initial term of the Leasing Framework Agreement II shall commence on the Listing Date until December 31, 2027. Relevant subsidiaries of both parties will enter into separate underlying agreements for a term of less than 12 months which will set out the specific terms and conditions according to the principles provided in the Leasing Framework Agreement II. As of the Latest Practicable Date, the Company has leased four properties from Lessors, including three properties from Topsun Group, for production and office use and the property leased from Topsun Group for production use is exclusively utilised by the Group.

Reasons for and benefits of the transaction

Our Group leases certain properties from Lessors and we expect that we will continue to lease these properties after the Listing. We believe that it is mutually beneficial and would save our Group administrative costs and time that would otherwise be spent on negotiating and entering into contracts with different Independent Third Party lessors. Further relocation of our existing leased properties to other properties may cause unnecessary disruptions to our business and additional costs and expenses. Our Company is not and will not be bound to lease properties owned by Lessors only. The continuation of these leases is convenient and cost-effective for our Group and is in line with our Group's business needs and economic interests.

Pricing policies

The rents payable by us during the leasing term shall be determined on normal commercial terms after arm's length negotiations between the relevant parties, and the rents shall be in line with or no more than the market rates of properties of comparable size and quality situated in the same locality, which shall be in the best interests of our Company and our Shareholders as a whole.

Historical amount

The total property rents paid/payable were approximately RMB1.1 million, RMB4.6 million, RMB4.6 million and RMB3.4 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

Annual caps

The total property rents under the Leasing Framework Agreement II for the two years ending December 31, 2026 and 2027 shall not exceed RMB5.9 million and RMB5.9 million, respectively.

Basis of annual caps

In determining the annual caps for the transactions contemplated under the Leasing Framework Agreement II, we have considered, among other things, the following:

- the historical transaction amounts;
- our expected increasing demand for such properties in anticipation of increasing production lines to expand our production capacity; and
- the expected market rent of the similar properties in the same or adjacent area on normal commercial terms.

4. Products Provision Framework Agreement

Principal terms

The Company entered into a framework agreement with Zhejiang Topsun Holding (the "**Products Provision Framework Agreement**") on January 28, 2026, pursuant to which, we will provide our products to Topsun Group for its sale to its customers. The initial term of the Products Provision Framework Agreement shall commence on the Listing Date until December 31, 2027. Relevant subsidiaries of both parties will enter into separate underlying agreements and/or orders which will set out the specific terms and conditions according to the principals provided in the Products Provision Framework Agreement.

Reasons for and benefits of the transaction

Some of Topsun Group's customers such as supermarkets and outdoor product retailers (the "**Integrated Customers**"), for their own internal procurement management and cost efficiency purpose, may place orders (the "**Integrated Orders**") with Topsun Group for a wide spectrum of integrated products, including products of Topsun Group and our Group with the volume for our products being relatively modest. While we typically undertake orders on our own, considering (i) the cost to maintain and directly contract with such Integrated Customers; (ii) the cost for such Integrated Customers to switch suppliers, and (iii) Topsun Group will refer the parts of the Integrated Order related to our principal business (the "**Ridge Business Part**") to us and will only be entitled to refer such business opportunities to others if our Company declines to pursue such business opportunities. See "Relationship with Our Controlling Shareholders — Non-competition Undertaking" for details. We consider it in the interests of our Company and Shareholders as a whole to collaborate with Topsun Group to achieve such sales. We are not and will not be bound to collaborate with Topsun Group, and we will only manufacture and provide the required products to Topsun Group for its sales to its customers, if we consider it is in the interests of our Company and Shareholders as a whole. Taking into account the extensive customer base of Topsun Group, such coloration with Topsun Group not only brings our Group additional sales but also the opportunities to expand our reach and further promote our offerings.

Pricing policies

The product fee charged by us shall be determined through arm's length negotiations between the relevant parties taking into account factors including the price offered by Integrated Customers, market price of the relevant products, our cost and profit margin as well as the price offered by us to our other customers. The pricing terms under the Products Provision Framework Agreement shall be in line with the market rates and in the best interests of our Company and our Shareholders as a whole.

Historical amounts

The transaction amounts in respect of the sale of the above products by us were approximately RMB66.2 million, RMB50.3 million, RMB55.0 million and RMB50.4 million for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

Annual caps

The transaction amounts in respect of the sale of the above products by us under the Products Provision Framework Agreement for the two years ending December 31, 2026 and 2027 shall not exceed RMB80.0 million and RMB90.0 million, respectively.

Basis of annual caps

In determining the annual caps for the transactions contemplated under the Products Provision Framework Agreement, we have considered, among other things, the following:

- The historical transaction amount of the total fee charged by our Group over the Ridge Business Part for the year ended December 31, 2024 amounted to approximately RMB55.0 million;

- the expected market price of our Products;

- the global fishing gear industry is under continuous development. According to Frost & Sullivan, the global fishing gear market is expected to continue at a CAGR of 7.1% from 2025 to 2029, with the market size expected to reach RMB194.1 billion in terms of retail sales by 2029;

- the expected increasing demand from such Integrated Customers along with the expected increasing popularity of our products and the business development of our Group along with the development of the global fishing gear industry.

LISTING RULES IMPLICATIONS

In respect of the transactions under the Leasing Framework Agreement I and the Leasing Framework Agreement II, as the highest applicable percentage ratio for each of the two years ending December 31, 2026 and 2027 calculated for the purpose of Chapter 14A of the Listing Rules is expected to be more than 0.1% but less than 5% on an annual basis, such transactions will, upon Listing, constitute continuing connected transactions of our Company subject to the annual reporting and announcement requirements under the Listing Rules.

In respect of the transactions under the Products and Services Procurement Framework Agreement and the Products Provision Framework Agreement, as the highest applicable percentage ratio for each of the two years ending December 31, 2026 and 2027 calculated for the purpose of Chapter 14A of the Listing Rules is expected to be more than 5% on an annual basis, such transactions will, upon Listing, constitute continuing connected transactions of our Company subject to the annual reporting, announcement and the independent Shareholders' approval requirements under the Listing Rules.

INTERNAL CONTROL MEASURES

Our Group has an independent internal control, accounting and financial management system as well as an independent finance department which makes financial decisions according to our Group's own business needs. See "Relationship with Our Controlling Shareholders" for further details of the independence of our Group.

In order to ensure that the terms under relevant framework agreements for the continuing connected transactions are fair and reasonable, or no less favorable than terms available to or from Independent Third Parties, and are carried out under normal commercial terms, we have adopted the following internal control procedures:

- our various internal departments will be responsible for the control and daily management in respect of the continuing connected transactions;

- our various internal departments will be jointly responsible for evaluating the terms under the framework agreement for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;

- our various internal departments will regularly monitor the fulfillment status of the annual caps and the transaction updates under the framework agreements; and

- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmation to ensure that, in accordance with the Listing Rules, the transactions are conducted in accordance with the terms of the framework agreements, on normal commercial terms and in accordance with the relevant pricing policies.

CONFIRMATION BY DIRECTORS

The Directors (including independent non-executive Directors) are of the view that the above continuing connected transactions have been entered into in the ordinary and usual course of business of our Group and on normal commercial terms or better that are fair and reasonable and in the interests of our Company and our Shareholders as a whole; and the proposed annual caps for such continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

CONFIRMATION BY THE SOLE SPONSOR

Having taken into account (i) the documentation and information provided by the Company; and (ii) due diligence conducted and discussions with the Company, the Sole Sponsor is of the view that the above continuing connected transactions have been entered into in the ordinary and usual course of business of the Group on normal commercial terms or better which are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and the proposed annual caps in respect of such continuing connected transactions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

WAIVERS GRANTED BY THE STOCK EXCHANGE

As the above continuing connected transactions are expected to be carried out on a recurring basis, our Directors consider that strict compliance with the aforesaid announcement and independent Shareholders' approval requirements (as the case may be) will be impractical, and such requirement will lead to unnecessary administrative costs and create an onerous burden on our Group. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, pursuant to Rule 14A.105 of the Listing Rules, waivers from strict compliance with the announcement and independent Shareholders' approval requirements under Rule 14A.35 and Rule 14A.36 of the Listing Rules in respect of each of the above continuing connected transactions (as the case may be), provided that the total amount of transactions for each of the two years ending December 31, 2026 and 2027 will not exceed the relevant proposed annual caps as set out in this section. We will comply with the applicable requirements of the Listing Rules if we exceed the proposed annual caps set out in this section or if there are significant changes in the terms of such transactions.

DIRECTORS

Our Board consists of seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors. The following table sets forth certain information regarding our Directors:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors and senior management
Executive Directors						
Ms. Lei Yang	30	Executive Director and general manager	November 2019	October 18, 2024	Overseeing the execution of the overall strategy, business development and management of our Group	Daughter of Mr. Yang Baoqing
Mr. Wu Guihua (吳桂華)	46	Executive Director and deputy general manager	May 2009	October 18, 2024	Overseeing the production, marketing, and general management of our Group	None
Non-executive Directors						
Mr. Yang Baoqing (楊寶慶)	57	Chairman of the Board and non-executive Director	1993	July 17, 2024	Providing strategic advice on the overall development of our Group	Father of Ms. Lei Yang
Ms. Wen Meixia (溫美霞)	46	Non-executive Director	June 2004	October 18, 2024	Providing strategic advice on the overall development of our Group	None
Independent non-executive Directors						
Mr. Ding Feng (丁鋒)	62	Independent non-executive Director	Date of this prospectus	November 12, 2024 (with effect from the date of this prospectus)	Supervising and offering independent judgment to the Board	None
Mr. Han Hongling (韓洪靈)	49	Independent non-executive Director	Date of this prospectus	November 12, 2024 (with effect from the date of this prospectus)	Supervising and offering independent judgment to the Board	None

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Roles and responsibilities	Relationship with other Directors and senior management
Mr. Shu Yuanchao (舒元超)	37	Independent non-executive Director	Date of this prospectus	November 12, 2024 (with effect from the date of this prospectus)	Supervising and offering independent judgment to the Board	None

Executive Directors

Ms. Lei Yang, aged 30, is an executive Director and the general manager of our Company. She was appointed as an executive Director on October 18, 2024. She is primarily responsible for overseeing the execution of the overall strategy, business development and management of our Group.

Ms. Yang worked at Zhejiang Topsun Digital Technology Co., Ltd. (浙江泰普森數字科技有限公司) as a sales director from November 2019 to June 2022, primarily responsible for the cross-border e-commerce business including cross-border sales of our Group's fishing-related equipment. She joined Zhejiang Ridge Outdoor, one of our Group's major subsidiaries, in July 2022 as the executive director and the deputy general manager and was further appointed as the general manager in July 2024.

Ms. Yang obtained her bachelor's degree in accountancy from the University of Notre Dame in the United States, and her master of science degree in finance from Queen Mary University of London in the United Kingdom in October 2019. Ms. Yang was recognized as "Class A Talent in Zhejiang Province among Foreigners Working in China" (浙江省外國人來華工作A類人才) by Hangzhou Foreign Experts Bureau (杭州市外國專家局) in July 2021.

Mr. Wu Guihua (吳桂華), aged 46, is an executive Director and the deputy general manager of our Company. He was appointed as an executive Director on October 18, 2024. He is primarily responsible for overseeing the production, marketing, and the general management of our Group.

Mr. Wu joined Topsun Group in May 2009 as the general manager of fishing-related equipment business. In June 2022, he joined Zhejiang Ridge Outdoor as the general manager. For the purpose of the Reorganization, he was appointed as the deputy general manager of our Company on July 1, 2024 to continue to oversee the production, marketing, and general management of our Group.

Mr. Wu obtained his bachelor's degree in business administration from the University of South China (南華大學) in the PRC in July 2003 and his master's degree in business administration from Zhejiang University (浙江大學) in the PRC in September 2025.

Non-executive Directors

Mr. Yang Baoqing (楊寶慶), aged 57, is the chairman of the Board and a non-executive Director. He was appointed as a Director in July 2024 and re-designated as a non-executive Director on October 18, 2024. He is primarily responsible for providing strategic advice on the overall development of our Group.

Mr. Yang founded Hangzhou Kangda Leather and Plastic Factory (杭州康達皮塑制品廠) in January 1993 and was the head of factory until December 1995. He then established Hangzhou Hengfeng Leather Products Co., Ltd (杭州恒豐皮革製品有限公司) in December 1995 and had been the general manager since then until July 2002. He then founded Zhejiang Topsun Leisure Products Co., Ltd. (浙江泰普森休閒用品有限公司) in July 2002 and Zhejiang Topsun Holding in September 2007 and has been the president of the former and the director of the latter since their respective establishments. For details of the Group's history, see "History, Reorganization and Corporate Structure." For the purpose of the Reorganization, he was appointed as the chairman of the Board and re-designated a non-executive Director on October 18, 2024 to continue to provide strategic advice on the overall development of our Group.

Mr. Yang graduated from the CEO advanced training course (總裁高級研修班) of Fudan University (復旦大學) in the PRC in December 2003 and his bachelor's degree in business administration through long distance learning program from the China Agricultural University (中國農業大學) in the PRC in January 2021. Mr. Yang was appointed as the vice chairman of China Chamber of Commerce for Import and Export of Light Industrial Products and Arts-Crafts (中國輕工工藝品進出口商會) in March 2011. He was appointed as the executive vice president of the 5th China Federation of Overseas Chinese Entrepreneurs (中國橋商聯合會第五屆理事會常務副會長) in November 2019. He was also appointed as a Standing Committee Member of the 13th Zhejiang Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十三屆浙江省委員會) in January 2023.

Mr. Yang was the legal representative of Hangzhou Kangda Leather and Plastic Factory, a collectively-owned enterprise established under the laws of the PRC on January 30, 1993, which had its business license revoked on October 8, 2003 due to failure to complete annual inspection. Mr. Yang confirmed that there was no wrongful act on his part leading to the revocation of business license of the said factory nor claim that has been initiated against him in connection with such revocation.

Ms. Wen Meixia (溫美霞), aged 46, is a non-executive Director. She was appointed as a non-executive Director on October 18, 2024. She is primarily responsible for providing strategic advice on the overall development of our Group.

Ms. Wen worked at Hangzhou Hengfeng Leather Products Co., Ltd (杭州恒豐皮革製品有限公司) as an accounting clerk from June 2004 to September 2007. Since October 2007, she has been working at Zhejiang Topsun Holding Group Co. Ltd. (浙江泰普森控股集團有限公司) since October 2007, where she currently holds the position of financial director and assistant to chairman of the board.

Ms. Wen obtained her bachelor's degrees in managerial economics, majoring in accounting and finance, from Zhejiang College of Finance & Economics (浙江財經學院), now known as Zhejiang University of Finance & Economics (浙江財經大學) in the PRC in June 2004, and her master's degree in business administration from the Zhejiang University (浙江大學) in the PRC in March 2019. She obtained the registered qualification certificate as a registered tax agent in the PRC from the China Certified Tax Agents Association (中國註冊稅務師協會) in June 2013 and the qualification as a senior accountant from the Zhejiang Senior Accountant Qualification Review Committee (浙江省高級會計師職務任職資格評審委員會) in December 2019.

Independent non-executive Directors

Mr. Ding Feng (丁鋒), aged 62, was appointed as an independent non-executive Director on November 12, 2024, with effect from the date of this prospectus. He is primarily responsible for supervising and offering independent judgment to the Board.

From July 2001 to June 2023, Mr. Ding held various positions including the vice president and senior expert at Bank of Hangzhou Co., Ltd. (杭州銀行股份有限公司), a joint-stock commercial bank incorporated in the PRC and a company listed on the Shanghai Stock Exchange with the stock code of 600926 and formerly known as Hangzhou City Commercial Bank (杭州市商業銀行). Mr. Ding has been serving as an independent director of Hithink Flush Information Network Co., Ltd. (浙江核新同花順網絡信息股份有限公司), a company listed on the Shenzhen Stock Exchange with the stock code of 300033 since May 2024 and of Bank of Huzhou (湖州銀行) since August 2024.

Mr. Ding obtained his master's degree in business administration from the Macau University of Science and Technology (澳門科技大學) in January 2006, his bachelor's degree in business administration through long distance learning program from the China University of Petroleum (中國石油大學) in the PRC in July 2006, and his master's degree in business administration from the Huazhong University of Science and Technology (華中科技大學) in December 2007. He obtained the qualification as an economist from the People's Bank of China (中國人民銀行) in August 1992. In April 2018, he was recognized as one of the Top 10 Investment Bankers (十大傑出投資銀行家) by Bank of Hangzhou. He also attended the training for an independent director of a listed company organized by the Shenzhen Stock Exchange in December 2023.

Mr. Han Hongling (韓洪靈), aged 49, was appointed as an independent non-executive Director on November 12, 2024, with effect from the date of this prospectus. He is primarily responsible for supervising and offering independent judgment to the Board.

Mr. Han has solid experience in accounting. He has been serving as a professor of accounting at the School of Management at the Zhejiang University (浙江大學) in the PRC. He also served consecutively as the deputy director of the department of finance and accounting (財務與會計學系副主任), the academic director of the EMBA Education Center (EMBA教育中心學術主任) and the deputy director of planned finance department (計劃財務處副處長) at the Zhejiang University. He was a senior visiting scholar at the State University of New York.

Mr. Han has ample experience acting as an independent director of listed companies. He served as an independent director and the chairperson of the audit committee at the following companies listed on the Shanghai Stock Exchange: (i) Jinko Power Technology Co., Ltd. (晶科電力科技股份有限公司) (stock code: 601778) from June 2017 to June 2023; (ii) Zhejiang Zheneng Electric Power Co., Ltd, (浙江浙能電力股份有限公司) (stock code: 600023) from January 2018 to January 2024; and (iii) Zhejiang Great Shengda Packaging Co., Ltd (浙江大勝達包裝股份有限公司) (stock code: 603687) from February 2020 to November 2021. Furthermore, he has been an independent director at Hangzhou MDK Opto Electronic Co., Ltd. (杭州美迪凱光電科技股份有限公司), a company listed on the Shanghai Stock Exchange with the stock code of 688079 since July 2019, at Caitong Securities Co., Ltd. (財通證券股份有限公司), a company listed on the Shanghai Stock Exchange with the stock code of 601108 since July 2021 and at Zheshang Development Group Co., Ltd. (浙商中拓集團股份有限公司), a company listed on the Shenzhen Stock Exchange with the stock code of 000906 since February 2024. He is also an external director at Jiangxi Communications Investment Group Co., Ltd. (江西省交通投資集團股份有限公司).

Mr. Han obtained his bachelor's degree in accounting from the Jiangxi Science and Technology Normal University (江西科技師範大學) in the PRC in 2000, his doctor's degree in accounting from the Xiamen University (廈門大學) in the PRC in July 2006. Mr. Han was and has been an expert consultant of the Enterprise Internal Control Standards Committee (企業內部控制標準委員會) under the Ministry of Finance and a member of the Enterprise Accounting Standards Advisory Committee (企業會計準則諮詢委員會) under the Ministry of Finance from April 2019 to December 2020 and since October 2023 respectively. He was admitted as a fellow of the Institute of Public Accountants and a fellow of the Institute of Financial Accountants in July 2024.

Mr. Shu Yuanchao (舒元超), aged 37, was appointed as an independent non-executive Director on November 12, 2024, with effect from the date of this prospectus. He is primarily responsible for supervising and offering independent judgment to the Board.

Mr. Shu served as the principal researcher at Microsoft Corporation, a company listed on the NASDAQ Stock Market under the symbol MSFT from July 2015 to November 2022 and was primarily responsible for engaging in scientific and technological research in the fields of computer systems and networking. Since 2022, Mr. Shu has been a professor and doctoral supervisor of the College of Control Science and Engineering at the Zhejiang University (浙江大學) in the PRC.

Mr. Shu obtained his bachelor's degree in engineering with his major in automation from Nanjing University of Science and Technology (南京理工大學) in the PRC in June 2010. He subsequently obtained his doctor's degree in engineering, specializing in control science and engineering, from the Zhejiang University (浙江大學) in the PRC in June 2015.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table provides information about members of our senior management:

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a senior manager	Roles and responsibilities	Relationship with other Directors and senior management
Ms. Lei Yang . . .	30	Executive Director and general manager	November 2019	November 2024	Overseeing the execution of the overall strategy, business development and management of our Group	Daughter of Mr. Yang Baoqing
Mr. Wu Guihua (吳桂華)	46	Executive Director and deputy general manager	May 2009	November 2024	Overseeing the production, marketing, and general management of our Group	None
Ms. Xue Yuanyuan (薛媛元)	35	Secretary of the Board and joint company secretary	August 2024	August 2024	Overseeing the company secretarial matters of our Group	None
Ms. Gao Shan (高姍)	37	Financial controller	June 2011	November 2024	Overseeing the financial management of our Group	None

Ms. Lei Yang, aged 30, is an executive Director and the general manager of our Company. See "— Executive Directors" above for her biographical details.

Mr. Wu Guihua (吳桂華), aged 46, is an executive Director and the deputy general manager of our Company. See "— Executive Directors" above for his biographical details.

Ms. Xue Yuanyuan (薛媛元), aged 35, has been the secretary of the Board since August 2024 and was appointed as the joint company secretary of our Company on November 12, 2024. She is primarily responsible for overseeing the company secretarial matters of our Group.

Ms. Xue was a research analyst at AME Mineral Economics (Asia) Limited from July 2014 to June 2016 and a research analyst at Bright Smart Securities International (H.K.) Limited (耀才證券國際(香港)有限公司), a wholly owned subsidiary of Bright Smart Securities & Commodities Group Limited (耀才證券金融集團有限公司), a company listed on the Stock Exchange (stock code: 1428) from July 2016 to April 2017. From April 2017 to September 2020, she undertook various positions at the group companies of Haitong International Securities Group Limited (海通國際證券集團有限公司), a company formerly listed on the Stock Exchange with the stock code of 665, with her last position being a vice president. She was a deputy general manager of the investor relations department at China New Higher Education Group Limited (中國新高教集團有限公司), a company listed on the Stock Exchange (stock code: 2001), during September 2020 to May 2022. She subsequently joined SmartMore Corporation Limited (思謀集團有限公司) and was the head of investor relationship and secretary of the board of directors during May 2022 to December 2023.

Ms. Xue obtained her bachelor's degree in finance from the Renmin University of China (中國人民大學) in the PRC in June 2013 and her master of science degree in economics from the Chinese University of Hong Kong (香港中文大學) in Hong Kong in November 2014. She was qualified as a chartered financial analyst from CFA Institute since June 2019 and obtained the Certificate in ESG Investing from CFA Institute in May 2024.

Ms. Gao Shan (高姍), aged 37, was appointed as the financial controller of the Company in November 2024. She is primarily responsible for overseeing the financial management of the Group.

Ms. Gao worked at Zhejiang Topsun Holding Group Co. Ltd. (浙江泰普森控股集團有限公司) from June 2011 to September 2022 as a finance manager being responsible for, among others, the financial management of our fishing-related equipment business. She joined Zhejiang Ridge Outdoor in October 2022 as our financial controller.

Ms. Gao obtained her bachelor's degree in financial management from Zhejiang College of Finance & Economics (浙江財經學院), now known as Zhejiang University of Finance & Economics (浙江財經大學), in the PRC in June 2011. She obtained the certification of tax advisor from the China Certified Tax Agents Association (中國註冊税務師協會) in November 2020 and the certificate as a non-practicing member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in January 2023. She was awarded the title of senior accountant by the Review Committee of Senior Accountant Qualification of Zhejiang Province (浙江省高級會計師資格評審委員會) in December 2025.

GENERAL

Save as disclosed above, none of our Directors and senior management (i) had any other relationship with any of the Directors and senior management; or (ii) had been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this prospectus. Save as disclosed herein, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no other matters with respect to the appointment of our Directors that need to be brought to the attention of the Shareholders, nor is there any information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

JOINT COMPANY SECRETARIES

Ms. Xue Yuanyuan (薛媛元) is the secretary of the Board and was appointed as the joint company secretary of our Company on November 12, 2024. See "— Senior Management" above for her biographical details.

Ms. Wong Wai Yee, Ella (黃慧兒) was appointed as the joint company secretary of our Company on November 12, 2024. Ms. Wong is a director of Company Secretarial Services of Vistra Group, global professional services provider.

Ms. Wong has over 20 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Wong is currently acting as the company secretary or joint company secretary of a few listed companies on the Stock Exchange.

Ms. Wong is a Chartered Secretary, a Chartered Governance Professional and a Fellow of both The Hong Kong Chartered Governance Institute (formerly known as (The Hong Kong Institute of Chartered Secretaries) ("**HKCGI**") and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom. Ms. Wong is a holder of the Practitioner's Endorsement from HKCGI.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant laws and regulations, the Corporate Governance Code and the Listing Rules, our Company has formed three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Mr. Yang Baoqing, Mr. Han Hongling and Mr. Ding Feng. Mr. Han Hongling serves as the chairperson of the Audit Committee. Mr. Han Hongling holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to, the following:

- reviewing and evaluating the work of external auditors;

- monitoring and making recommendations concerning the internal audit work of our Company;
- reviewing and making recommendations concerning the financial reports of our Company;
- evaluating the effectiveness of internal control work;
- ensuring coordination between the management, internal audit department and relevant departments and external auditors; and
- performing other duties and responsibilities as assigned by our Board.

Remuneration Committee

We have established a Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of three Directors, namely Mr. Yang Baoqing, Mr. Han Hongling and Mr. Ding Feng. Mr. Ding Feng serves as the chairperson of the Remuneration Committee. The primary duties of the Remuneration Committee include, but are not limited to, the following:

- reviewing and approving remuneration proposals of members of our senior management in accordance with our Company's policies and objectives as approved by our Board from time to time;
- making recommendations to our Board concerning our Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, including, but not limited to, performance evaluation standards, procedures and evaluation systems;
- conducting the evaluation of the annual performance of all Directors and senior management;
- monitoring remuneration payable to all Directors and senior management;
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and
- performing other duties and responsibilities as assigned by our Board.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of three Directors, namely Mr. Ding Feng, Ms. Lei Yang and Mr. Shu Yuanchao. Mr. Ding Feng serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to, the following:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assisting the Board in maintaining a Board skills matrix, and making recommendations on any proposed changes to the board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become a member of our Board and senior management, and making recommendations to our Board on the selection of individuals nominated for directorships and senior management;
- assessing the independence of independent non-executive Directors;
- making recommendations to the Board on the appointment or reappointment of Directors and succession planning for Directors;
- supporting the Company's regular evaluation of the Board's performance; and
- performing other duties and responsibilities as assigned by our Board.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

We offer our executive Directors and senior management members, who are also the Company's employees, remuneration in the form of salaries, allowances and benefits in kind, discretionary bonuses, equity-settled share-based payments and retirement scheme contributions. Our independent non-executive Directors receive remuneration with reference to their respective agreements, positions and duties, including being a member or the chairperson of Board committees. Our non-executive Directors are not entitled to any director remuneration from our Company.

For the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, the aggregate amount of remuneration paid or payable to our Directors, including salaries, allowances and benefits in kind, discretionary bonuses, equity-settled share-based payments and retirement scheme contributions, amounted to RMB0.6 million, RMB1.1 million, RMB2.8 million and RMB1.1 million, respectively.

Under the arrangement currently in force, we estimate the total remuneration before taxation, including estimated share-based remuneration, to be accrued to our Directors for the financial year ending December 31, 2025 to be approximately RMB1.7 million. The actual remuneration of Directors for the financial year ending December 31, 2025 may be different from the expected remuneration.

For each of the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, there were one, one, two and two Directors among the five highest paid individuals, respectively. The total emoluments for the remaining individuals among the five highest paid individuals amounted to approximately RMB2.9 million, RMB2.7 million, RMB2.0 million and RMB2.0 million, for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively.

During the Track Record Period, no remuneration was paid to our Directors or any of the five highest paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or receivable by, any of our Directors, former directors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the Track Record Period. Save as disclosed above, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the Listing, receive recommendations from our remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and senior management and the performance of our Group.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company expects to comply with the requirements under the Corporate Governance Code set out in Appendix C1 to the Listing Rules after the Listing.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted a Board Diversity Policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the Board Diversity Policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the candidates to our Board, including, but not limited to, gender, skills, age, professional experience, knowledge, cultural background, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors currently consists of two female Directors and five male Directors with a balanced mix of knowledge and skills, including overall management and strategic development, quality assurance and control, finance and accounting and corporate governance in addition to industry experience relevant to our Group's operations and business. They obtained degrees in various majors including accountancy, business administration and finance. We have three independent non-executive Directors with different industry backgrounds, representing more than one third of the members of our Board. Furthermore, our Board has a diverse age and gender representation. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our Board Diversity Policy.

Our Nomination Committee is responsible for reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors. After Listing, our Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness, and, when necessary, make any revisions that may be required and recommend any such revisions to our Board for consideration and approval. The Nomination Committee will also include in annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

MANAGEMENT PRESENCE

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purpose of Rule 8.12 of the Listing Rules.

Accordingly, we have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 8.12 of the Listing Rules. See “Waivers and Exemptions” for further details.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in November 2024, and (ii) understands the requirements under the Listing Rules that are applicable to him or her as a director of a listed issuer under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he had no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his independence at the time of his appointment.

COMPLIANCE ADVISOR

We have appointed Guotai Junan Capital Limited as our Compliance Advisor pursuant to Rules 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company when consulted by us in certain circumstances, including:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might be a notifiable or connected transaction is contemplated, including share issues and share repurchases;

(c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and

(d) where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Hong Kong Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of the appointment of our Compliance Advisor will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

OVERVIEW

As of the Latest Practicable Date, Mr. Yang was (i) indirectly interested in approximately 88.06% of the total issued share capital of the Company through GreatCast, a company wholly owned by him; and (ii) deemed to be interested in approximately 6.71% of the total issued share capital of the Company held by Outrider Partnership, by virtue of his role as the sole shareholder of Taihong, the general partner of Outrider Partnership. Accordingly, Mr. Yang, GreatCast, Taihong and Outrider Partnership constitute our Controlling Shareholders holding in aggregate approximately 94.77% of the total issued share capital of the Company.

Immediately following the completion of the Global Offering, the Controlling Shareholders will in aggregate hold approximately 73.92% of the total issued share capital of the Company. Therefore, Mr. Yang, GreatCast, Taihong and Outrider Partnership will remain as our Controlling Shareholders upon Listing.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Our Principal Business

We are a global leader in the fishing-related equipment industry. We have cultivated a broad product portfolio primarily comprising (i) chairs, bedchairs and other accessories, mainly including fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, for the storage and protection of fishing tackle and tools, primarily including shoulder bags, fishing backpacks, tackle bags, sleeping bags, unhooking mats, rod holdalls and lure bags; and (iii) tents, designed specifically for outdoor fishing activities, including bivvies, social bivvies, shelters, umbrellas and ice fishing tents.

Principal Business of Topsun Group

Zhejiang Topsun Holding, a company established in PRC and owned as to 99.00% by Mr. Yang, is a leading company in the field of leisure outdoor activity product business which is principally engaged in R&D, manufacturing and sale of leisure outdoor products (not including fishing gear), investment, construction and operation of cultural and creative industry park, industrial financial investment and service, and cultural tourism. Majority of Topsun Group's revenue are generated from R&D, manufacturing and sale of leisure outdoor products, under OEM/ODM and OBM model.

Delineation of Business

We believe that our Group's business can be clearly delineated from the business of the Topsun Group. We focus on fishing-related equipment. In terms of revenue in 2024, we ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1%, according to Frost & Sullivan. Our product portfolio primarily encompasses quality fishing-related equipment that offer reliable and well-designed outdoor solutions to anglers of all skill levels. By contrast, Topsun Group is a global and diversified large-scale enterprise group, principally engaged in R&D, manufacturing and sale of leisure outdoor products (not including fishing gear), investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism. The main leisure outdoor products it manufactures include camping bags, camping tents, camping furniture and garden furniture. In particular, save for the transactions under the Products Provision Framework Agreement and the Products and Services Procurement Framework Agreement, Topsun Group is not engaged in manufacturing or sales of fishing gear in any kind and our Group is not engaged in investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism. See "— Products Provision Framework Agreement" and "— Products and Services Procurement Framework Agreement" for further details. Notwithstanding Topsun Group engages in manufacturing and sale of leisure outdoor products mainly including camping bags, camping tents and camping furniture such as camping cart and camping chair, our business and those of Topsun Group are distinct from each other. Specifically, the business of our Group and the Topsun Group can be clearly distinguished, among others, in the following respects:

Industry Positioning

Outdoor equipment refers varieties of products designed for outdoor activities, including camping, bicycling, hiking, climbing, and fishing. Fishing, as compared to camping and hiking, is a completely different outdoor activity. We ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan. Our product portfolio primarily encompasses quality fishing-related equipment that offer reliable and well-designed outdoor solutions designed for the precise and skilled capture of aquatic organisms by anglers of all skill levels. While leisure outdoor products manufactured by Topsun Group are principally designed for camping, a recreational activity in a camp or tent, and hiking, an outdoor activity that involves walking in natural environments, typically on designated trails or paths. In addition to R&D, manufacturing and sale of leisure outdoor products, Topsun Group, as a diversified enterprise group, is also engaged in business such as investment, construction and operation of cultural and creative industry park, industrial financial investment and services, and cultural tourism, which our Group is not engaged in.

Differentiated Scenarios, End Consumers and Direct Customers

Grounded in our deep understanding of user demands, we offer fishing-related equipment to anglers of all skill levels to meet their precise needs in diverse fishing scenarios such as carp fishing, match fishing, lure fishing, fly fishing and ice fishing. While the leisure outdoor products of Topsun Group are normally used in leisure outdoor activities such as camping and hiking. The end consumers of our fishing-related equipment are mostly anglers of all skill levels. In areas including Europe, where we generate majority of our revenue from, angles are required to obtain special license for fishing. Unlike fishing, which typically demands a deep understanding of techniques and aquatic ecosystems, camping is often regarded as a recreational activity that appeals to a broader audience with a lower barrier to entry. The target end consumers of Topsun Group's leisure outdoor products are mostly individuals with interests in camping and hiking. During the Track Record Period, more than half of the revenue of the Group were generated from sales to customers with the principal place of business in Europe, while more than half of the revenue of the Topsun Group were generated from sales to customers with principal place of business in North America. Moreover, the different levels of expertise in fishing and camping leads to distinct direct customer bases for Topsun Group and us. Our direct sales network principally aims at fishing gear brands and fishing gear specialty stores targeting anglers. In contrast, Topsun Group, which specializes in products for camping and hiking, offers its leisure outdoor equipment to camping brands, supermarkets and other outdoor product retailers, aiming at a wider range of consumers interested in hiking and camping. During the Track Record Period and as of the Latest Practicable Date, save for three companies which sell a wide spectrum of outdoor equipments, there is no overlap of direct customers between our Group and Topsun Group. The revenue of the Company generated from transaction with such overlapping direct customer represents approximately less than 16% of the Company's revenue during the Track Record Period.

Differentiated Functions and Features of the Products

Our Group is committed to offering quality fishing products that provide the best user experience. Following the functionality-driven design philosophy, we prioritize practical utility while incorporating industrial design elements through thoughtful structural aesthetics, surface treatment and color selection. Our products are always featured with functionality, comfort and durability for fishing purpose.

Our fishing chairs are specifically designed for anglers. For example, our fishing lounge chair is equipped with a range of expandable accessories such as stable rod pod and handy trays which provide anglers with easy access to the rod and other fishing tackle and allow for fine-tuned personalization to the specific fishing situation and personal preference of the angler. While the camping chair of Topsun Group is designed for camping purpose which isn't able to be equipped with such accessories, therefore cannot function well as a fishing chair. In addition, our fishing lounge chair is equipped with telescopic feet and muddy feet which is specially designed for fishing use considering anglers may often face muddy ground or sloped river bank. While as the camping site is normally relatively flat, the camping chair of Topsun Group is not equipped with such telescopic feet and muddy feet.

In respect of bags, our fishing bags are specifically designed to cater for diverse fishing scenarios, with various unique functions and features such as the top of certain fishing bags could serve as a temporary platform for fishing boxes or as working platform for anglers to tie fishing lines and hang lures etc., and some of our fishing bags adopts upper and lower layered structure allowing for separate storage assisting anglers organizing various items. Moreover, to meet anglers' storage needs of various accessories and lures, we embed fishing tackle boxes into our fishing bags, so that various accessories and lures could be stored in different compartments to improve fishing and storage efficiency. Take one of our representative lure fishing bags as an example, it is designed with large capacity, a maximum of five fishing tackle boxes could be embedded into the bag, the top of it can be a temporary platform for fishing boxes and the bottom of the bags has slip guards to prevent from slipping, offering anglers convenience, mobility and flexibility. While the camping bags of Topsun Group are designed with simple storage function for camping purpose.

Furthermore, to accommodate muddy or rough roads which is common for fishing, our fishing barrow normally adopts a one-wheel or three-wheel design, which can prevent anglers from tipping when using it and ensure flexible and efficient movement and transportation of items by anglers. Under such design, anglers push the barrow to transport items. By contrast, considering the camping site is normally flat, the camping cart of Topsun Group is normally equipped with four wheels and users pull the carts to transport items. To adapt to various terrains and ensure stability, flexible and sufficient carrying capacity, our fishing barrows is detachable and adopt foldable and/or telescopic brackets and baffles, and the wheels are normally pneumatic wheel or solid rubber wheel, while focusing on light weight, the camping carts of Topsun Group adopt bundled folding model, and the wheels are normally made of PVC or polyurethane.

Our fishing tents, commonly known as bivvies or brollies, are designed specifically for fishing activities with various functions ensuring fulfillment of demands in fishing scenarios. Fishing tents are mainly designed for ice fishing and carp fishing. Fishing tents designed for ice fishing feature warmth retention and normally use quilting on the fabric, enabling anglers to fish on the ice and extreme weather conditions. Most camping tents are not made from quilted materials and are not designed for extreme cold weather conditions considering that camping typically occurs in the spring and summer. Our bivvies designed for carp fishing often feature a detachable front door, allowing anglers to sit at the edge of the tent and operate the fishing rods quickly when the fish is hooked. Our bivvies normally have a high top with ample and comfortable room, ensuring sufficient storage of fishing gears, convenient access of anglers, and allowing anglers to comfortably sit or even stand in them. While designed for sleeping in, camping tents of the Topsun Group are generally lower and emphasizes on privacy protection.

In addition, considering anglers normally stays outside for a relatively long period of time and is more likely to encounter extreme weather conditions such as strong winds and heavy rain, to ensure stability in various terrains and protect anglers from such extreme weather conditions, our bivvies are engineered with a stable structure, mainly using high-strength aluminum alloy pole for the frames and durable polyester fabric for the outer surface such as waterproof fabric paired with thick PVC groundsheet to enhance waterproof performance. By contrast, designed for camping, the camping tents of Topsun Group focus on light weight and convenient transportation and normally use fiber glass pole for its frame. Our bivvies far outperform camping tents of Topsun Group in respect of windproof, waterproof and cold protection and our top ten bivvies in terms of sales volume are approximately twice the weight of Topsun Group's top ten camping tents in terms of sales volume on average.

Furthermore, to avoid being detected by fish, our fishing tents are typically colored in dark green, brown-green or camouflage patterns to blend into the environment, creating an optimal fishing setting. Conversely, for safety reasons, camping tents are often brightly colored, enabling individuals to locate their tents quickly and assisting rescuers to find them if they get lost. Moreover, the ground sheets of Topsun Group's camping tents, with a focus on convenience for customers and considering the integrated design, are generally sewn together with the main body of the tents, making it ready to be used upon opening and reducing setup steps. Our fishing tents, on the other hand, have detachable ground sheets which facilitates quick cleaning of mud, bait residues etc. Additionally, fishing often involves humid environments, and the detachable design allows the ground sheets to be dried separately, preventing the main body of the fishing camp from becoming damp and moldy.

Finally, given that fishing typically requires quiet and is not a group activity, our fishing tents are generally compact, accommodating only one to two people at the same time. On the contrary, camping tents can accommodate three to five people since camping tends to be a family or multi-people activity. Featuring these fishing specific functions and design, our top ten bivvies in terms of sales volume are more than three times the price of Topsun Group's top ten camping tents in terms of sales volume on average.

Based on the above, our Directors are of the view that the Group's business operations are clearly separated from those of Topsun Group.

Transactions between our Group and Topsun Group

While we typically undertake orders on our own, historically, some supermarkets and outdoor product retailers (the "**Integrated Customers**") may place orders (the "**Integrated Orders**") with Topsun Group for a wide spectrum of integrated products, including products of Topsun Group and our Group for their internal procurement management and cost efficiency purpose. Topsun Group directs parts of the orders related to our principal business (the "**Ridge Business Part**") to us, mainly including chairs, bedchairs and other accessories. We then manufacture and provide the required products to Topsun Group for its sale to its customers, if we consider it is in the interest of our Company. Since 2024, considering the increasing demand for our products from these Integrated Customers, we negotiated with these Integrated Customers and currently, most of them who placed Integrated Orders with a considerable volume of our products directly contracts with us. In 2024, three former Integrated Customers directly contracted with us and an additional two former Integrated Customers also commenced direct contracting with us during the eight months ended August 31, 2025. The sales revenue generated from these former Integrated Customers amounted to approximately RMB4.2 million in 2024 and RMB6.7 million for the eight months ended August 31, 2025. While the orders placed by some Integrated Customers are mainly for products that are beyond our business scope with only a small portion related to our products, considering (i) the cost to maintain and contract with such Integrated Customers, (ii) the cost for such Integrated Customers to switch suppliers, and (iii) when Topsun Group undertakes such Integrated Orders, it will refer the Ridge Business Part to us and will only be entitled to refer such business opportunities to others if our Company declines to pursue such business opportunities. See "— Non-competition Undertaking" for details. Our Group considers it not beneficial or profitable for us to directly contract with such Integrated Customers and has therefore decided to leverage on Topsun Group's coverage to achieve such sales to end consumers who are outdoor activity hobbyist. Nevertheless, we are not and will not be bound to collaborate with Topsun Group unless after taking into account the pricing and other conditions, we consider it is in the interest of our Company and our Shareholders as a whole.

More than half of the Integrated Customers are located in the United States and Canada, with the remaining from Australia, PRC, Japan, etc. During the Track Record Period, the number of Integrated Customers are 55, 41, 35 and 41, for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, respectively. On January 28, 2026, we entered into the Products Provision Framework Agreement with Topsun Group, pursuant to which we may provide our products to Topsun Group for its sale to its customers, if we consider it is in the interest of our Company and the Shareholders as a whole. See "Connected Transactions" for further details. During the Track Record Period, the sales revenue generated from sales of our products to Topsun Group for sales to the Integrated Customers amounted to RMB66.2 million, RMB50.3 million, RMB55.0 million and RMB50.4 million, representing approximately 8.1%, 10.9%, 9.6% and 11.0% of our sales revenue for the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025 during the Track Record Period. Compared with the fourth quarter of a year, orders from Integrated Customers are typically more concentrated in the first three quarters. Revenue contribution from sales of our products to the Topsun Group for sales to the Integrated Customers amounted to approximately 11.6% for the eight months ended August 31, 2024, and subsequently declined to 9.6% for the year ended December 31, 2024. While the expected caps under the Products Provision Framework Agreement is expected to increase, we expect that such revenue contribution from Topsun Group as a percentage of our total revenue will remain at a similar level.

Based on the foregoing, our Directors believe that the principal businesses of the Group do not, and are not likely to, compete with the businesses of Topsun Group.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, the Directors believe that our Group can conduct our business independently from our Controlling Shareholders and their close associates after the Listing. During the Track Record Period, the Topsun Group did not pay/bear any expense without fully recharged to the Group.

Management Independence

Our business is managed and conducted by our Board and senior management. Upon Listing, our Board will consist of seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors. For more information, please see "Directors and Senior Management."

Our Directors consider that our Board and senior management will function independently from our Controlling Shareholders and their close associates because:

(1) Mr. Yang, one of our Controlling Shareholders, and Ms. Wen Meixia, a senior management of Topsun Group, are non-executive Directors who do not participate in the daily operation of our Group and none of our senior management hold any positions in our Controlling Shareholders and their close associates;

(2) each of our Directors is fully aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit and in the best interests of our Company and our Shareholders as a whole and does not allow any conflict between his/her duties as a Director and his/her personal interest to exist;

(3) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between the Group and our Directors or their respective associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions;

(4) all of our three independent non-executive Directors are independent of the Controlling Shareholders and have extensive experience in their respective areas of expertise. See "Directors and Senior Management." All our independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules to ensure that the decisions of our Board are made only after due consideration of independent and impartial opinions;

(5) our Board has a balanced composition of executive Directors and independent non-executive Directors which ensures the independence of the Board in making decisions affecting our Company. Specifically, (a) our independent non-executive Directors are not associated with any of the Controlling Shareholders or their respective close associates; (b) our independent non-executive Directors account for more than one-third of the Board; and (c) our independent non-executive Directors individually and collectively possess the requisite knowledge and experience and will be able to provide professional and experienced advice to our Company. In conclusion, the Directors believe that our independent non-executive Directors are able to bring impartial and sound judgment to the decision-making process of our Board and protect the interest of our Company and our Shareholders as a whole; and

(6) upon Listing, we will adopt corporate governance measures and sufficient and effective control mechanisms to manage conflicts of interest, if any, between our Group and the Controlling Shareholders, which would support our independent management. Please see "— Corporate Governance Measures" below for further information.

Having considered the above factors, the Directors are satisfied that they are able to perform their managerial roles in our Company independently, and the Directors are of the view that they are capable of managing our business independently from our Controlling Shareholders after the Listing.

Operational Independence

We believe that we can operate our business independently from our Controlling Shareholders and their close associates due to the following reasons:

(1) we hold and enjoy the benefit of all relevant qualifications and licenses necessary to operate our business;

(2) we have a sufficient level of operations, assets, facilities, technologies and employees including R&D employees to support our own listing status and to operate and function independently from our Controlling Shareholders;

(3) we also maintain a comprehensive set of internal control procedures for facilitating the effective operation of our business. With reference to the relevant laws, regulations and rules, we have developed sound corporate governance practice and have adopted our rules of procedure for general meetings, rules of procedure for Board meetings and connected transactions regulations;

(4) we have our own financial department, human resources and administration department and audit department. These departments are led and supervised by our own senior management team. Our senior management report to the Board and make decisions and form business plan and strategies independently from our Controlling Shareholders. In addition, we have our own internal financial procedures and prepare our own financial budget independently; and

(5) we have also adopted a set of corporate governance measures and internal control procedures to maintain effective and independent operation. See the corporate governance measures stipulated under "— Management Independence" and "— Corporate Governance Measures" in this section.

We have entered into a number of transactions with associates of our Controlling Shareholders or their close associates which constitute our connected transactions under Chapter 14A of the Listing Rules upon Listing. See "Connected Transactions" in this prospectus for further details of, and the reasons for entering into, these transactions.

Products Provision Framework Agreement

Among all the connected transactions, we have entered into the Products Provision Framework Agreement with Topsun Group, pursuant to which, we may provide our products to Topsun Group for its sale to its customers, if we consider it is in the interest of our Company and the Shareholders as a whole. See "Connected Transactions" for further details. During the Track Record Period, the sales revenue generated from sales of our products to Topsun Group for sales to the Integrated Customers amounted to RMB66.2 million, RMB50.3 million, RMB55.0 million and RMB50.4 million, representing approximately 8.1%, 10.9%, 9.6% and 11.0% of our sales revenue for each years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025. Given i) we typically undertake orders on our own and are not and will not be bound to provide our products to Topsun Group, unless we consider it is fair and reasonable to do so after taking into account factors including specific requirements from the Integrated Customers, prices offered by the Integrated Customers, order scale, complexity, and estimated costs and expense; ii) we have independent customer base and access to customers as well as sales channel; iii) the expected revenue contribution from such orders are expected to remain at a similar level; and iv) the transactions under the Products Provision Framework Agreement are conducted in the ordinary and usual course of business of our Group and on normal commercial terms, our Directors believe that the connected transactions under the Products Provision Framework Agreement will not give rise to any business dependence or reliance issue between our Company and Topsun Group and is in the interest of our Company and the Shareholders as a whole.

The transaction amount as disclosed under "Business — Sales, Marketing and Customer Service — Our Customers" refers to all procurement of products/services made by and property leased to Topsun Group from or by our Group during the Track Record Period, part of which have been terminated. For example, historically, to explore online sales and considering the cost to maintain its online sales channels, the Group provided its products to Topsun Group for sales through its online stores. Since 2024, the Group has initiated the procedures for the setup of its own online sales channels. The provision of the Group's products to Topsun Group for sales through Topsun Group's online stores had been terminated and all products provided by Group to the Topsun Group are on-sold to the Integrated Customers.

Products and Services Procurement Framework Agreement

In addition, we entered into the Products and Services Procurement Framework Agreement with Mr. Yang, pursuant to which we may procure various supporting and/or ancillary services, including but not limited to (i) warehousing services; (ii) processing services; (iii) IT services; (iv) testing services; and (v) property management service and other supporting and/or ancillary services, products such as folding table, folding cabinet, heat-pressing fishing bags, and materials such as plastic parts, screws and nuts from the Topsun Group and Mr. Yang's other associates (together, the "**Products and Services Providers**"). Despite we typically manufacture our products on our own during the whole process, if we consider it cost-effective for our Group to outsource and/or allocate such work to Topsun Group, or to alleviate pressure on our in-house production capacity during peak seasons, we may request Topsun Group to provide certain processing services and/or manufacture certain products, and Topsun Group will provide the processing services and/or manufacture the required products based on our instructions and requirements. Services provided by these Products and Services Providers and the work outsourced/allocated to Topsun Group do not involve decision-making or strategic thinking, most of them are charged based on volume and/or cost incurred, and it is more cost-effective for our Group to purchase such supporting, procedural or commoditized services from these Products and Services Providers rather than to maintain our own headcounts for processing such work, and by outsourcing such work to Topsun Group during our peak seasons, as well as considering the quality of Topsun Group's work we could alleviate pressure on our in-house production capacity, enable effective cost control and enhance our overall production efficiency. The Group typically procures materials from its suppliers directly as the majority of the materials required by the Group are customized for fishing scenarios. The Group considers it more cost-effective to procure certain materials from Topsun Group taking into account the quality of the materials, the commercial terms it offers are no less favourable than those offered by Independent Third Parties etc., and may from time to time procure such materials that are commonly used in manufacturing and production such as plastic parts, screws and nuts from Topsun Group. As advised by Frost & Sullivan, such services, products and materials provided by these Products and Services Providers are readily available from Independent Third Parties in the market. As such, our Directors believe that entering into the Products and Services Procurement Framework Agreement will not give rise to any business dependence or reliance issue for our Group and is in the interest of our Company and the Shareholders as a whole.

The property leased by the Group from the Topsun Group for production use is exclusively utilised by the Group. The Group's operation is clearly separated from that of the Topsun Group in this regard. See "Connected Transaction — 3. Leasing Framework Agreement II."

Financial Independence

Our Company has established its own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit, and internal control functions independent from our Controlling Shareholders and their close associates, as well as a sound and independent financial system, and makes independent financial decisions according to our own business needs. Our Company maintains bank accounts independently and does not share any bank account with our Controlling Shareholders. Our Company makes tax registration and pays tax independently with its own funds. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently of our Controlling Shareholders and their close associates. We do not expect to rely on our Controlling Shareholders and/or their close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities, bank loans as well as the proceeds from the Global Offering.

Based on the aforesaid, our Directors believe that we are able to maintain financial independence from our Controlling Shareholders and their close associates after the Listing.

NON-COMPETITION UNDERTAKING

For the purpose of the Listing, and in order to avoid any possible future competition between our Group and our Controlling Shareholders and their respective close associates, Mr. Yang (the "**Covenantor**") has executed the Deed of Non-competition in favor of our Group.

Pursuant to the Deed of Non-competition, Mr. Yang undertakes that he shall not, and shall use his best endeavors to procure that his close associates (excluding our Group) shall not, solely or jointly or through representation of any person, enterprise or company, carry on, engage in or make any investment, whether for profit, reward or otherwise in our principal business, namely, fishing-related equipment business and other business we may engage in from time to time (the "**Relevant Business**").

The undertakings mentioned above are conditional upon the Listing becoming unconditional in accordance with the conditions set forth in the section headed "Underwriting." If any of such conditions is not fulfilled on or before the Listing Date, the Deed of Non-competition shall lapse and cease to have any effect.

The Deed of Non-competition does not apply to:

(a) the holding or acquiring of any interest in the shares, securities or equity of any member of our Group; or

(b) the holding or acquiring of any interest in the shares, securities or equity of any company (other than any member of our Group) if:

  (i) any Relevant Business conducted or engaged in by that company or its subsidiaries (or assets relating thereto) accounts for less than 10% of such company's consolidated turnover or consolidated assets, as shown in such company's latest audited consolidated accounts; or

  (ii) the total number of shares, securities and/or equity interest held by the Covenantor and/or his close associates (excluding our Group) in aggregate does not exceed 10% of the total issued shares, securities and/or equity interest of the company in question, and such Covenantor and his close associates (excluding our Group), whether acting singly or jointly, are not entitled to appoint a majority of the directors of that company and that at all times there should exist at least one other shareholder or owner of that company (together, where appropriate, with his/her/its close associates) whose shareholding, securities and/or equity interest in that company should be more than the total shareholding, securities and/or equity interest held by such Covenantor and his close associates (excluding our Group); or

(c) the pursuing of any new investment or other business opportunity which involves the Relevant Business or otherwise competes or may compete with the business of our Group ("**New Business Opportunity**") after our Company has confirmed in writing to the Covenantor or his close associates that our Company or any other relevant member of our Group has declined such New Business Opportunity pursuant to the Deed of Non-competition.

The obligations of the Covenantor under the Deed of Non-competition shall terminate on the date on which (a) the Covenantor ceases to be, directly or indirectly, a Controlling Shareholder of our Company; or (b) the Shares cease to be listed and traded on the Stock Exchange (except for temporary suspension of trading of the Shares on the Stock Exchange due to any reason).

The Covenantor further undertakes to (a) provide an annual confirmation to our Company and our independent board committee consisting of non-interested Directors and independent non-executive Directors (the "**Independent Board Committee**") that the Covenantor has not breached the terms of the Deed of Non-competition; (b) provide all information as requested by our Independent Board Committee for its annual review on the Covenantor's compliance with the Deed of Non-competition; and (c) subject to applicable third-party confidentiality restrictions, allow our Company's representatives and an internationally recognized accounting firm to be appointed by us access to such financial and corporate records as required by our Independent Board Committee to determine whether the Deed of Non-competition has been complied with by the Covenantor. We will disclose decisions on matters reviewed by our Independent Board Committee relating to the enforcement of the Deed of Non-competition in our annual report or, where we consider appropriate, by way of an announcement in compliance with the Listing Rules.

Pursuant to the Deed of Non-competition, the Covenantor further undertakes that if he and/or his close associates (excluding our Group) is offered or becomes aware of any New Business Opportunity, he/it shall notify us in writing and we shall have a right of first refusal in respect of taking up such New Business Opportunity. Our decision as to whether to exercise the right of first refusal or whether to grant our consent to the relevant Covenantor to pursue such New Business Opportunity shall be subject to the approval of our Independent Board Committee. Our Independent Board Committee will decide whether pursuing such New Business Opportunity is in the best interests of our Group. If we decide not to pursue such New Business Opportunity, the Covenantor or his close associates may proceed to pursue such New Business Opportunity.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance to protect the interests of our Shareholders. We would adopt the following corporate governance measures to manage potential conflict of interests between our Group and our Controlling Shareholders:

(a) where a Shareholders' meeting is held for considering proposed transactions in which the Controlling Shareholders have a material interest, the Controlling Shareholders shall abstain from voting on the resolutions and shall not be counted in the quorum for the voting;

(b) where a Board meeting is held for the matters in which a Director has a material interest, such Director shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(c) our Board will consist of a balanced composition of executive and non-executive Directors, including not less than one-third of independent non-executive Directors, to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors, individually and collectively, possess the requisite knowledge and experience. They are committed to providing impartial and professional advice to protect the interests of our minority Shareholders;

(d) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with a Controlling Shareholder or any of his/its associates, our Company will comply with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, reporting and independent shareholders' approval requirements (if applicable) under the Listing Rules;

(e) the Independent Board Committee will review, on an annual basis, compliance with the Deed of Non-competition by the Covenanter and we will disclose decisions on matters reviewed by the Independent Board Committee relating to compliance with and the enforcement of the Deed of Non-competition in our annual report, or, where we consider appropriate, by way of an announcement in compliance with the Listing Rules;

(f) Mr. Yang has undertaken to provide all information requested by our Independent Board Committee for its annual review on each Covenantor's compliance with the Deed of Non-competition.

(g) our Directors (including the independent non-executive Directors) will seek independent and professional opinions from external advisers at our Company's cost as and when appropriate in accordance with the Code on Corporate Governance Practices and Corporate Governance Report as set out in Appendix C1 to the Listing Rules; and

(h) we have appointed Guotai Junan Capital Limited as our Compliance Advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to directors' duties and corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders and/or Directors to protect minority Shareholders' rights after the Listing.

So far as our Directors are aware, immediately following the completion of the Global Offering, the following persons are expected to have an interest and/or short positions in the Shares or underlying Shares which would be required to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, are expected to be, directly or indirectly, interested in 10% or more of the issued Shares carrying rights to vote at general meetings of any other member of our Group:

		Shares held as at the Latest Practicable Date[(1)]		Shares held immediately following completion of the Global Offering[(2)]	
Name of Shareholder	**Nature of interest**	**Number**	**Percentage**	**Number**	**Percentage**
GreatCast[(3)]	Beneficial owner	88,062,400	88.06%	88,062,400	68.69%
Outrider Partnership[(4)] .	Beneficial owner	6,707,600	6.71%	6,707,600	5.23%
Taihong[(4)]	Interest in controlled corporation	6,707,600	6.71%	6,707,600	5.23%
Mr. Yang[(3)(4)(5)]	Interest in controlled corporation	94,770,000	94.77%	94,770,000	73.92%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of 128,205,000 Shares in issue immediately following completion of the Global Offering.

(3) As of the Latest Practicable Date, GreatCast, a company incorporated under the laws of the BVI with limited liabilities, was owned as to 100% by Mr. Yang. Accordingly, Mr. Yang is deemed to be interested in the Shares held by GreatCast for the purpose of the SFO.

(4) As of the Latest Practicable Date, Outrider Partnership, a limited partnership with legal personality established under the laws of the BVI, was owned as to (i) 1.0% by its general partner, Taihong, which was in turn owned as to 100% by Mr. Yang; and (ii) 99.0% by 24 limited partners. Among these 24 limited partners, Mr. Zhang Wentao, a vice president of Zhejiang Topsun Industrial, held 10.14% of the limited partnership interest, Mr. Wu Guihua, our executive Director, held 6.71% of the limited partnership interest, and Ms. Wen Meixia, our non-executive Director, held 5.22% of the limited partnership interest. All of the remaining 21 limited partners, who are all Independent Third Parties, are employees of Topsun Group, and none of them held 10% or more of the limited partnership interest therein as of the Latest Practicable Date. Accordingly, Taihong and Mr. Yang are deemed to be interested in the Shares held by Outrider Partnership for the purpose of the SFO.

(5) Ms. Yuan is the spouse of Mr. Yang and is deemed under the SFO to be interested as to all the Shares in which Mr. Yang is interested.

Save as disclosed above, our Directors are not aware of any other person who will, immediately following completion of the Global Offering, have any interest and/or short positions in the Shares or underlying shares of our Company which would be required to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who will be, directly or indirectly, interested in 10% or more of the issued Shares carrying rights to vote at general meetings of any other member of our Group.

AUTHORIZED AND ISSUED SHARE CAPITAL

As of the Latest Practicable Date, the authorized share capital of our Company was US$500,000 divided into 1,000,000,000 Shares of US$0.0005 each.

The following is a description of the issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately prior to and following completion of the Global Offering.

The issued share capital of our Company immediately following the completion of the Global Offering will be as follows:

	Number of Shares	Aggregate nominal value of Shares	Approximate percentage of issued share capital
		US$	
Shares in issue immediately before the Global Offering	100,000,000	50,000	78.00%
Shares to be issued under the Global Offering	28,205,000	14,102.5	22.00%
Total	**128,205,000**	**64,102.5**	**100.00%**

ASSUMPTIONS

The above tables assume that the Global Offering becomes unconditional and Shares are issued pursuant to the Global Offering. The above tables take no account of any Shares which may be allotted and repurchased by us pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described below or otherwise.

RANKINGS

The Offer Shares will rank *pari passu* in all respects with all Shares currently in issue or to be issued as mentioned in this prospectus, and will qualify and rank equally for all dividends or other distributions declared, made or paid on the Shares on a record date which falls after the date of this prospectus.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Pursuant to the Cayman Companies Act, the Memorandum of Association and the Articles of Association, our Company may from time to time by Shareholders' ordinary resolution (i) increase its share capital; (ii) consolidate and divide its share capital into shares of larger amount; (iii) subdivide its shares into shares of smaller amount; and (iv) cancel any shares which have not been taken or agreed to be taken. In addition, subject to the Cayman Companies

Act, the Memorandum of Association and the Articles of Association, our Company may reduce its share capital or capital redemption reserve by passing a special resolution of our Shareholders. For details, see "Summary of the Constitution of our Company and Cayman Company Law — Articles of Association — 2.5 Alteration of capital" in Appendix III to this prospectus.

Pursuant to the Cayman Companies Act, the Memorandum of Association and the Articles of Association, If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may be varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. For details, see "Summary of the Constitution of our Company and Cayman Company Law — Articles of Association — 2.4 Variation of rights of existing shares or classes of shares" in Appendix III to this prospectus.

Further, our Company will also hold general meetings from time to time as may be required under the Memorandum of Association and the Articles of Association, a summary of which is set out in the section headed "Summary of the Constitution of our Company and Cayman Company Law — Articles of Association — 2.8 Annual general meetings and extraordinary general meetings" in Appendix III to this prospectus.

GENERAL MANDATE TO ISSUE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general mandate to allot, issue and deal with the Shares (including any sale or transfer of treasury Shares) with a total number of Shares of not more than the sum of:

(i) 20% of the total number of Shares in issue immediately following completion of the Global Offering; and

(ii) the total number of Shares repurchased by us (if any) under the general mandate to repurchase Shares referred to below in this section.

This general mandate to issue Shares will expire at the earliest of:

(i) the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next annual general meeting of our Company is required under any applicable laws of the Cayman Islands, the Memorandum of Association or the Articles of Association to be held; or

(iii) the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

Particulars of this general mandate to allot, issue and deal with the Shares (including any sale or transfer of treasury Shares) are set forth under the section headed "Statutory and General Information — 1. Further information about our Company — C. Resolutions of the Shareholders of our Company dated January 27, 2026" in Appendix IV to this prospectus.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate to exercise all our powers to repurchase our own Shares on the Stock Exchange or on any other stock exchange on which our Shares may be listed with a total number of Shares of not more than 10% of the total number of Shares in issue immediately following the completion of the Global Offering.

The repurchase mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which our Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and made in accordance with all applicable laws and the requirements of the Listing Rules. A summary of the relevant Listing Rules is set out under the section headed "Statutory and General Information — 1. Further information about our Company — C. Resolutions of the Shareholders of our Company dated January 27, 2026" in Appendix IV to this prospectus.

The general mandate to repurchase Shares will expire at the earliest of:

(i) the conclusion of the next annual general meeting of our Company unless otherwise renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next annual general meeting of our Company is required by any applicable laws of the Cayman Islands, the Memorandum of Association or the Articles of Association to be held; or

(iii) the date on which it is varied or revoked by an ordinary resolution of our Shareholders in a general meeting.

See the section headed "Statutory and General Information — 1. Further information about our Company — E. Repurchase of our own securities" in Appendix IV to this prospectus for further details.

You should read the following discussion and analysis with our audited consolidated financial information, including the notes thereto, included in Appendix I to this Prospectus. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this Prospectus, including but not limited to the sections headed "Risk Factors" and "Business."

For the purpose of this section, unless the context otherwise requires, references to the 2022, 2023 and 2024 refer to our fiscal years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan. Our product portfolio primarily encompasses quality fishing-related equipment that offers reliable and well-designed outdoor solutions for rest, camping, storage, shelving and transportation to anglers of all skill levels. As of the Latest Practicable Date, leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries across Europe, North America, Australia, South Africa and East Asia, establishing long-term, in-depth relationships with globally renowned outdoor equipment brands such as Decathlon, Pure Fishing, Rapala VMC, FOX, NASH, Preston, Trakker and Ardisam.

While our OEM/ODM operations remain the cornerstone of our business, driving scalability, cost efficiency and customization for global customers, our OBM model, led by Solar, has enabled us to expand into branded, premium product lines. This complementary approach allows us to capture higher margins, foster brand loyalty and diversify our revenue streams. By combining the strengths of both models, we are able to maintain a balanced strategy that strengthens our leadership position in the global fishing-related equipment market while offering exceptional value to customers and partners alike.

In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, our total revenue was RMB818.4 million, RMB463.3 million, RMB573.5 million, RMB391.0 million and RMB460.3 million, respectively, with our gross profit being RMB190.1 million, RMB123.2 million, RMB152.7 million, RMB102.5 million and RMB127.5 million in each respective period. Nevertheless, our gross profit margin increased robustly during the Track Record Period, with 23.2%, 26.6%, 26.6%, 26.2% and 27.7% in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively.

BASIS OF PREPARATION

In preparation for the Listing, we undertook the Reorganization, pursuant to which (i) our Company became the holding company and listing vehicle of our Group and (ii) entities operating the businesses of the Group were aligned to create a unified shareholding and management structure. See "History, Reorganization and Corporate Structure — Reorganization." The Reorganization is treated as a combination of businesses under common control. Accordingly, the Historical Financial Information has been prepared and presented using the merger basis of accounting. See Note 1 of Appendix I to this Prospectus.

The Historical Financial Information (as defined in Appendix I to this Prospectus) has been prepared in accordance with IFRS Accounting Standards.

For the purpose of preparing the Historical Financial Information, all applicable new and revised IFRS Accounting Standards have been adopted for the Track Record Period, except for the new standards or interpretations that are not yet effective for the Track Record Period.

The measurement basis used in the preparation of our Historical Financial Information is the historical cost basis, except for certain financial assets and liabilities that are stated at their fair value.

See Note 1 of Appendix I to this Prospectus.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, materially affected by a number of factors, many of which are beyond our control.

General Factors

Our business and results of operations are impacted by the following main general factors related to the jurisdictions where we operate:

- overall economic growth and per capita disposable income;
- evolving consumption patterns and growth of consumer spending;
- growth and competition environment of the outdoor equipment industry;
- relevant laws and regulations, governmental policies and initiatives; and

- occurrence of force majeure events, outbreak of public health incidents, acts of war, social and economic chaos and natural disasters.

Specific Factors

Our business and results of operations are also affected by a number of key factors specific to our Group, which mainly include:

Our Product Portfolio

Our ability to offer a competitive and diverse product portfolio is crucial for our business performance. We have formed a broad product portfolio primarily comprising (i) chairs, bedchairs and other accessories, (ii) bags and (iii) tents, offering professional outdoor solutions for rest, camping, storage, shelving and transportation. As of August 31, 2025, our product portfolio comprised over 10,000 SKUs of fishing-related equipment ranging from fishing chairs, fishing bed chairs, rod pods, seat boxes, barrows, bivvies, brollies, fishing bags and landing nets, see "Business — Our Products." Leveraging our robust product design and development capabilities, we launched 1,018, 1,215, 1,593 and 1,300 new SKUs in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. Benefiting from our diverse product offerings, robust product design and development capabilities and integrated supply chain, we have rapidly gained market share. In terms of revenue in 2024, we ranked first in the global fishing-related equipment industry in 2024, with a market share of 23.1% in terms of revenue in 2024, according to Frost & Sullivan.

We expect our revenue growth to be driven in part by the continued expansion of our product portfolio. We rolled out 529 SKUs and 561 SKUs of chairs, bedchairs and other accessories in 2023 and 2024, respectively, in line with our increase in revenue generated from chairs, bedchairs and other accessories from RMB240.0 million to RMB290.7 million in the same respective periods. Building on our existing product categories, our expansion will focus on high-potential fishing gears, including rods, reels, baits, lines and hooks. We believe that continuous development in fishing gears will meet the evolving needs of consumers, providing enhanced comfort, convenience and enjoyment in their fishing activities.

Our Sales Network

Our extensive sales network under the OEM/ODM model remains the cornerstone of our revenue. During the Track Record Period, we primarily derived our revenue from the OEM/ODM model. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, the revenue from the OEM/ODM model was RMB769.7 million, RMB417.9 million, RMB529.3 million, RMB359.5 million and RMB428.6 million, respectively, representing 94.1%, 90.2%, 92.3%, 91.9% and 93.1% of our total revenue in the same respective periods. As of the Latest Practicable Date, leveraging our continuous sales and marketing efforts, we sold our products to over 40 countries across Europe, North America, Australia, South Africa and East Asia. Our extensive network enables us to effectively reach a diverse customer base and adapt to varying market demand, establishing long-term and in-depth relationships with globally renowned outdoor equipment brands. Our strong and stable relationships with customers guarantee stable revenue stream.

Our OBM model, led by Solar UK has enabled us to expand into branded and premium product lines. This complementary approach allows us to capture higher margins, foster brand loyalty, and diversify our revenue streams. By combining the strengths of both models, we are able to maintain a balanced strategy that strengthens our leadership position in the global fishing-related equipment market while offering exceptional value to customers and partners alike. Our revenue from the OBM model was RMB33.7 million, RMB39.6 million, RMB41.3 million, RMB29.7 million and RMB30.4 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively, representing 4.1%, 8.5%, 7.2%, 7.6% and 6.6% of our total revenue in same respective periods. Going forward, we expect to enhance the development of our OBM model to strengthen our brand identity, expand our market presence and increase our competitive edge. See "Future Plans and Use of Proceeds."

Our Production Capabilities and Procurement Management

Our robust production capabilities and effective procurement management are key to our financial performance. We have developed comprehensive production capabilities, enabling us to fulfill large-scale customer orders and support ongoing business expansion. Our large-scale production capability enables us to respond effectively to market demand while benefiting from economies of scale. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, our production facilities operated at utilization rates of 86.0%, 78.9%, 80.2%, 79.1% and 78.3%, respectively. See "Business — Our Production." Efficient procurement management is key to our financial performance. In addition, we had raw material costs of RMB379.4 million, RMB202.8 million, RMB252.3 million, RMB174.2 million and RMB193.1 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively, representing 46.4%, 43.8%, 44.0%, 44.6% and 42.0% of our total revenue in same respective periods. Our capabilities in procuring raw materials cost-effectively is crucial for our overall cost management and sustainable growth.

Our flexible production model is designed to efficiently accommodate diverse market demand, offering both scalability and customization. Our versatile production lines and machinery handle various product categories, allowing for the swift processing of different customer orders. We also have adopted an effective procurement management system to control our costs. To mitigate raw material price fluctuations, we regularly analyze market conditions, utilize digital tools for real-time price tracking, establish long-term supplier relationships and sign long-term contracts. We also explore material alternatives, maintain buffer stocks, use hedging mechanisms and diversify procurement sourcing to stabilize costs and ensure supply chain resilience, see "Business — Procurement and Supply Chain Management — Procurement." Benefiting from our effective procurement management system and flexible production capabilities, our cost of sales decreased and our gross profit margin increased during the Track Record. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and

2025, our cost of sales was RMB628.3 million, RMB340.0 million, RMB420.8 million, RMB288.5 million and RMB332.8 million, respectively, our gross profit margin was 23.2%, 26.6%, 26.6%, 26.2% and 27.7%, respectively.

Foreign Currency Fluctuations

Most of our product sales are denominated and settled in USD. As we procured raw materials primarily from suppliers in the PRC, our settlements with suppliers are primarily denominated in RMB. As a result, the fluctuation of exchange rates with foreign currencies could affect our results of operation. We may choose to mitigate the impact of current risks by adjusting the prices of our products and purchasing financial derivatives to hedge the fluctuation of foreign exchange rates. For example, we entered into arrangements with certain banks for mitigating our currency risks arising from receivables denominated in USD. During the Track Record Period, we had a net foreign exchange gain of RMB8.0 million, RMB2.0 million, RMB1.3 million and RMB1.8 million in 2022 and 2024 and in the eight months ended August 31, 2024 and 2025, and a net foreign exchange loss of RMB2.2 million in 2023. We recorded net realized and unrealized loss on derivative financial instruments of RMB1.7 million, RMB7.4 million, RMB3.4 million, RMB3.4 million and nil in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. See Note 26(d) of Appendix I to this Prospectus. We have continually monitored and managed our financial risks related to the fluctuation in foreign exchange rates.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continually evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events that are deemed to be reasonable under the circumstances. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

We set forth below those accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Our material accounting policies, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in Notes 2 and 3 of Appendix I to this Prospectus.

Revenue

Income is classified as revenue when it arises from the sale of goods and the provision of services in our ordinary course of business. Further details of our revenue and other income recognition policies are as follows:

Revenue from Contracts with Customers

We are the principal for revenue transactions and recognize revenue on a gross basis, including the sale of products that are sourced externally. To determine if we act as a principal or as an agent, we consider whether we have control over the products before they are transferred to customers. Control refers to our ability to direct the use and obtain substantially all of the remaining benefits from the products. Revenue is recognized when control over a product or service is transferred to the customer, at the amount of promised consideration to which we are expected to be entitled, excluding those amounts collected on behalf of third parties such as value-added tax or other sales taxes. For the sales of products, revenue is recognized when the customer takes possession of and accepts the products. For the service income, it is recognized in profit or loss when services are rendered.

Revenue from Other Sources and Other Income

Rental income from operating leases. Rental income receivable under operating leases is recognized in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net lease payments receivable.

Interest income. Interest income is recognized using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its gross carrying amount. When calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Government grants. Government grants are initially recognized in the statements of financial position when there is reasonable assurance that they will be received and that we will comply with the conditions attaching to them. Grants that compensate us for expenses incurred are recognized as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

Inventories

Inventories are measured at the lower of cost and net realizable value. Costs are calculated using the weighted average cost formula and comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and any accumulated impairment losses. See Note 2(j)(ii) of Appendix I to this Prospectus. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). Any gain or loss from the disposal of an item of property, plant and equipment is recognized in profit or loss. Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives. Depreciation is generally recognized in profit or loss.

The estimate useful lives for the current and comparative periods are as follows:

Plant and buildings	13 years
Equipment and machinery	5-10 years
Office equipment and furniture	4-5 years
Motor vehicles	5 years
Leasehold improvements	Over the shorter of the lease term or the estimated useful life of the asset

See Note 2(g) of Appendix I to this Prospectus.

Share-based payments

The grant-date fair value of equity-settled share-based payment arrangement granted to the employees by our shareholder is immediately recognised as an employee cost, with a corresponding increase in the capital reserve, if the employee is not required to satisfy a specified vesting condition before becoming unconditionally entitled to the equity instruments granted; or over the vesting period of the awards (if any). For the share-based payment arrangement which is settled by our shareholder of clearly for a purpose other than a payment for the goods or services supplied to our Group, it is not recognised as the share-based payment expenses by our Group.

See Note 2(q)(ii) of Appendix I to this Prospectus.

Trade and Other Receivables

A receivable is recognized when we have an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due. Trade receivables without a significant financing component are initially measured at their transaction price. All receivables are subsequently stated at amortized cost. See Note 2(m) of Appendix I to this prospectus.

Trade and Other Payables

Trade and other payables are initially recognized at fair value. Subsequent to initial recognition, trade and other payables are stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

Contract Liabilities

A contract liability is recognized when the customer pays non-refundable consideration before we recognize the related revenue. See Note 2(t)(i) of Appendix I to this prospectus. A contract liability is also recognized if we have an unconditional right to receive nonrefundable consideration before we recognize the related revenue. In such latter cases, a corresponding receivable is also recognized. See Note 2(l) of Appendix I to this prospectus.

Fair Value Measurement

Fair Value Hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair Value Measurement. The level which a fair value measurement is classified as is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuation — Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

- Level 2 valuation — Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1 and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

- Level 3 valuation — Fair value measured using significant unobservable inputs.

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. Our policy is to recognize transfers between levels of fair value hierarchy as at the end of each reporting period in which they occur.

Fair Value of Financial Assets and Liabilities Carried at Other Than Fair Value

The carrying amounts of the our financial instruments carried at cost or amortized cost were not materially different from their fair values as of December 31, 2022, 2023, 2024 and the eight months ended August 31, 2025.

See Note 26(e) of Appendix I to this Prospectus.

Derivative Financial Instruments

We hold derivative financial instruments to manage our foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Derivatives are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognized in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation.

See Note 2(f) of Appendix I to this Prospectus.

Income tax

Income tax comprises current tax and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Pursuant to the rules and regulations of the Cayman Islands, we are not subject to any income tax in the Cayman Islands. No provision for Hong Kong Profits Tax has been made, as our subsidiary incorporated in Hong Kong did not have assessable profits which are subject to Hong Kong Profits Tax during the Track Record Period. Our subsidiaries incorporated in the PRC are subject to PRC Corporate Income Tax ("CIT") at a statutory rate of 25%. Our subsidiary incorporated in the United Kingdom is liable to UK Corporation Tax at Small Profit Rate of 19%. Under the PRC CIT Law and its relevant regulations, 100% additional tax deduction is allowed for qualified research and development costs during the Track Record Period.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for our subsidiaries. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which we expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

See Note 2(r) of Appendix I to this Prospectus.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

The following table sets forth a summary of our results of operations for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	**2023**	**2024**	**2024**	**2025**
	(RMB in thousands)				
				(Unaudited)	
Revenue	818,412	463,251	573,463	391,042	460,269
Cost of sales	(628,279)	(340,027)	(420,783)	(288,500)	(332,754)
Gross profit	190,133	123,224	152,680	102,542	127,515
Other net income/(loss)	6,267	(9,215)	(1,038)	(1,999)	2,605
Selling and distribution expenses	(12,332)	(14,196)	(16,939)	(10,805)	(14,895)
Administrative expenses	(30,893)	(30,596)	(51,215)	(26,391)	(33,608)
Research and development costs	(523)	(3,906)	(3,538)	(1,984)	(3,821)
(Provision)/reversal of impairment loss on trade receivables	(73)	(274)	(123)	33	(101)
Profit from operations	152,579	65,037	79,827	61,396	77,695
Finance costs	(171)	(359)	(822)	(183)	(3,076)
Profit before taxation	152,408	64,678	79,005	61,213	74,619
Income tax	(38,557)	(15,677)	(19,600)	(14,504)	(18,378)
Profit for the year/period	113,851	49,001	59,405	46,709	56,241

Revenue

Our total revenue decreased by 43.4% from RMB818.4 million in 2022 to RMB463.3 million in 2023, and increased by 23.8% to RMB573.5 million in 2024. Our total revenue increased by 17.7% from RMB391.0 million in the eight months ended August 31, 2024 to RMB460.3 million in the same period of 2025.

Revenue by Product Category

During the Track Record Period, our revenue was mainly from sales of products, such as (i) chairs, bedchairs and other accessories, such as fishing chairs, fishing bedchairs, rod pods, barrows and seatboxes; (ii) bags, such as shoulder bags, fishing backpacks and rod holdalls; and (iii) tents, such as bivvies, social bivvies and shelters. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, our revenue from sales of products was RMB818.3 million, RMB462.3 million, RMB572.5 million, RMB390.4 million and RMB459.7 million, respectively, representing 100.0%, 99.8%, 99.9%, 99.8% and 99.9% of our total revenue in the same respective periods. Revenue from our sales of chairs, bedchairs and other accessories was RMB364.3 million, RMB240.0 million, RMB290.7 million, RMB207.8 million and RMB224.3 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, representing 44.5%, 51.8%, 50.7%, 53.1% and 48.7% of our total revenue in the same respective periods.

The following table sets forth a breakdown of our revenue by product category in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Sales of products										
– Chairs, bedchairs and other accessories	364,316	44.5	240,044	51.8	290,743	50.7	207,758	53.1	224,256	48.7
– Bags	198,342	24.2	108,501	23.4	144,000	25.1	98,532	25.2	131,540	28.6
– Tents	238,338	29.1	105,953	22.9	131,054	22.9	80,923	20.7	101,829	22.1
– Others[1]	17,335	2.2	7,782	1.7	6,735	1.2	3,195	0.8	2,077	0.5
Rental income	81	0.0	971	0.2	931	0.1	634	0.2	567	0.1
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Note:

(1) Others mainly include the sales of raw materials, material processing and sales of Solar products not in the categories of chairs, bedchairs and other accessories, bags and tents.

The following table sets forth a breakdown of our sales volume and average selling price by product category and selling price range for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sales volume in thousand pieces, RMB per piece)									
Chairs, bedchairs and other accessories										
Selling price more than $50	283	531.7	145	618.2	165	627.6	120	610.0	119	672.5
Selling price between $20 and $50	712	214.9	463	223.0	548	222.5	395	220.2	433	228.7
Selling price lower than $20	1,729	35.0	1,248	37.8	1,531	42.4	1,137	41.9	1,188	37.5
Bags										
Selling price more than $25	263	229.5	125	247.0	172	242.6	122	241.1	130	245.6
Selling price between $10 and $25	805	104.0	398	112.8	495	115.5	332	114.7	445	113.9
Selling price lower than $10	1,850	29.3	1,560	21.0	2,318	19.5	1,480	21.0	1,976	24.8
Tents										
Selling price more than $120	109	1,201.0	42	1,430.5	58	1,388.8	34	1,352.0	40	1,450.0
Selling price between $70 and $120	109	629.4	39	664.6	46	666.4	31	673.0	35	706.1
Selling price lower than $70	247	157.0	124	158.9	153	132.4	98	145.5	144	132.4
Others	17	146.5	19	150.4	16	300.9	12	164.0	8	243.2
Total	**6,124**	**131.2**	**4,163**	**109.9**	**5,502**	**103.7**	**3,761**	**103.5**	**4,518**	**101.6**

Note:

(1) Selling price for each product category is measured in USD.

(2) Selling price for products sold under OEM/ODM model represents the price to OEM/ODM customers. Selling price for products sold under OBM model represents the trade price.

Our financial performance was positively impacted during the public health incidents in 2022, aligned with industry trends, as increased consumer interest in fishing due to its low-social-interaction nature drove a surge in demand for our products.

Revenue by Geographic Region

During the Track Record Period, we sold products both in China and overseas markets. Our overseas markets mainly included Europe and North America. Our sales in Europe contributed RMB537.6 million, RMB325.7 million, RMB420.4 million, RMB290.8 million and RMB347.4 million of revenue in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively, representing 65.7%, 70.3%, 73.3%, 74.4% and 75.5% of our total revenue in the same respective periods.

The following table sets forth our revenue breakdown by geographic region based on the locations where our services or products were delivered for the periods indicated in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Europe[1]	537,561	65.7	325,684	70.3	420,435	73.3	290,782	74.4	347,410	75.5
Chinese Mainland[1]	102,983	12.6	78,545	17.0	87,446	15.2	60,726	15.5	70,032	15.2
North America[1]	154,053	18.8	46,228	10.0	49,959	8.7	28,812	7.4	29,736	6.5
Others[2]	23,815	2.9	12,794	2.7	15,623	2.8	10,722	2.7	13,091	2.8
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

The following table sets forth a breakdown of our sales volume by geographic region based on the locations where our services or products were delivered for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(pieces in thousands)				
Europe[1]	4,749	3,281	4,243	2,921	3,743
Chinese Mainland[1]	631	549	842	543	439
North America[1]	419	134	163	116	126
Others[2]	325	199	254	181	210
Total	**6,124**	**4,163**	**5,502**	**3,761**	**4,518**

Notes:

(1) During the Track Record Period, some customers may specify product delivery to countries or regions outside their principal place of business. Therefore, the revenue breakdown by geographic region reflects the location where our services or products were delivered, rather than the customers' principal place of business.

(2) Others refer to Oceania, Africa, South America and Asia-Pacific (excluding Chinese Mainland).

Our revenue by geographic region was primarily impacted by local economic environment and industry conditions. In particular, our revenue generated from Europe decreased by 21.8% from RMB537.6 million in 2022 to RMB420.4 million in 2024, and our revenue generated from North America decreased by 67.6% from RMB154.1 million in 2022 to RMB50.0 million in 2024, while our revenue generated from Chinese Mainland decreased only by 15.1% from RMB103.0 million in 2022 to RMB87.4 million in 2024. Our revenue decrease in Europe and North America was more significant than that in Chinese Mainland, primarily due to differing market dynamics. In 2022, demand from major European and North American customers surged as fishing gained popularity during the public health incidents, driven by fishing's low social interaction needs that aligned with consumer preferences during the public health incidents. However, the shift in consumer behavior along with the phasing out of the public health incidents led to a natural moderation in orders from these regions in 2023 and 2024. Our revenue decline in Chinese Mainland was less significant during the Track Record Period, mainly because certain customers in Chinese Mainland were still at growth stage and were expanding their business, while we also acquired new customers in Chinese Mainland. In 2023, we strategically adjusted our customer structure in Chinese Mainland, focusing on fishing brands and enterprise membership stores. The increased number of new customers in Chinese Mainland partially offset the decrease in revenue from 2022 to 2023, along with the phasing out of the public health incidents. In addition, our revenue from Chinese Mainland increased from RMB78.5 million in 2023 to RMB87.4 million in 2024, primarily due to an increase in number of new customers. In 2022, 2023, 2024 and the eight months ended August 31, 2025, we acquired nil, 4, 13 and 4 new customers in Chinese Mainland, respectively. While we acquired new customers, the purchase volume of these customers still retained at a relatively low level as they were at early stages of operation. Therefore, we still recorded an overall decrease in revenue from Chinese Mainland from 2022 to 2024. This was generally in line with the industry trends that China's emerging market has great growth potential while the markets in Europe and North America were relatively mature.

Our revenue generated from Europe increased by 19.5% from RMB290.8 million in the eight months ended August 31, 2024 to RMB347.4 million in the same period of 2025, and our revenue generated from Chinese Mainland increased by 15.3% from RMB60.7 million in the eight months ended August 31, 2024 to RMB70.0 million in the same period of 2025. The increase in revenue generated from Europe was primarily due to (i) the expansion of our customer base in Europe; and (ii) the increase in procurement from certain major customers in Europe, such as Customer B and Customer D, driven by the market's recovery as well as enhanced product recognition from local markets. The increase in revenue generated from Chinese Mainland was primarily due to the expansion of our customer base in Chinese Mainland in the second half of 2024 as well as our increase in demand of existing customers, driven by our strategic adjustment of customer structure in 2023. Our revenue from North America remained relatively stable at RMB28.8 million in the eight months ended August 31, 2024 and RMB29.7 million in the same period of 2025, primarily due to the variations in demands from different customers in North America, reflecting normal market fluctuation.

Revenue by Sales Channel

During the Track Record Period, we primarily served as an OEM/ODM provider for leading outdoor equipment brands, offering solutions for product design, development and production. We also sold under our own brand Solar, operating the OBM model. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, our revenue from the OEM/ODM model was RMB769.7 million, RMB417.9 million, RMB529.3 million, RMB359.5 million and RMB428.6 million, respectively, representing 94.1%, 90.2%, 92.3%, 91.9% and 93.1% of our total revenue in the same respective periods. Aligned with our ongoing efforts to enhance OBM operation, our revenue from OBM model continually increased from RMB33.7 million in 2022 to RMB39.6 million in 2023 and further to RMB41.3 million in 2024. Our revenue from OBM model remained relatively stable at RMB29.7 million in the eight months ended August 31, 2024 and RMB30.4 million in same period 2025.

The following table sets forth a breakdown of our revenue by sale channel in absolute amount and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)						*(Unaudited)*			
OEM/ODM model	769,719	94.1	417,856	90.2	529,325	92.3	359,483	91.9	428,604	93.1
OBM model	33,732	4.1	39,586	8.5	41,318	7.2	29,736	7.6	30,435	6.6
Others[(1)]	14,961	1.8	5,809	1.3	2,820	0.5	1,823	0.5	1,230	0.3
Total	**818,412**	**100.0**	**463,251**	**100.0**	**573,463**	**100.0**	**391,042**	**100.0**	**460,269**	**100.0**

Note:

(1) Others mainly include the sales of raw materials, material processing and rental income.

The following table sets forth a breakdown of our sales volume and average selling price by sales channel for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sales volume in thousand pieces, RMB per piece)									
OEM/ODM model	5,996	128.4	4,007	104.3	5,382	98.4	3,669	98.0	4,445	96.4
OBM model	128	263.6	156	253.4	120	343.3	92	323.8	73	417.7
Total	**6,124**	**131.2**	**4,163**	**109.9**	**5,502**	**103.7**	**3,761**	**103.5**	**4,518**	**101.6**

Cost of Sales

Our cost of sales was RMB628.3 million, RMB340.0 million, RMB420.8 million, RMB288.5 million and RMB332.8 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. During the Track Record Period, our cost of sales primarily consisted of raw material costs, outsourcing production fees, employment benefit expenses and logistics and processing fees. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, the raw material costs were RMB379.4 million, RMB202.8 million, RMB252.3 million, RMB174.2 million and RMB193.1 million, representing 60.4%, 59.6%, 60.0%, 60.5% and 58.1% of our total cost of sales, respectively.

The following table sets forth a breakdown of our cost of sales by nature in absolute amount and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Raw material costs	379,421	60.4	202,794	59.6	252,269	60.0	174,211	60.5	193,127	58.1
Outsourcing production fees	122,537	19.5	43,555	12.8	63,491	15.1	42,104	14.6	58,706	17.6
Employment benefit expenses	61,832	9.8	56,926	16.7	67,617	16.1	45,873	15.9	55,625	16.7
Logistics and processing fees	50,870	8.1	19,251	5.7	21,046	5.0	16,648	5.8	16,394	4.9
Others[1]	13,619	2.2	17,501	5.2	16,360	3.8	9,664	3.2	8,902	2.7
Total	**628,279**	**100.0**	**340,027**	**100.0**	**420,783**	**100.0**	**288,500**	**100.0**	**332,754**	**100.0**

Note:

(1) Others mainly include depreciation and amortization expenses and utilities expenses.

Gross Profit and Gross Profit Margin

Our gross profit was RMB190.1 million, RMB123.2 million and RMB152.7 million RMB102.5 million and RMB127.5 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. Our gross profit margin increased from 23.2% in 2022 to 26.6% in 2023, and remained stable at 26.6% in 2024. Our gross profit margin increased from 26.2% in the eight months ended August 31, 2024 to 27.7% in the same period of 2025.

The following table sets forth a breakdown of our gross profit and gross profit margin by product category for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Sales of products										
– Chairs, bedchairs and other accessories	86,398	23.7%	66,243	27.6%	77,538	26.7%	55,258	26.6%	67,651	30.2%
– Bags	58,798	29.6%	35,635	32.8%	43,284	30.1%	29,713	30.2%	36,678	27.9%
– Tents	44,143	18.5%	19,151	18.1%	27,216	20.8%	15,793	19.5%	21,529	21.1%
– Others[(1)]	743	4.3%	1,588	20.4%	4,068	60.4%	1,384	43.3%	1,318	63.5%
Rental income	51	63.0%	607	62.5%	574	61.7%	394	62.1%	339	59.8%
Total	**190,133**	**23.2%**	**123,224**	**26.6%**	**152,680**	**26.6%**	**102,542**	**26.2%**	**127,515**	**27.7%**

Note:

(1) Others mainly include the sales of raw materials, material processing and sales of Solar products not in the categories of chairs, bedchairs and other accessories, bags and tents.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographic region based on the locations where our services or products were delivered for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Europe[(1)]	137,552	25.6%	93,198	28.6%	120,436	28.6%	80,689	27.7%	99,755	28.7%
Chinese Mainland[(1)]	13,388	13.0%	13,724	17.5%	16,441	18.8%	12,925	21.3%	15,452	22.1%
North America[(1)]	32,049	20.8%	11,526	24.9%	10,840	21.7%	5,519	19.2%	7,564	25.4%
Others[(2)]	7,144	30.0%	4,776	37.3%	4,963	31.8%	3,409	31.8%	4,744	36.2%
Total	**190,133**	**23.2%**	**123,224**	**26.6%**	**152,680**	**26.6%**	**102,542**	**26.2%**	**127,515**	**27.7%**

Notes:

(1) During the Track Record Period, some customers may specify product delivery to countries or regions outside their principal place of business. Therefore, the gross profit and gross profit margin breakdown by geographic region reflects the location where our services or products were delivered, rather than the customers' principal place of business.

(2) Others refer to Oceania, Africa, South America and Asia-Pacific (excluding Chinese Mainland).

Our gross profit margin by geographic region was primarily influenced by exchange rate fluctuations and product mix upgrades. Particularly, our gross profit margin in Chinese Mainland increased from 13.0% in 2022 to 17.5% in 2023, and further to 18.8% in 2024. This growth was mainly driven by an initial competitive pricing strategy in Chinese Mainland in 2022 to support emerging clients and secure key accounts, followed by product advancement and structural adjustments that boosted sales of higher margin products in Chinese Mainland as the market grew, particularly in 2024. Our gross profit margin in Chinese Mainland remained relatively stable at 21.3% and 22.1% in the eight months ended August 31, 2024 and 2025, respectively. In addition, our gross profit margin in North America increased from 20.8% in 2022 to 24.9% in 2023, which was mainly driven by favorable exchange rate fluctuations, as the appreciation of the USD against the RMB from enhanced RMB-denominated margins on our USD-quoted overseas sales. Our gross profit margin in North America decreased from 24.9% in 2023 to 21.7% in 2024, primarily due to the increasing high-volume sales, typically with relatively lower profit margin, to certain customers. Our gross profit margin in North America increased from 19.2% in the eight months ended August 31, 2024 to 25.4% in the same period of 2025, primarily due to the sales of newly introduced tents with higher gross profit margin, mainly as a result of our continuous product design and development efforts to introduce new products to meet evolving market demands.

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

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB in thousands, except for percentages)									
							(Unaudited)			
OEM/ODM model	179,584	23.3%	108,724	26.0%	136,655	25.8%	91,681	25.5%	113,975	26.6%
OBM model	10,961	32.5%	14,251	36.0%	15,150	36.7%	10,451	35.1%	12,971	42.6%
Others[(1)]	(412)	(2.8)%	249	4.3%	875	31.0%	410	22.5%	569	46.2%
Total	**190,133**	**23.2%**	**123,224**	**26.6%**	**152,680**	**26.6%**	**102,542**	**26.2%**	**127,515**	**27.7%**

Note:

(1) The gross loss for others was primarily due to the disposal of obsolete materials at prices below cost.

Under the OEM/ODM model, our sales are generally conducted on a free on board (FOB) basis, with shipping costs borne by customers. In contrast, we generally bear shipping costs under the OBM model. Our gross profit margin under OBM model increased from 32.5% in 2022 to 36.0% in 2023, primarily because our gross profit margin was adversely influenced by the significant rise of freights in 2022 due to the public health incidents. In 2023, the cost of freights gradually normalized along with the phasing out of the public health incidents. Our gross profit margin under OBM model increased from 35.1% in the eight months ended August 31, 2024 to 42.6% in the same period of 2025, primarily due to (i) the decrease in discount offered to our customers, driven by the increased market recognition of our Solar brand; and (ii) the optimization of our product selling structure, resulting in an increase in sales of high-profit and high-end products, such as fishing barrow.

Other Net Income or Loss

We recorded other net income of RMB6.3 million and other net loss of RMB9.2 million in 2022 and 2023, respectively. We recorded other net loss of RMB1.0 million in 2024. We recorded other net loss of RMB2.0 million in the eight months ended August 31, 2024 and other net income of RMB2.6 million in the same period of 2025. During the Track Record Period, our other net income or loss was mainly a result of the (i) net realized and unrealized gain or loss on derivative financial instruments, which reflected our arrangements with certain banks for mitigating our currency risks arising from receivables denominated in USD; and (ii) net foreign exchange gain or loss resulting from foreign exchange rate fluctuations.

The following table sets forth a breakdown of our other net income or loss for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
				(Unaudited)	
Net realized and unrealized loss on derivative financial instruments	(1,720)	(7,407)	(3,375)	(3,375)	–
Net foreign exchange gain/(loss)	7,962	(2,246)	1,963	1,328	1,794
Net gain on disposal of leases	–	116	–	–	–
Interest income	3	67	152	59	886
Government grants	–	90	249	–	–
Net loss on disposal of property, plant and equipment	–	–	(28)	(25)	(12)
Others	22	165	1	14	(63)
Total	**6,267**	**(9,215)**	**(1,038)**	**(1,999)**	**2,605**

Selling and Distribution Expenses

Our selling and distribution expenses were RMB12.3 million, RMB14.2 million, RMB16.9 million, RMB10.8 million and RMB14.9 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. During the Track Record Period, our selling and distribution expenses primarily consisted of (i) employment benefit expenses, which mainly represented wages and salaries paid to sales and marketing staff; (ii) advertising and promotion expenses, which mainly represented our business publicity expenses, exhibition expenses and traveling expenses to expand our business; and (iii) commission fees, which mainly represented the fees paid to intermediary service providers for identifying potential customers and facilitating our product sales. During the Track Record Period, employment benefit expenses represented the majority of our selling and distribution expenses. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, employment benefit expenses were RMB7.0 million, RMB8.3 million, RMB10.7 million, RMB6.8 million and RMB9.5 million, representing 56.9%, 58.7%, 63.1%, 62.7% and 63.6% of our total selling and distribution expenses during the same periods, respectively.

The following table sets forth a breakdown of our selling and distribution expenses in absolute amounts and as a percentage of our total selling and distribution expenses for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Employment benefit expenses	7,016	56.9	8,333	58.7	10,687	63.1	6,773	62.7	9,472	63.6
Advertising and promotion expenses	2,002	16.2	2,788	19.6	2,906	17.2	1,821	16.9	3,052	20.5
Commission fees	1,427	11.6	1,260	8.9	1,393	8.2	967	8.9	762	5.1
Commercial insurance fees	605	4.9	315	2.2	509	3.0	324	3.0	420	2.8
Consultancy and advisory fees[(1)]	454	3.7	705	5.0	685	4.0	450	4.2	629	4.2
Others[(2)]	828	6.7	795	5.6	759	4.5	470	4.3	560	3.8
Total	**12,332**	**100.0**	**14,196**	**100.0**	**16,939**	**100.0**	**10,805**	**100.0**	**14,895**	**100.0**

Notes:

(1) Consultancy and advisory fees primarily represent the expenses relating to consultancy services for business development, market research, sales channel expansion and brand promotion.

(2) Others mainly include depreciation expenses and office supplies and expenses.

Administrative Expenses

Our administrative expenses were RMB30.9 million, RMB30.6 million, RMB51.2 million, RMB26.4 million and RMB33.6 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. During the Track Record Period, our administrative expenses primarily consisted of employee benefit expenses, which mainly represented wages and salaries paid to administrative staff. In 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, the employment benefit expenses were RMB25.5 million, RMB23.3 million, RMB27.8 million, RMB17.4 million and RMB20.4 million, representing 82.4%, 76.1%, 54.4%, 66.1% and 60.7% of our total administrative expenses during the same periods, respectively.

The following table sets forth a breakdown of our administrative expenses in absolute amount and as a percentage of our total administrative expenses for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Employment benefit expenses	25,470	82.4	23,276	76.1	27,834	54.4	17,437	66.1	20,398	60.7
Information maintenance fees	1,050	3.4	995	3.3	1,200	2.3	783	3.0	862	2.6
Consultancy and advisory fee[(1)]	695	2.2	1,036	3.4	1,240	2.4	668	2.5	1,202	3.6
Property and lease expenses	519	1.7	616	2.0	805	1.6	434	1.6	838	2.5
Depreciation and amortization	498	1.6	1,173	3.8	1,144	2.2	818	3.1	801	2.4
Listing expenses	1,173[(2)]	3.8	–	0.0	13,400	26.2	3,718	14.1	6,459	19.2
Tax and surcharges	186	0.6	1,034	3.4	1,179	2.3	690	2.6	716	2.1
Equity-settled share-based payment expenses	–	–	–	–	1,353	2.6	–	–	–	–
Others[(3)]	1,302	4.3	2,466	8.0	3,060	6.0	1,843	7.0	2,332	6.9
Total	**30,893**	**100.0**	**30,596**	**100.0**	**51,215**	**100.0**	**26,391**	**100.0**	**33,608**	**100.0**

Notes:

(1) Consultancy and advisory fees primarily represent the expenses relating to consultancy services provided by accountants, tax consultants and legal advisors.

(2) Our listing expenses in 2022 represented the preliminary legal consulting fees related to the Global Offering. We did not have any other previous listing attempt.

(3) Others mainly include office supplies and expenses and insurance expenses.

Research and Development Costs

Our research and development costs were RMB0.5 million, RMB3.9 million, RMB3.5 million, RMB2.0 million and RMB3.8 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. During the Track Record Period, our research and development costs primarily consisted of (i) employment benefit expenses, which mainly represented wages and salaries paid to R&D staff; and (ii) raw material costs used for product design and development. During the Track Record Period, the employment benefit expenses represented the majority of our research and development costs. Our employment benefit expenses were RMB0.4 million, RMB2.5 million, RMB2.5 million, RMB1.4 million and RMB3.1 million, representing 78.2%, 64.1%, 70.5%, 69.1% and 81.1% of our total research and development costs during the same periods, respectively.

The following table sets forth a breakdown of our research and development costs in absolute amounts and as a percentage of our total research and development costs for the periods indicated:

	Year ended December 31,						Eight months ended August 31,			
	2022		2023		2024		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Employment benefit expenses	409	78.2	2,503	64.1	2,496	70.5	1,371	69.1	3,098	81.1
Raw material costs	114	21.8	1,352	34.6	920	26.0	533	26.9	582	15.2
Molding fees	–	0.0	51	1.3	122	3.5	80	4.0	29	0.8
Depreciation and amortization	–	–	–	–	–	–	–	–	92	2.4
Others	–	–	–	–	–	–	–	–	20	0.5
Total	**523**	**100.0**	**3,906**	**100.0**	**3,538**	**100.0**	**1,984**	**100.0**	**3,821**	**100.0**

Impairment Loss on Trade Receivables

We had impairment loss on trade receivables of RMB0.1 million, RMB0.3 million, RMB0.1 million and RMB0.1 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. We had reversal of impairment loss on trade receivables of RMB0.0 million in the eight months ended August 31, 2024. See "— Financial Risk — Credit Risk — Trade Receivables."

Finance Costs

Our finance costs were RMB0.2 million, RMB0.4 million, RMB0.8 million, RMB0.2 million and RMB3.1 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively. Our finance costs primarily represented interest on lease liabilities and bank loans.

Income Tax

Our income tax was RMB38.6 million, RMB15.7 million, RMB19.6 million, RMB14.5 million and RMB18.4 million in 2022, 2023, 2024 and the eight months ended August 31, 2024 and 2025, respectively.

The following table sets forth a breakdown of our income tax for the periods indicated.

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	Amount	*Amount*	*Amount*	*Amount*	*Amount*
			(RMB in thousands)		
				(Unaudited)	
Current tax	38,317	15,656	18,682	13,784	17,992
Deferred tax	240	21	918	720	386
Total	**38,557**	**15,677**	**19,600**	**14,504**	**18,378**

During the Track Record Period and up to the Latest Practicable Date, we had made all the required tax filings with the relevant tax authorities, and were not aware of any outstanding or potential disputes with such tax authorities.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Eight Months Ended August 31, 2025 Compared with Eight Months Ended August 31, 2024

Revenue

Our revenue increased by 17.7% from RMB391.0 million in the eight months ended August 31, 2024 to RMB460.3 million in the same period of 2025, primarily due to our increased sales, derived from the increased sales of high-value products, as well as the market's recovery.

Our revenue generated from chairs, bedchairs and other accessories increased by 7.9% from RMB207.8 million in the eight months ended August 31, 2024 to RMB224.3 million in the same period of 2025, primarily due to (i) an increase in demand of existing customers on high-value products, such as power barrow and high-end fishing chairs and bedchairs; and (ii) the launching of new fishing-related products, which contributed to approximately 15.2% of our revenue from chairs, bedchairs and other accessories in the eight months ended August 31, 2025.

Our revenue generated from bags increased by 33.5% from RMB98.5 million in the eight months ended August 31, 2024 to RMB131.5 million in the same period of 2025, primarily because certain major customers, such as Customer B and Customer D, increased approximately 107.3% to 133.2% procurement from us for bags in the eight months ended August 31, 2025, driven by the enhanced product recognition by such customers.

Our revenue generated from tents increased by 25.8% from RMB80.9 million in the eight months ended August 31, 2024 to RMB101.8 million in the same period of 2025, primarily due to the expansion of our customer base and the increase in demand on high-value products.

Cost of Sales

Our cost of sales increased by 15.3% from RMB288.5 million in the eight months ended August 31, 2024 to RMB332.8 million in the same period of 2025, generally in line with our overall revenue increase.

Gross profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 24.4% from RMB102.5 million in the eight months ended August 31, 2024 to RMB127.5 million in the same period of 2025. Our gross profit margin increased from 26.2% in the eight months ended August 31, 2024 to 27.7% in the same period of 2025, primarily due to an increase in gross profit margin of chairs, bedchairs and other accessories from 26.6% in the eight months ended August 31, 2024 to 30.2% in the same period of 2025, mainly as a result of our change in product selling structure with an increase in selling proportion of high-profit and high-end products such as power barrow and high-end fishing chairs and bedchairs. Such an increase was partially offset by a decrease in gross profit margin of bags from 30.2% in the eight months ended August 31, 2024 to 27.9% in the same period of 2025, primarily due to our change in product selling structure as the products sold in the eight months ended August 31, 2024 have higher gross profit margin.

Other Net Income or Loss

We had other net loss of RMB2.0 million in the eight months ended August 31, 2024 compared to other net income of RMB2.6 million in the same period of 2025, primarily because (i) we had net realized and unrealized loss on derivative financial instruments of RMB3.4 million in the eight months ended August 31, 2024 compared to nil in the same period of 2025, mainly because we did not employ derivative financial instruments to mitigate currency risks in 2025; and (ii) our net foreign exchange gain increased from RMB1.3 million in the eight months ended August 31, 2024 to RMB1.8 million in the same period of 2025, mainly due to favorable fluctuation in the exchange rate of USD against RMB in 2025.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 37.9% from RMB10.8 million in the eight months ended August 31, 2024 to RMB14.9 million in the same period of 2025, primarily due to (i) our increased employment benefit expenses, as a result of the increasing number and average salaries of selling and marketing staff; and (ii) our increased promotion fees, as a result of our enhanced sales and marketing efforts.

Administrative Expenses

Our administrative expenses increased by 27.3% from RMB26.4 million in the eight months ended August 31, 2024 to RMB33.6 million in the same period of 2025, primarily due to (i) our increased employment benefit expenses, as a result of the increasing number and average salaries of administrative staff along with our business expansion; and (ii) an increase in listing expenses from RMB3.7 million in the eight months ended August 31, 2024 to RMB6.5 million in the same period of 2025, which was related to this Global Offering.

Research and Development Costs

Our research and development costs increased by 92.6% from RMB2.0 million in the eight months ended August 31, 2024 to RMB3.8 million in the same period of 2025, primarily due to our increased employment benefit expenses, as a result of our expanded development team driven by our enhanced efforts on product design and development to expand our product portfolio.

Impairment Loss on Trade Receivables

We had impairment loss on trade receivables of RMB0.1 million in the eight months ended August 31, 2025 compared to the reversal of impairment loss on trade receivables of RMB0.0 million in the same period of 2024.

Finance Costs

Our finance costs increased significantly from RMB0.2 million in the eight months ended August 31, 2024 to RMB3.1 million in the same period of 2025, primarily due to our increase in interest on bank loan, mainly as a result of our increase in bank loans in the eight months ended August 31, 2025. See "— Indebtedness — Bank Loans."

Income Tax

Our income tax costs increased by 26.7% from RMB14.5 million in the eight months ended August 31, 2024 to RMB18.4 million in the same period of 2025, generally in line with our increase in revenue, gross profit and profit before taxation.

Profit for the Period

As a result of the foregoing, our profit for the period increased by 20.4% from RMB46.7 million in the eight months ended August 31, 2024 to RMB56.2 million in the same period of 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by 23.8% from RMB463.3 million in 2023 to RMB573.5 million in 2024, primarily due to our increased sales, derived from expansion of our sales channel and upgrade of our products, as well as the market's recovery.

Our revenue generated from chairs, bedchairs and other accessories increased by 21.1% from RMB240.0 million in 2023 to RMB290.7 million in 2024, primarily because (i) we launched new fishing-related equipment products, which contributed to approximately 15.0% of our revenue from chairs, bedchairs and other accessories in 2024; and (ii) certain major customers, such as Customer B, Customer C and Customer D, increased approximately 27% to 64% procurement from us for fishing-related equipment in 2024 in anticipation of growing customer demand.

Our revenue generated from bags increased by 32.7% from RMB108.5 million in 2023 to RMB144.0 million in 2024, primarily due to our increasing sales of bags driven by new customer acquisition, as well as enhanced product recognition by our existing customers.

Our revenue generated from tents increased by 23.7% from RMB106.0 million in 2023 to RMB131.1 million in 2024, primarily due to our sales channel expansion and product upgrade.

Cost of Sales

Our cost of sales increased by 23.7% from RMB340.0 million 2023 to RMB420.8 million in 2024, generally in line with our overall revenue increase.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 23.9% from RMB123.2 million in 2023 to RMB152.7 million in 2024. Our gross profit margin remained stable at 26.6% in 2023 and 2024.

Other Net Income/Loss

Our other net loss decreased by 88.7% from RMB9.2 million in 2023 to RMB1.0 million in 2024, primarily because (i) our net foreign exchange loss of RMB2.2 million in 2023 changed to a net foreign exchange gain of RMB2.0 million in 2024 as a result of the fluctuation in the exchange rate of USD against RMB; and (ii) our net realized and unrealized loss on derivative financial instruments decreased from RMB7.4 million in 2023 to RMB3.4 million in 2024 primarily due to our loss in financial derivatives as a result of the unfavorable fluctuation in the exchange rate of USD against RMB in 2023.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 19.3% from RMB14.2 million in 2023 to RMB16.9 million in 2024, primarily due to the increase in employment benefit expenses from RMB8.3 million in 2023 to RMB10.7 million in 2024, as a result of an increasing number and average salaries of selling and marketing staff.

Administrative Expenses

Our administrative expenses increased by 67.4% from RMB30.6 million in 2023 to RMB51.2 million in 2024, primarily due to (i) an increase in listing expenses; (ii) an increase in employment benefit expenses, as a result of an increasing number of employees and wages; and (iii) an increase in equity payment expenses for the transfer of shares.

Research and Development Costs

Our research and development costs decreased by 9.4% from RMB3.9 million in 2023 to RMB3.5 million in 2024, primarily due to a decrease in materials fees, as we fulfilled some of our research and development projects in 2024 and the usage of materials were lower at the later stage of research and development.

Impairment Loss on Trade Receivables

Our impairment loss on trade receivables remained relatively stable at RMB0.3 million and RMB0.1 million in 2023 and 2024, respectively.

Finance Costs

Our finance costs increased significantly from RMB0.4 million in 2023 to RMB0.8 million in 2024, primarily due to our increased interest on bank loan, as a result of our increased bank loans in 2024. See "— Indebtedness — Bank Loans."

Income Tax

Our income tax increased by 25.0% from RMB15.7 million in 2023 to RMB19.6 million in 2024, generally in line with our increase in revenue, gross profit and profit before taxation.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 21.2% from RMB49.0 million in 2023 to RMB59.4 million in 2024.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2022

Revenue

Our revenue decreased by 43.4% from RMB818.4 million in 2022 to RMB463.3 million in 2023, primarily due to the decrease in revenue from sales of (i) chairs, bedchairs and other accessories, (ii) bags, and (iii) tents.

Our revenue generated from chairs, bedchairs and other accessories decreased by 34.1% from RMB364.3 million in 2022 to RMB240.0 million in 2023. Our revenue generated from bags decreased by 45.3% from RMB198.3 million in 2022 to RMB108.5 million in 2023. Our revenue generated from tents decreased by 55.5% from RMB238.3 million in 2022 to RMB106.0 million in 2023. In 2022, our sales surged as consumer enthusiasm for fishing grew, driven by fishing's low social interaction that aligned with consumer preferences during the public health incidents. In 2023, along with the phasing out of the public health incidents, our sales moderated with the rise of alternative entertainment options, while consumer interest in our products remained strong, compared to the level before the public health incidents.

Cost of Sales

Our cost of sales decreased by 45.9% from RMB628.3 million in 2022 to RMB340.0 million in 2023, primarily due to (i) the decrease in raw material costs from RMB379.4 million in 2022 to RMB202.8 million in 2023, which was in line with the decrease in our sales; and (ii) the decrease in outsourcing production fees from RMB122.5 million in 2022 to RMB43.6 million in 2023, driven by our efforts in expanding in-house production.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 35.2% from RMB190.1 million in 2022 to RMB123.2 million in 2023. Our gross profit margin increased from 23.2% in 2022 to 26.6% in 2023, primarily due to (i) favorable exchange rate fluctuations, as the appreciation of the USD against the RMB from 2022 to 2023, enhanced RMB-denominated margins on our USD-quoted overseas sales; (ii) improved production efficiency driven by our efforts in expanding in-house production and reducing outsourcing production costs, particularly because we have been enhancing the automation of our in-house production procedures; (iii) the reduction in prices of key raw materials, primarily including iron tubes; and (iv) our increased sales price of products.

Other Net Income or Loss

We had other net loss of RMB9.2 million in 2023 compared to other net income of RMB6.3 million in 2022, primarily because (i) the gain in net foreign exchange of RMB8.0 million in 2022 changed to the loss in net foreign exchange of RMB2.2 million in 2023 as a result of the fluctuation in the exchange rate of USD against the RMB; and (ii) the recognition of net realized and unrealized losses on derivative financial instruments increased from RMB1.7 million in 2022 to RMB7.4 million in as a result of the fluctuation in the exchange rate of USD against RMB.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 15.1% from RMB12.3 million in 2022 to RMB14.2 million in 2023, primarily due to our increased employment benefit expenses and increased promotion fees, as a result of an increasing number and average salaries of selling and marketing staff.

Administrative Expenses

Our administrative expenses remained relatively stable at RMB30.9 million and RMB30.6 million in 2022 and 2023, respectively.

Research and Development Costs

Our research and development costs increased from RMB0.5 million in 2022 to RMB3.9 million in 2023, primarily due to the increase in our employment benefit expenses from RMB0.4 million in 2022 to RMB2.5 million in 2023, as a result of our expanded development team and the increase in the raw material expenses resulting from our active and early research and development process in 2022.

Impairment Loss on Trade Receivables

Our impairment loss on trade receivables remained stable at RMB0.1 million and RMB0.3 million in 2022 and 2023, respectively.

Finance Costs

Our finance costs increased significantly from RMB0.2 million in 2022 to RMB0.4 million in 2023, primarily due to the increase in interest on lease liabilities as a result of the increase in long-term leases for office buildings and factory in 2023.

Income Tax

Our income tax decreased by 59.3% from RMB38.6 million in 2022 to RMB15.7 million in 2023, generally in line with our decrease in revenue, gross profit and profit before taxation.

Profit for the Year

As a result of the foregoing, our profit for the year decreased by 57.0% from RMB113.9 million in 2022 to RMB49.0 million in 2023.

DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Non-current assets:				
Property, plant and equipment	43,744	40,219	37,521	36,629
Right-of-use assets	14,077	7,754	4,242	2,246
Intangible assets	50	59	413	1,167
Prepayments for property, plant and equipment	–	40	510	–
Deferred tax assets	9,446	9,425	8,507	8,121
Total non-current assets	67,317	57,497	51,193	48,163
Current assets:				
Derivative financial instruments	1,328	261	–	–
Inventories	129,118	87,319	122,035	113,358
Trade and other receivables	121,683	69,936	101,433	109,874
Restricted cash	–	–	–	1,139
Cash and cash equivalents	14,135	26,644	65,673	106,353
Total current assets	266,264	184,160	289,141	330,724
Current liabilities:				
Trade and other payables	153,822	79,047	266,274	123,250
Contract liabilities	6,853	5,435	12,441	7,915
Bank loans	25	27	100,092	230,186
Lease liabilities	8,298	4,052	2,506	465
Derivative financial instruments	1,197	2,284	–	–
Current taxation	3,625	10,626	3,032	5,410
Total current liabilities	173,820	101,471	384,345	367,226
Net current assets/(liabilities)	92,444	82,689	(95,204)	(36,502)
Non-current liabilities:				
Bank loans	78	57	–	–
Lease liabilities	5,140	3,143	1,294	1,011
Total non-current liabilities	5,218	3,200	1,294	1,011
Net assets/(liabilities)	154,543	136,986	(45,305)	10,650

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Equity:				
Share capital	–	–	356	356
Reserves	154,543	136,986	(45,661)	10,294
Total equity/(deficit) attributable to equity shareholders of the Company	149,357	132,713	(45,305)	10,650
Non-controlling Interests	5,186	4,273	–	–
Total equity/(deficit)	154,543	136,986	(45,305)	10,650

Property, Plant and Equipment

During the Track Record Period, our property, plant and equipment primarily consisted of (i) plant and buildings; (ii) equipment and machinery; and (iii) office equipment and furniture. Plant and buildings represented 87.6%, 88.2%, 86.9% and 83.9% of our total property, plant and equipment as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively.

The following table sets forth a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Plant and buildings	38,312	35,468	32,624	30,728
Equipment and machinery	5,033	4,293	4,243	4,808
Office equipment and furniture	332	403	401	885
Motor vehicles	67	55	–	–
Leasehold improvements	–	–	253	208
Total	**43,744**	**40,219**	**37,521**	**36,629**

We had property, plant and equipment of RMB43.7 million, RMB40.2 million, RMB37.5 million and RMB36.6 million as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively. Our property, plant and equipment decreased by 8.1% from RMB43.7 million as of December 31, 2022 to RMB40.2 million as of December 31, 2023, and further decreased by 6.7% to RMB37.5 million as of December 31, 2024, primarily due to the depreciation of our production plants and amortization of equipment, machinery, office equipment and furniture. Our property, plant and equipment remained relatively stable at RMB37.5 million as of December 31, 2024 and RMB36.6 million as of August 31, 2025.

Right-of-Use Assets

During the Track Record Period, our right-of-use assets consisted of (i) plant and buildings; and (ii) land use rights. Our lease for plant and buildings represented 95.5%, 92.1%, 86.1% and 74.2% of our total right-of-use assets as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively.

The following table sets forth a breakdown of our right-of-use assets as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Plant and buildings	13,450	7,145	3,651	1,667
Land use rights	627	609	591	579
Total	**14,077**	**7,754**	**4,242**	**2,246**

We had right-of-use assets of RMB14.1 million, RMB7.8 million, RMB4.2 million and RMB2.2 million as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively. Our right-of-use assets decreased by 44.9% from RMB14.1 million as of December 31, 2022 to RMB7.8 million as of December 31, 2023, primarily due to the termination of lease and the conversion of long-term lease to short-term lease in 2023. Our right-of-use assets decreased by 45.3% from RMB7.8 million as of December 31, 2023 to RMB4.2 million as of December 31, 2024, and further decreased by 47.1% to RMB2.2 million as of August 31, 2025, primarily due to the depreciation of right-of-use assets related to our production plants.

Inventories

Our inventories consisted of (i) raw materials; (ii) semi-finished products and work in process; and (iii) finished products. Our finished products represented 69.9%, 54.9%, 49.0% and 51.3% of our total inventories as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively.

The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Finished products	90,834	48,181	60,224	58,483
Semi-finished products and work in process	23,534	20,810	38,493	36,751
Raw materials	15,545	18,771	24,089	18,750
Write down of inventories	(795)	(443)	(771)	(626)
Total	**129,118**	**87,319**	**122,035**	**113,358**

We had inventories of RMB129.1 million, RMB87.3 million, RMB122.0 million and RMB113.4 million as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively. Our inventories decreased by 32.4% from RMB129.1 million as of December 31, 2022 to RMB87.3 million as of December 31, 2023, primarily due to the decreases in finished products. Such decreases were primarily due to our reduced production in line with our decreasing sales volume. Our inventories increased by 39.8% from RMB87.3 million as of December 31, 2023 to RMB122.0 million as of December 31, 2024 primarily due to the increase in semi-finished products and work in process and finished products. Such increase was primarily due to our increasing production volume in anticipation of increasing customer demand. Our inventories decreased by 7.1% from RMB122.0 million as of December 31, 2024 to RMB113.4 million as of August 31, 2025, primarily because we had relatively high level of inventory at year-end to prepare for our product sales in the upcoming year.

The following table sets forth an aging analysis of the inventories based on recognition dates as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Within 1 year	111,621	74,368	117,355	109,576
More than 1 years	18,292	13,394	5,451	4,408
	129,913	87,762	122,806	113,984
Write down of inventories	(795)	(443)	(771)	(626)
Total	**129,118**	**87,319**	**122,035**	**113,358**

The following table sets forth the turnover days of our inventories for the periods indicated:

	Year ended December 31,			Eight months ended August 31,
	2022	2023	2024	2025
	(days)			
Inventory turnover days	90.9	115.2	90.1	85.4

Note:

(1) Inventory turnover days for a year or period equal the average of opening and closing balance of inventories for the relevant year or period divided by cost of sales for the relevant year or period and multiplied by the number of days in the relevant year or period, which is 360 days for each year and 240 days for the eight months ended August 31, 2025.

Our inventory turnover days increased from 90.9 days in 2022 to 115.2 days in 2023, and then decreased to 90.1 days in 2024. The relatively high inventory turnover days in 2023 was primarily due to the decrease in customer demand impacted by the public health incidents. Our inventory turnover days remained relatively stable at 90.1 days in 2024 and 85.4 days in the eight months ended August 31, 2025.

As of November 30, 2025, approximately RMB83.6 million, or 73.3% of our inventories as of August 31, 2025 had been utilized or sold.

According to our accounting policies, inventories are measured at the lower of cost and net realizable value. As of December 31, 2022, 2023, 2024 and August 31, 2025, we have made the provision for the impairment of inventories of RMB0.8 million, RMB0.4 million, RMB0.8 million and RMB0.6 million based on the assessment of the net realizable value of the inventories and have not identified any additional material impairment issue for the inventories as of the end of each respective period.

Trade and Other Receivables

As of December 31, 2022, 2023 and 2024 and August 31, 2025, we had trade and other receivables of RMB121.7 million, RMB69.9 million, RMB101.4 million and RMB109.9 million, respectively. Our trade and other receivables primarily represented (i) trade receivables, representing receivables from third-party customers and related parties for our products; (ii) value-added tax recoverable; and (iii) prepayment of listing expenses. Our trade receivables, net of loss allowance represented 88.6%, 96.2%, 87.1% and 89.6% of our total trade and other receivables as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively.

Trade Receivables

The following table sets forth a breakdown of our trade receivables, net of loss allowance, as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Trade receivables				
– Due from third parties	107,749	45,092	87,443	90,470
– Due from related parties	44	22,203	867	7,997
Total	**107,793**	**67,295**	**88,310**	**98,467**

Our trade receivables decreased by 37.6% from RMB107.8 million as of December 31, 2022 to RMB67.3 million as of December 31, 2023, mainly due to the decrease in our trade receivables from third parties, which was in line with our sales decrease. Our trade receivables increased significantly from RMB67.3 million as of December 31, 2023 to RMB88.3 million as of December 31, 2024, primarily because (i) we had relatively high sales in late 2024 compared with the same period in 2023; and (ii) we strategically granted more favorable credit terms to major customers taking into consideration our long-term relationships. Our trade receivables increased by 11.5% from RMB88.3 million as of December 31, 2024 to RMB98.5 million as of August 31, 2025, which was in line with our increased sales.

We generally grant credit terms of 30 to 90 days to our customers. The following table sets forth an aging analysis of our trade receivables, net of loss allowance, based on the invoice dates as of the dates indicated:

	As at 31 December			As of August 31,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 30 days	20,566	38,977	33,473	58,732
31 days to 60 days	24,475	13,094	28,478	21,762
61 days to 90 days	26,049	5,232	16,169	17,534
91 days to 180 days	35,801	9,939	10,032	424
181 days to 1 year	755	24	121	13
1 year to 2 years	147	29	37	2
	107,793	67,295	88,310	98,467

We seek to maintain strict control over our outstanding trade receivables and have dedicated credit risk management staff to control and mitigate credit risk. Substantially all of our trade receivables as of December 31, 2022, 2023 and 2024 and August 31, 2025 were aged within one year. Our senior management assess the recoverability of trade receivables on a regular basis taking into account historical settlement records of customers. We are of the view that sufficient allowance for impairment of trade receivables was made as of August 31, 2025.

The following table sets forth the turnover days of our trade receivables, net of loss allowance, for the periods indicated:

	Year ended December 31,			Eight months ended August 31,
	2022	2023	2024	2025
	(days)			
Trade receivables turnover days[1]	49.4	68.0	48.8	48.7

Note:

(1) Trade receivables turnover days for a year or period equal the average of opening and closing balance of trade receivables, net of loss allowance, for the relevant year or period divided by revenue for the relevant year or period and multiplied by the number of days in the relevant year or period, which is 360 days for each year and 240 days for the eight months ended August 31, 2025.

Our trade receivables turnover days increased from 49.4 days in 2022 to 68.0 days in 2023, primarily because in 2023, we strategically granted more favorable credit terms to major customers taking into consideration their settlement history and our long-term relationships and ongoing collaborations. Our trade receivables turnover days decreased from 68.0 days in 2023 to 48.8 days in 2024, primarily due to our adjustment of credit terms with certain customers resulting from their improvements in financial conditions. Our trade receivables turnover days remained relatively stable at 48.8 days in 2024 and 48.7 days in the eight months ended August 31, 2025.

As of November 30, 2025, approximately RMB66.3 million, or 67.4% of our trade receivables as of August 31, 2025, had been settled.

According to our accounting policies, loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. As of December 31, 2022, 2023 and 2024 and August 31, 2025, we have made the provision for the impairment of trade receivables of RMB0.2 million, RMB0.2 million, RMB0.2 million and RMB0.1 million and have not identified any additional material recoverability issue for trade receivables as of the end of each respective period.

Other Receivables

The following table sets forth a breakdown of our other receivables as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Prepaid expenses to related parties – Trade related	–	–	–	89
Non-trade receivables due from related parties	–	–	1,089	–
Value-added tax recoverable	12,197	1,783	6,443	2,630
Prepayments for listing expenses	–	–	4,722	6,753
Other receivables and deposits	1,669	225	274	219
Other prepayments	24	633	595	1,716
Total	**13,890**	**2,641**	**13,123**	**11,407**

Our other receivables primarily include value-added tax recoverable, prepayments for listing expenses, non-trade receivables due from related parties, other prepayments and other receivables and deposits. Our other receivables decreased from RMB13.9 million as of December 31, 2022 to RMB2.6 million as of December 31, 2023, primarily due to the decrease in value-added tax recoverable, as a result of the decrease in the input value-added tax in 2023. Our other receivables increased significantly from RMB2.6 million as of December 31, 2023 to RMB13.1 million as of December 31, 2024, primarily due to our increased value-added tax recoverable and prepayment for listing expenses. Our other receivables decreased by 13.1% from RMB13.1 million as of December 31, 2024 to RMB11.4 million as of August 31, 2025, primarily due to the decrease in value-added tax recoverable. Our value-added tax recoverable was relatively high as of December 31, 2024, primarily because our refundable input VAT in the end of 2024 was declared for tax refund in early 2025. Such arrangement complied with relevant laws and regulations. All of the other receivables are expected to be recovered or recognized as expenses within one year.

Trade and Other Payables

As of December 31, 2022, 2023, 2024 and August 31, 2025, we had trade and other payables of RMB153.8 million, RMB79.0 million, RMB266.3 million and RMB123.3 million, respectively. Our trade and other payables primarily consisted of (i) trade payables, which primarily represented our payables to raw materials suppliers and outsourcing production subcontractors; and (ii) accrued payroll and other benefits. Our trade payables represented 91.1%, 76.3%, 32.3% and 75.0% of our total trade and other payables as of December 31, 2022, 2023, 2024 and August 31, 2025, respectively.

Trade Payables

The following table sets forth a breakdown of our trade payables as of the dates indicated:

	As of December 31,			As of August 31,
	2022	**2023**	**2024**	**2025**
	(RMB in thousands)			
Trade payables				
– Due to third parties	64,795	59,612	76,107	88,418
– Due to related parties	75,277	662	9,973	4,029
Total	**140,072**	**60,274**	**86,080**	**92,447**

Our trade payables decreased by 57.0% from RMB140.1 million as of December 31, 2022 to RMB60.3 million as of December 31, 2023, primarily because we reduced procurement of raw materials and outsourcing production taking into consideration our decreasing sales. Our trade payables increased by 42.8% from RMB60.3 million as of December 31, 2023 to RMB86.1 million as of December 31, 2024, and further increased by 7.4% to RMB92.4 million as of August 31, 2025, due to increases in raw material procurement and outsourcing for production, driven by our positive sales projections.

During the Track Record Period, our suppliers generally granted us a credit period of 30 to 120 days. All trade payables are expected to be settled within one year or are repayable on demand. The following table sets forth an aging analysis of the trade payables based on the invoice dates as of the dates indicated:

	As at 31 December			As of August 31,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 90 days	124,981	59,877	86,057	90,092
91 days to 1 year	14,657	386	18	2,355
1 year to 2 years	434	11	5	–
	140,072	60,274	86,080	92,447

The following table sets forth the turnover days of our trade payables for the periods indicated:

	Year ended December 31,			Eight months ended August 31,
	2022	2023	2024	2025
		(days)		
Trade payables turnover days[(1)]	56.2	106.1	62.6	64.4

Note:

(1) Trade payables turnover days for a year or period equal the average of opening and closing balance of trade payables for the relevant year or period divided by cost of sales for the relevant year or period and multiplied by the number of days in the relevant year or period, which is 360 days for each year and 240 days for the eight months ended August 31, 2025.

Our trade payables turnover days were 56.2 days, 106.1 days, 62.6 days and 64.4 days in 2022, 2023, 2024 and August 31, 2025, respectively. Our trade payables turnover days increased from 56.2 days in 2022 to 106.1 days in 2023, primarily because we sped up our settlement with suppliers during the public health incidents to secure the supply of raw materials. Our trade payables turnover days decreased from 106.1 days in 2023 to 62.6 days in 2024, primarily due to our enhanced effort to manage our trade payables. Our trade payables turnover days increased from 62.6 days in 2024 to 64.4 days in the eight months ended August 31, 2025, primarily because we had more favorable settlement terms with certain suppliers.

As of November 30, 2025, approximately RMB79.2 million, or 85.6% of our trade payables as of August 31, 2025 had been settled.

Other Payables

The following table sets forth a breakdown of our other payables as of the dates indicated:

	As of December 31,			As of August 31,
	2022	2023	2024	2025
	(RMB in thousands)			
Accrued payroll and other benefits	8,139	11,129	14,854	13,824
Non-trade payables due to related parties(1)	4,581	4,934	155,392	6,055
Other payables and accruals	605	1,343	1,661	1,985
Other tax payables	425	1,367	1,521	1,624
Listing expense payables	–	–	6,766	7,315
Total	**13,750**	**18,773**	**180,194**	**30,803**

Note:

(1) Our non-trade payables due to related parties were unsecured and interest-free. The non-trade balances which are operating loans due to the related party would be settled before the Listing.

Our other payables primarily include accrued payroll and other benefits, non-trade payables due to related parties, other payables and accruals other tax payables and listing expense payables. Our other payables increased by 36.5% from RMB13.8 million as of December 31, 2022 to RMB18.8 million as of December 31, 2023, primarily due to the increase in accrued payroll and other benefits as a result of an increasing number of employees. Our other payables increased significantly from RMB18.8 million as of December 31, 2023 to RMB180.2 million as of December 31, 2024, primarily due to the increase in non-trade payables due to related parties incurred by loans from related parties for the payment of reorganization and listing expenses payables. Our other payables decreased significantly from RMB180.2 million as of December 31, 2024 to RMB30.8 million as of August 31, 2025, primarily due to the decrease in non-trade payables due to related parties, due to the repayment of loan from Zhejiang Topsun Holding related to the Reorganization. All other payables are expected to be settled within one year or are repayable on demand.

To finance the acquisition of Zhejiang Ridge Outdoor, in November 2024, Zhejiang Ridge Creative obtained an interest-free loan of RMB150.0 million from Zhejiang Topsun Holding for a term from November 14, 2024 to April 1, 2025 or the date of hearing of the listing application of the Company by the Listing Committee, whichever is later. As of July 31, 2025, our loan due to Zhejiang Topsun Holding has been settled. See "History, Reorganization and Corporate Structure — Reorganization — 5. Establishment of Zhejiang Ridge Creative and acquisition of Zhejiang Ridge Outdoor." We utilized our operating cash flow to settle our loan due to Zhejiang Topsun Holding.

Contract Liabilities

Our contract liabilities represent advance payment from customers. Our contract liabilities decreased by 20.7% from RMB6.9 million as of December 31, 2022 to RMB5.4 million as of December 31, 2023, primarily due to the decrease in customer demand, which aligned with our decreasing sales. Our contract liabilities increased by significantly from RMB5.4 million as of December 31, 2023 to RMB12.4 million as of December 31, 2024, primarily because (i) certain of our new customers adopted prepayment as their settlement method; and (ii) customers who adopted prepayment as their settlement method increased purchases from us. Our contract liabilities decreased by 36.4% from RMB12.4 million as of December 31, 2024 to RMB7.9 million as of August 31, 2025, primarily due to our contract fulfillment.

As of November 30, 2025, approximately RMB6.1 million, or 76.7% of our contract liabilities as of August 31, 2025 had been settled.

KEY FINANCIAL RATIOS

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

	Year ended/As of December 31,			Eight months ended/As of August 31,
	2022	2023	2024	2025
Gross profit margin[(1)]	23.2%	26.6%	26.6%	27.7%
Net profit margin[(2)]	13.9%	10.6%	10.4%	12.2%
Current ratio[(3)]	1.5	1.8	0.8	0.9
Quick ratio[(4)]	0.8	1.0	0.4	0.6

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Net profit margin is calculated based on net profit divided by revenue and multiplied by 100%.

(3) Current ratio is calculated based on total current assets divided by total current liabilities. As of December 31, 2024, our current ratio was relatively low because our total current liabilities was relatively high due to the increase in trade and other payables in 2024. See "Financial Information — Indebtedness — Non-trade Payables due to Related Parties."

(4) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities. As of December 31, 2024, our quick ratio was relatively low because our total current liabilities was relatively high due to the increase in trade and other payables in 2024. See "Financial Information — Indebtedness — Non-trade Payables due to Related Parties."

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from cash generated from operations. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. As of December 31, 2022, 2023, 2024 and August 31, 2025, we had cash and cash equivalent of RMB14.1 million, RMB26.6 million, RMB65.7 million and RMB106.4 million, respectively. Going forward, we believe that our liquidity requirements will be satisfied by using a combination of operating cash flow, equity and debt financing and the estimated net proceeds received from the Global Offering.

Cash Flow

The following table sets forth our cash flow for the periods indicated:

	Year ended December 31,			Eight months ended August 31,	
	2022	2023	2024	2024	2025
	(RMB in thousands)			*(Unaudited)*	
Net cash generated from operating activities	254,320	90,017	47,625	29,776	68,939
Net cash used in investing activities	(5,017)	(6,046)	(8,540)	(6,270)	(888)
Net cash used in financing activities	(241,556)	(72,208)	(198)	(22,066)	(27,293)
Net increase in cash and cash equivalents	7,747	11,763	38,887	1,440	40,758
Cash and cash equivalents at beginning of the period	6,417	14,135	26,644	26,644	65,673
Effect of foreign exchange rate changes	(29)	746	142	(53)	(78)
Cash and cash equivalents at end of the period	14,135	26,644	65,673	28,031	106,353

Cash Flows from Operating Activities

Our net cash flows generated from operating activities primarily represented our profit before taxation for the period adjusted by (i) non-cash and non-operating items; and (ii) changes in working capital.

In the eight months ended August 31, 2025, our net cash flows generated from operating activities was RMB68.9 million, which was primarily attributed to our profit before taxation of RMB74.6 million, including (i) non-cash and non-operating items, primarily comprising (a) the depreciation of property, plant and equipment of RMB2.9 million, (b) depreciation of right-of-use assets of RMB2.1 million, and (c) finance costs of RMB3.1 million; and (ii) the change in working capital, primarily comprising (a) the decrease in inventories of RMB8.8 million, (b) the decrease in contract liabilities of RMB4.5 million, and (c) the increase in restricted cash of RMB1.1 million.

In 2024, our net cash flows generated from operating activities was RMB47.6 million, which was primarily attributable to our profit before taxation of RMB79.0 million, including (i) non-cash and non-operating items, primarily comprising (a) the net realized and unrealized loss on derivative financial instruments of RMB3.4 million, (b) the depreciation of property, plant and equipment of RMB4.2 million, and (c) the depreciation of right-of-use assets of RMB3.5 million; and (ii) the change in working capital, primarily comprising (a) the increase in trade and other receivables of RMB25.8 million, (b) the increase in inventories of RMB35.0 million, and (c) increase in trade and other payables of RMB34.5 million.

In 2023, our net cash flows generated from operating activities was RMB90.0 million, which was primarily attributed to our profit before taxation of RMB64.7 million, including (i) non-cash and non-operating items, primarily comprising (a) the net realized and unrealized loss on derivative financial instruments of RMB7.4 million, (b) the depreciation of right-of-use assets of RMB4.6 million, and (c) the depreciation of property, plant and equipment of RMB4.4 million; and (ii) the change in working capital, primarily comprising (a) the decrease in inventories of RMB42.2 million, (b) the decrease in trade and other receivables of RMB51.5 million, and (c) the decrease in trade and other payables of RMB75.7 million.

In 2022, our net cash flows generated from operating activities was RMB254.3 million, which was primarily attributed to our profit before taxation of RMB152.4 million, including (i) non-cash and non-operating items, primarily comprising (a) the net realized and unrealized losses on derivative financial instruments of RMB1.7 million, (b) the depreciation of property, plant and equipment of RMB1.7 million, and (c) the depreciation of right-of-use assets of RMB2.0 million; and (ii) the change in working capital, primarily comprising (a) the decrease in trade and other receivables of RMB13.8 million, (b) the increase in trade and other payables of RMB59.6 million, (c) the decrease in inventories of RMB55.5 million, and (d) the decrease in contract liabilities of RMB31.8 million.

Cash Flows used in Investing Activities

In the eight months ended August 31, 2025, our net cash flows used in investing activities was RMB0.9 million, which was primarily attributed to payment for the purchase of property, plant and equipment and intangible assets of RMB2.9 million, partially offset by receipts of advance payments to related party of RMB1.1 million.

In 2024, our net cash flows used in investing activities was RMB8.5 million, which was primarily attributable to the payment for the settlement of derivative financial instruments of RMB5.4 million, payment for the purchase of property, plant and equipment and intangible assets of RMB2.3 million and advance payments to related parties of RMB1.1 million.

In 2023, our net cash flows used in investing activities was RMB6.0 million, which was attributable to the payment for the settlement of derivative financial instruments of RMB5.3 million and payment for the purchase of property, plant and equipment and intangible assets of RMB1.2 million.

In 2022, our net cash flows used in investing activities was RMB5.0 million, which was primarily attributable to the payment for the settlement of derivative financial instruments of RMB1.9 million and payment for the purchase of property, plant and equipment and intangible assets of RMB3.2 million.

Cash Flows used in Financing Activities

In the eight months ended August 31, 2025, our net cash flows used in financing activities was RMB27.3 million, which was primarily attributable to (i) repayment of borrowings from related parties of RMB150.0 million; and (ii) repayment of bank loans of RMB50.0 million, partially offset by proceeds from bank loans of RMB180.0 million.

In 2024, our net cash flows used in financing activities was RMB0.2 million, which was primarily attributable to proceeds from bank loans of RMB100.0 million, proceeds from borrowings from related parties of RMB168.3 million and payment arising from the reorganization of RMB158.8 million.

In 2023, our net cash flows used in financing activities was RMB72.2 million, which was primarily attributable to deemed distributions of RMB67.4 million.

In 2022, our net cash flows used in financing activities was RMB241.6 million, which was primarily attributable to deemed distributions of RMB260.4 million.

Net Current Assets

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

	As of December 31,			As of August 31,	As of November 30,
	2022	2023	2024	2025	2025
					(Unaudited)
	(RMB in thousands)				
Current assets					
Derivative financial instruments	1,328	261	–	–	–
Inventories	129,118	87,319	122,035	113,358	120,314
Trade and other receivables	121,683	69,936	101,433	109,874	119,337
Restricted cash	–	–	–	1,139	–
Cash and cash equivalents	14,135	26,644	65,673	106,353	104,231
Total current assets	**266,264**	**184,160**	**289,141**	**330,724**	**343,882**
Current liabilities					
Trade and other payables	153,822	79,047	266,274	123,250	117,412
Contract liabilities	6,853	5,435	12,441	7,915	8,411
Bank loans	25	27	100,092	230,186	230,169
Lease liabilities	8,298	4,052	2,506	465	460
Derivative financial instruments	1,197	2,284	–	–	–
Current taxation	3,625	10,626	3,032	5,410	3,088
Total current liabilities	**173,820**	**101,471**	**384,345**	**367,226**	**359,540**
Net current assets/(liabilities)	**92,444**	**82,689**	**(95,204)**	**(36,502)**	**(15,658)**

Our net current liabilities decreased by 57.1% from RMB36.5 million as of August 31, 2025 to RMB15.7 million as of November 30, 2025, primarily due to (i) the increase in trade and other receivables, mainly as a result of an increase in sales of products; and (ii) the increase in inventories, mainly as a result of an increase in sales of products and a relatively high level of inventory to prepare for our product sales in the upcoming year.

Our net current liabilities decreased by 61.7% from RMB95.2 million as December 31, 2024 to RMB36.5 million as of August 31, 2025, primarily due to (i) the decrease in trade and other payables, see "— Discussion of Selected Items from the Consolidated Statements of

Financial Position — Trade and other Payables;" and (ii) the decrease in contract liabilities, see "— Discussion of Selected Items from the Consolidated Statements of Financial Position — Contract Liabilities," partially offset by the increase in bank loans, see "— Indebtedness — Bank Loans."

We had net current liabilities of RMB95.2 million as of December 31, 2024 compared to net current assets of RMB82.7 million as of December 31, 2023, primarily due to (i) the increase in bank loans, see "— Indebtedness — Bank Loans."; and (ii) the increase in trade and other payables, see "— Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Payables.

Our net current assets decreased by 10.6% from RMB92.4 million as of December 31, 2022 to RMB82.7 million as of December 31, 2023. The decrease was primarily due to (i) the decrease in trade and other receivables, see "— Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Receivables;" (ii) the decrease in inventories, see "— Discussion of Selected Items from the Consolidated Statements of Financial Position — Inventories;" and (iii) the increase in current taxation. Such decreases were partially offset by the decrease in trade and other payables, see "— Discussion of Selected Items from the Consolidated Statements of Financial Position — Trade and other Payables."

We intend to improve our net current liabilities position through the following measures:

(i) ***We plan to expand our product portfolio and optimize our supply chain to boost operating profit and net operating cash inflow.*** By strategically broadening our offerings, particularly into the new categories, we can deliver more comprehensive solutions for anglers, thereby diversifying our revenue stream and driving our business growth. In addition, we will continuously strengthen our supply chain management to reduce our costs. For example, we will enhance flexible production and digital operations to improve our production efficiency, cost management and inventory turnover. We anticipate these measures to further enhance our operations and encourage higher operating profit and net operating cash inflow.

(ii) ***We will continue to review regularly and update our liquidity and funding policies to ensure that it is aligned with our business plan and financial position.*** For example, we prepare cash flow forecasts from time to time to project our liquidity position for our management to review to ensure the sufficiency of our financial resources.

(iii) ***We plan to enhance our trade receivables management by closely monitoring the credit profiles and operating and financial conditions of our customers.*** We maintain robust trade receivables recovery by proactively following up on our customers to ensure their payments as scheduled. We believe that this measure will enhance our asset quality and further improve our liquidity.

INDEBTEDNESS

As of December 31, 2022, 2023, 2024, August 31, 2025 and November 30, 2025, our indebtedness primarily comprised of (i) lease liabilities; (ii) bank loans and (iii) non-trade payables due to related parties. As of November 30, 2025, being the indebtedness date for the purpose of the indebtedness statement, we had total indebtedness of RMB237.5 million. As of November 30, 2025, our unutilized banking facilities was RMB130.0 million.

The following table sets forth the details of our indebtedness as of the dates indicated:

	As of December 31,			As of August 31,	As of November 30,
	2022	2023	2024	2025	2025
	(RMB in thousands)				
					(Unaudited)
Current					
Lease liabilities	8,298	4,052	2,506	465	460
Bank loans	25	27	100,092	230,186	230,169
Non-trade payables due to related parties	4,581	4,934	155,392	6,055	6,035
Non-current					
Lease liabilities	5,140	3,143	1,294	1,011	868
Bank loans	78	57	–	–	–
Total	**18,122**	**12,213**	**259,284**	**237,717**	**237,532**

Except for our indebtedness as disclosed above as of December 31, 2022, 2023, 2024, August 31, 2025 and November 30, 2025, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank loans or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), or acceptance credits, which were either guaranteed or unguaranteed, secured or unsecured. Our Directors confirm that there has not been any material change in our indebtedness since November 30, 2025 and up to the date of this prospectus.

Lease Liabilities

As of December 31, 2022, 2023, 2024, August 31, 2025 and November 30, 2025, our total lease liabilities (including current and non-current portions) were RMB13.4 million, RMB7.2 million, RMB3.8 million, RMB1.5 million and RMB1.3 million, respectively.

The following table sets forth our lease liabilities in absolute amounts as of the dates indicated:

	As of December 31,			As of August 31,	As of November 30,
	2022	2023	2024	2025	2025
	(RMB in thousands)				
					(Unaudited)
Current	8,298	4,052	2,506	465	460
Non-current	5,140	3,143	1,294	1,011	868
Total	**13,438**	**7,195**	**3,800**	**1,476**	**1,328**

Our lease liabilities decreased by 46.5% from RMB13.4 million as of December 31, 2022 to RMB7.2 million as of December 31, 2023, primarily due to the termination of one lease for one production facility and the conversion of long-term lease to short-term lease. Our lease liabilities decreased by 47.2% from RMB7.2 million as of December 31, 2023 to RMB3.8 million as of December 31, 2024, mainly due to our payment of rent in 2024. Our lease liabilities decreased by 61.2% from RMB3.8 million as of December 31, 2024 to RMB1.5 million as of August 31, 2025, primarily due to our rental payment. Our total lease liabilities remained relatively stable at RMB1.5 million and RMB1.3 million as of August 31, 2025 and November 30, 2025, respectively.

Non-trade Payables due to Related Parties

Our non-trade payables due to related parties stayed relatively stable at RMB4.6 million as of December 31, 2022 to RMB4.9 million as of December 31, 2023. Our non-trade payables due to related parties increased from RMB4.9 million as of December 31, 2023 to RMB155.4 million as of December 31, 2024, primarily due to the loans from related parties for the payment of reorganization. Our non-trade payables due to related parties decreased by 96.1% from RMB155.4 million as of December 31, 2024 to RMB6.1 million as of August 31, 2025, primarily due to the repayment of loan from Zhejiang Topsun Holding related to the Reorganization. Our non-trade payables due to related parties remained relatively stable at RMB6.1 million and RMB6.0 million as of August 31, 2025 and November 30, 2025, respectively. We have settled our non-trade payables due to related parties in December 2025.

Bank Loans

Our bank loans remained relatively stable at RMB0.1 million as of December 31, 2022 and 2023. Our bank loans increased significantly from RMB0.1 million as of December 31, 2023 to RMB100.1 million as of December 31, 2024, primarily to satisfy our operational needs. Our bank loans increased by 130.0% from RMB100.1 million as of December 31, 2024 to RMB230.2 million as of August 31, 2025, primarily because we scaled up our bank borrowings to support our expanding business operation. Our bank loans remained stable at RMB230.2 million as of August 31, 2025 and November 30, 2025. The carrying amount of our secured bank loans were RMB0.1 million, RMB0.1 million, RMB50.0 million, RMB150.0 million and RMB150.0 million as of December 31, 2022, 2023, 2024, August 31, 2025 and November 30, 2025, respectively.

The secured bank loans are borrowed by us for motor vehicle financing and are pledged by the motor vehicle with a carrying amount of RMB0.1 million and RMB0.1 million as of December 31, 2022 and 2023, respectively. In November 2024, we paid this loan in advance before the maturity of the loan. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any difficulty in obtaining bank loans and other borrowings, or any defaults in payment of bank loans and other borrowings.

The secured loans of RMB50,049,000 as of December 31, 2024 were secured by the land use rights and plant and buildings with the carrying amount of RMB591,000 and RMB32,624,000 as of December 31, 2024, respectively. This short-term bank loan was settled in February 2025.

As of December 31, 2024, Zhejiang Ridge Outdoor, one of our subsidiaries, failed to meet certain financial metric stipulated in a 13-month loan agreement dated December 10, 2024. The carrying amount of the related loan with the original maturity date of January 2026 is RMB50,043,000. On March 21, 2025, Zhejiang Ridge Outdoor, signed a supplementary agreement with the related bank only to amend and remove the relevant financial metrics of such loan agreement. The bank didn't demand any immediate payment or request to terminate any existing banking facility or loan agreement and the maturity date of this loan remained unchanged, i.e. January 2026. This bank loan was repaid in December 2025.

Save for the above, our Directors confirm that there was no material covenant on any of our outstanding debt as of the Latest Practicable Date, and there was no breach of any covenants during the Track Record Period and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

As of December 31, 2022, 2023, 2024 and August 31, 2025 and up to the Latest Practicable Date, we did not have any material contingent liabilities.

CAPITAL COMMITMENTS AND EXPENDITURES

We did not have material commitments as of December 31, 2022, 2023, 2024 and August 31, 2025.

During the Track Record Period, our capital expenditures were related to purchase of property, plant and equipment and intangible assets. We had capital expenditures of RMB3.2 million, RMB1.2 million, RMB2.3 million and RMB2.9 million in 2022, 2023, 2024 and the eight months ended August 31, 2025, respectively. We funded our capital expenditure requirements during the Track Record Period mainly from cash generated from operations. We intend to fund our future capital expenditures and long-term investments with a combination of operating cashflow, equity and debt financing and net proceeds received from the Global Offering. See "Future Plans and Use of Proceeds." We may reallocate the fund to be utilized on capital expenditure based on our ongoing business needs.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements.

MATERIAL RELATED PARTY TRANSACTIONS

For details of our related party transactions during the Track Record Period, see "Connected Transactions" and Note 28 of Appendix I to this Prospectus.

Our Directors believe that our transactions with related parties during the Track Record Period were conducted on normal commercial terms and on an arm's-length basis in the ordinary and usual course of business, and they did not distort our results of operations or make our historical results not reflective of our future performance.

FINANCIAL RISK

We are exposed to a variety of financial risks, including credit risk, liquidity risk, interest rate risk and currency risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 26 of Appendix I to this prospectus.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to us. Our credit risk is primarily attributable to trade and other receivables. Our exposure to credit risk arising from cash and cash equivalents and derivative financial assets is limited because the counterparties are state-owned banks or reputable commercial banks, which we consider as having low credit risk.

Trade receivables

We have established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days to 90 days from the date of billing. Normally, we do not obtain collateral from customers.

We have no significant concentration of credit risk in industries or countries in which our customers operate. Significant concentrations of credit risk primarily arise when we have significant exposure to individual customers. As of December 31, 2022, 2023, 2024 and August 31, 2025, the trade receivables from our five largest customers in each year or period during the Track Record Period represented 81.1%, 68.7%, 74.8% and 60.7% of the total trade receivables for those periods, respectively.

We measure loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As our historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between our different customer bases.

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and our view of economic conditions over the expected lives of the receivables.

See Note 26(a) of Appendix I to this Prospectus.

Prepayments, other receivables and deposits

Credit risk in respect of prepayments, other receivables and deposits is limited since the balance mainly includes prepayments to reputable suppliers, value-added tax recoverable and deposits to suppliers.

We measure loss allowances for prepayments, other receivables and deposits at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. We assess that there is no significant loss allowance recognized in accordance with IFRS 9 for prepayments, other receivables and deposits as of December, 2022, 2023, 2024 and August 31, 2025.

Liquidity Risk

Our policy is to regularly monitor liquidity requirements and to ensure that we maintain sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet our liquidity requirements in both the short and long term. See Note 26(b) of Appendix I to this Prospectus.

Interest Rate Risk

Our interest rate risk arises primarily from cash at bank, bank loans and lease liabilities. We do not account for any fixed rate financial instruments, such as bank loans and lease liabilities, at fair value through profit or loss. Therefore, a change in interest rate at the end of the reporting period would not affect profit or loss. In respect of the exposure to cash flow interest rate risk arising from floating rate of the non-derivative financial instruments held by us, such as cash at bank, at the end of the reporting period, we are not exposed to significant interest rate risk as the interest rates of cash at bank are not expected to change significantly. Overall, our exposure to interest rate risk is not significant. See Note 26(c) of Appendix I to this Prospectus.

Currency Risk

We are exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD and EUR. We use forward exchange contracts to manage our currency risk. See Note 26(d) of Appendix I to this Prospectus.

DIVIDENDS

Except the dividend paid in September 2024, no dividends have been paid or declared by our Company during the Track Record Period. On July 29, 2024, a dividend distribution plan was approved, pursuant to which Zhejiang Ridge Outdoor shall distribute a cash dividend of RMB65.0 million to Zhejiang Topsun Industrial, and we paid the total amount of such dividend in September 2024. You should note that the historical dividend distributions are not indicative of our future dividend distribution policy and may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future.

We are an exempted company incorporated under the laws of the Cayman Islands. Under the Cayman Companies Act and the Articles of Association, our Company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. We have no fixed dividend policy, and the declaration and payment of any dividends in the future will be determined by our Board of Directors in its discretion. In addition, our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. A decision to declare or to pay any dividends in the future, and the amount of any such dividends, will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that our Board may consider important. We do not have a predetermined dividend payout ratio. There can be no assurance that dividends of any amount will be declared or distributed in any year.

WORKING CAPITAL CONFIRMATION

Taking into account the financial resources available to us, including our cash and cash equivalents on hand, the operating cash flows and the estimated net proceeds from the Global Offering, our Directors are of the view that we have sufficient working capital to meet our present requirements and for the 12 months following the date of this Prospectus.

DISTRIBUTABLE RESERVES

As of August 31, 2025, we had retained profits attributable to equity shareholders of the Company of RMB73.9 million.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of our adjusted net tangible assets is prepared in accordance with Rule 4.29 of the Listing Rules and is set out below to illustrate the effect of the Global Offering on the consolidated net tangible assets attributable to equity shareholders of the Company as of August 31, 2025, as if the Global Offering had taken place on August 31, 2025. The unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of our financial position had the Global Offering been completed as of August 31, 2025 or any future date.

	Consolidated net tangible assets attributable to the equity shareholders of the Company as at August 31, 2025(1)	Estimated net proceeds from the Global Offering(2)(4)	Unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company(3)(5)	Unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company per Share	
	RMB'000	*RMB'000*	*RMB'000*	*RMB(5)*	*HK$(4)*
Based on an Offer Price of HK$11.25 per Share	9,483	252,743	262,226	2.05	2.28
Based on an Offer Price of HK$12.25 per Share	9,483	276,770	286,253	2.23	2.49

Notes:

(1) The consolidated net tangible assets attributable to equity shareholders of the Company as of August 31, 2025 have been calculated based on the audited total equity of RMB10,650,000 as at August 31, 2025, after deduction of the intangible assets of RMB1,167,000 as at August 31, 2025, which is extracted from the Accountants' Report set out in Appendix I in this Prospectus.

(2) The estimated net proceeds from this Global Offering are based on 28,205,000 shares to be issued at the estimated Offer Price of HK$11.25 per share (being the low-end of the Offer Price) and HK$12.25 per Share (being the high-end of the Offer Price), respectively, after deduction of the estimated underwriting fees and other related listing expenses paid or payable by the Group (excluding the listing expenses of RMB21,032,000 that have been charged to profit or loss on or before August 31, 2025).

(3) The unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company per share is arrived at after the above adjustments and on the basis that a total of 128,205,000 shares were in issue immediately following the completion of Global Offering assuming the Global Offering had been completed on August 31, 2025.

(4) For illustrative purpose, the estimated net proceeds from the Global Offering and the unaudited pro forma adjusted consolidated net tangible assets per share are converted from the Hong Kong dollar into Renminbi at the exchange rate of HK$1.00 to RMB0.89676, the exchange rate set by the People's Bank of China ("PBOC") prevailing on January 23, 2026. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at the rate or at any other rates or at all.

(5) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect our trading results or other transactions entered into subsequent to August 31, 2025.

See Appendix II of this Prospectus.

NO MATERIAL ADVERSE CHANGE

Save as disclosed above, after performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, there had been no material adverse change in our financial or trading position or prospects since August 31, 2025, being the end date of the periods reported in Appendix I to this Prospectus, and there is no event since August 31, 2025 that would materially affect the information as set out in Appendix I of this Prospectus.

DISCLOSURE UNDER LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2025

On the basis set out in Appendix IIA to this prospectus, and in the absence of unforeseen circumstances, we estimate that our unaudited consolidated profit attributable to equity shareholders of our Company for the year ended December 31, 2025 is as follows:

Estimated consolidated profit attributable to equity shareholders of our Company	Not less than RMB73.0 million

LISTING EXPENSES

Listing expenses consist of professional fees, underwriting commissions and other fees incurred in connection with the Global Offering. We expect to incur total listing expenses of approximately RMB53.5 million (HK$59.6 million), comprising: (i) underwriting fees of RMB14.9 million (HK$16.6 million); and (ii) non underwriting-related expenses of RMB38.6 million (HK$43.1 million), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB26.6 million (HK$29.6 million); and (b) other fees and expenses of RMB12.0 million (HK$13.4 million), based on the Offer Price of HK$11.75 per Offer Share (being the mid-point of the Offer Price range). During the Track Record Period, listing expenses in aggregate of RMB21.0 million (HK$23.4 million) were incurred as of August 31, 2025 and charged to our consolidated statement of profit or loss. Approximately RMB13.1 million (HK$14.6 million) of the total listing expenses is expected to be charged to our consolidated statements of profit or loss after the Track Record Period. Approximately RMB19.4 million (HK$21.6 million) of the total listing expenses is expected to be deducted from equity upon completion of the Global Offering. The listing expenses are expected to represent approximately 18.0% of the gross proceeds of the Global Offering, assuming an Offer Price of HK$11.75 per Offer Share (being the mid-point of the indicative Offer Price range). The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**", and together the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the Offer Price for such number of the Offer Shares (rounded down to the nearest whole board lot of 500 Shares) that may be purchased for an aggregate amount of HK$130 million (exclusive of brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee) (the "**Cornerstone Placing**").

Based on the Offer Price of HK$12.25 per Offer Share, being the high-end of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 10,612,000. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Approximate % of the Offer Shares	Approximate % of the total issued share capital
37.62%	8.28%

Based on the Offer Price of HK$11.75 per Offer Share, being the mid-point of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 11,063,500. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Approximate % of the Offer Shares	Approximate % of the total issued share capital
39.23%	8.63%

Based on the Offer Price of HK$11.25 per Offer Share, being the low-end of the indicative Offer Price range set out in this prospectus, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 11,555,000. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Approximate % of the Offer Shares	Approximate % of the total issued share capital
40.97%	9.01%

We believe that the Cornerstone Placing demonstrates our Cornerstone Investors' confidence in our Company and our business prospect, and that leveraging on the Cornerstone Investors' investment, the Cornerstone Placing will help raise the profile of our Company. Our Company became acquainted with each of the Cornerstone Investors in its ordinary course of operation through the Group's business network or through introduction by the Overall Coordinator.

The Cornerstone Placing will form part of the International Offering, and save as otherwise waived/consented to by the Stock Exchange, the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed by the Cornerstone Investors will rank pari passu in all respects with the fully paid Shares in issue and all the Shares to be subscribed by the Cornerstone Investors will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, (i) none of the Cornerstone Investors and/or their close associates will have any Board representation in our Company; (ii) none of the Cornerstone Investors and/or their close associates will become a substantial Shareholder of our Company; and (iii) the three largest public Shareholders will not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rule 8.08(3) and Rule 8.24 of the Listing Rules. The Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

As confirmed by each of the Cornerstone Investors, there are no side arrangements or agreements between the Company, and the Cornerstone Investors, or any benefit, direct or indirect, conferred on the Cornerstone Investors, by virtue of or in relation to the Listing other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Shares commence on the Stock Exchange. There will be no deferred settlement or delayed delivery of the Offer Shares to be subscribed by the Cornerstone Investors.

To the best of the knowledge, information and belief of our Company, (i) the Cornerstone Investors and their ultimate beneficial owners are independent of the Company, its connected persons and their respective associates; (ii) none of the Cornerstone Investor is accustomed to take and has not taken instructions from the Company, its subsidiaries, our Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; and (iii) none of the subscription of the Offer Shares by the Cornerstone Investors is directly and indirectly financed by the Company, its subsidiaries, our Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or their respective close associates.

To the best knowledge of the Company and the Overall Coordinator, and based on the indicative interest of investment of the Cornerstone Investors and/or their close associates as of the date of this prospectus, certain Cornerstone Investors and/or their close associates may participate in the International Offering as placees and subscribe for further Offer Shares in the Global Offering. The Company will seek the Stock Exchange's consent and/or waiver to allow the Cornerstone Investors and/or their close associates to participate in the International Offering as placees pursuant to Chapter 4.15 of the Guide for New Listing Applicants. Whether such Cornerstone Investors and/or their close associates will place orders in the International Offering are uncertain and will be subject to the final investment decisions of such investors and the terms and conditions of the Global Offering.

To the best knowledge of our Company, each of the Cornerstone Investors is independent from each other and makes independent investment decisions, and their subscription under the Cornerstone Investment Agreements would be financed by their own internal resources and they have sufficient funds to settle their respective investment under the Cornerstone Placing. Each of the Cornerstone Investor has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing, and that no specific approval from any stock exchange (if relevant) or its shareholders is required for the relevant cornerstone investment.

The total number of Offer Shares to be subscribed for by the Cornerstone Investors under the Cornerstone Placing may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering, as described in the paragraphs headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be deducted on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreements to satisfy the public demands under the Hong Kong Public Offering, after taking into account the requirements under Appendix F1 to the Listing Rules.

THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing:

Cornerstone Investor	Subscription amount[(1)]	Number of Offer Shares[(2)]	Assuming an Offer Price of HK$12.75 per Share (being the high-end of the Offer Price range)	
			Approximate % of the Offer Shares	Approximate % of the issued share capital
	HKD in millions			
Orbit Venture Capital Management Co., Limited ("**Orbit VC**")	80	6,530,500	23.15%	5.09%
Huangshan Dejun Enterprise Management Co., Ltd. (黃山德鈞企業管理有限公司) ("**Huangshan Dejun**")	50	4,081,500	14.47%	3.18%

Cornerstone Investor	Subscription amount[(1)]	Number of Offer Shares[(2)]	Assuming an Offer Price of HK$11.75 per Share (being the mid-point of the Offer Price range)	
			Approximate % of the Offer Shares	Approximate % of the issued share capital
	HKD in millions			
Orbit VC	80	6,808,500	24.14%	5.31%
Huangshan Dejun	50	4,255,000	15.09%	3.32%

Cornerstone Investor	Subscription amount[(1)]	Number of Offer Shares[(2)]	Assuming an Offer Price of HK$11.25 per Share (being the low-end of the Offer Price range)	
			Approximate % of the Offer Shares	Approximate % of the issued share capital
	HKD in millions			
Orbit VC	80	7,111,000	25.21%	5.55%
Huangshan Dejun	50	4,444,000	15.76%	3.47%

Notes:

(1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and to be converted to Hong Kong dollars based on the exchange rate as disclosed in this prospectus;

(2) Subject to rounding down to the nearest whole board lot of 500 Offer Shares. Calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion."

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Orbit VC

Orbit VC is a company incorporated under the laws of Hong Kong with limited liability on April 25, 2023. It is an investment holding vehicle focused primarily on equity investments in the primary and secondary markets. Its ultimate beneficial owner is Mr. He Haonan (何浩男), an investor with prior investment experience as a cornerstone investor, such as his investment in Auntea Jenny (Shanghai) Industrial Co., Ltd. (滬上阿姨(上海)實業股份有限公司), a company listed on the Stock Exchange (stock code: 2589).

Huangshan Dejun

Huangshan Dejun is a limited liability company established under the laws of the PRC on August 27, 2025. As of the Latest Practicable Date, it was wholly owned by Deqing County Industrial Development Investment Fund Co., Ltd. (德清縣產業發展投資基金有限公司), a state-owned company established under the laws of the PRC, which was in turn owned as to (i) 40% by Huzhou Moganshan High-Tech Industrial Investment and Development Group Co., Ltd. (湖州莫干山高新產業投資發展集團有限公司), which is ultimately controlled by Huzhou Moganshan High-tech Industrial Development Zone Management Committee (湖州莫干山高新技術產業開發區管理委員會), (ii) 20% by Deqing County Finance Bureau (Deqing County People' Government State-owned Assets Supervision and Management Office) (德清縣財政局(德清縣人民政府國有資產監督管理辦公室)) ("**Deqing County Finance Bureau**"), (iii) 20% by Deqing County Culture and Tourism Development Group Co., Ltd. (德清縣文化旅遊發展集團有限公司), (iv) 10% by Deqing County Transportation Development Group Co., Ltd. (德清縣交通發展集團有限公司) and (v) 10% by Deqing County Construction Investment Group Co., Ltd. (德清縣建設投資有限公司). Deqing County Culture and Tourism Development Group Co., Ltd. (德清縣文化旅遊發展集團有限公司), Deqing County Transportation Development Group Co., Ltd. (德清縣交通發展集團有限公司), and Deqing County Construction Investment Group Co., Ltd. (德清縣建設投資有限公司) are ultimately controlled by Deqing County Finance Bureau.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(a) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;

(b) the Offer Price having been agreed upon between our Company and the Overall Coordinator (for itself and on behalf of the underwriters of the Global Offering);

(c) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Shares (including the Shares subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals (including those in connection with the subscription by the Investor of the Investor Shares), and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(d) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(e) the respective representations, warranties, undertakings, acknowledgements and confirmations of the relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are and will be accurate and true in all respects and not misleading or deceptive and that there is no breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each Cornerstone Investor has agreed that it will not, whether directly or indirectly, at any time during the period of twelve months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

FUTURE PLANS

See "Business — Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

After deducting the underwriting fees and commissions and other estimated offering expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$11.75 per Share (being the mid-point of the indicative Offer Price range of HK$11.25 and HK$12.25), we estimate that we will receive net proceeds of approximately HK$271.8 million from the Global Offering. In line with our strategies, we intend to use our proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 45.0% of the net proceeds, or HK$122.3 million, is expected to be used for our brand development and promotion. In particular:

  ○ approximately 10.0% of the net proceeds, or HK$27.2 million, is expected to be used for the development and promotion of our brand Solar, and we plan to:

    (i) build an online platform that offers e-commerce options to our Solar customers, aiming to bring more convenient and efficient shopping experience and enhance brand recognition of Solar through digital marketing. In August 2024, we had initiated the procedures for the setup of our online sales platform, supported by a designated team with members specializing in business operation, finance and IT. We expect to put this platform into operation before the end of 2025;

    (ii) expand our sales team with more local sales personnel in Europe to drive the growth of our own brand Solar. Unlike OEM/ODM operation, our OBM operation requires a stronger local team to address the distinct languages, fishing habits and market preferences of each targeted regions in Europe. Particularly, we plan to hire sales personnel in France and Germany, aiming to leverage their language skills and local market knowledge to strengthen our sales of Solar products in these targeted areas; and

    (iii) develop and introduce more products that align with the mid-to-high-end positioning of our Solar brand, capitalizing on our strong supply chain capabilities, particularly in the application of new technologies and materials. While our Solar brand has already offered a wide range of fishing-related equipment, we aim to enhance existing product categories with innovative designs and features that can cater to evolving fishing trends in targeted European markets. We also plan to expand into new product categories, such as fishing tackle, to capture emerging market opportunities;

- ○ approximately 10.0% of the net proceeds, or HK$27.2 million, is expected to be used for the development of new brands, with a main focus on new fishing-related equipment brands that cater to markets in China and the Asia-Pacific region. For example, we plan to (i) leverage strong supply chain advantages in China to introduce more fishing-related equipment that combine functionality with aesthetics and can address typical environmental needs in our targeted markets; (ii) enhance online marketing and brand promotion through popular platforms, particularly social media channels, in targeted markets; and (iii) expand offline sales channels and strengthen offline marketing by setting up brand displays in fishing-related equipment stores, organizing showcase events and equipping in-store sales personnel to offer expert guidance to consumers and enhance brand visibility. Particularly, we have the necessary expertise to expand our presence in the Asia-Pacific region, based on our sales experience in this region. Our strengths in terms of advanced product design and production capabilities, established pricing mechanism, wide product range and proven marketing initiatives have positioned us well to introduce new brands in the targeted markets;

- ○ approximately 25.0% of the net proceeds, or HK$67.9 million, is expected to be used to invest in or acquire fishing gear brands with potential synergies with our business, which aligns with our strategy to cultivate a full-category, well-structured product range. With diverse demand across fishing gear categories, there remain product segments we have yet to enter, representing untapped opportunities for our portfolio. We aim to expand in high-potential fishing tackle categories such as rods, reels, hooks, lines and baits. By strategically broadening our offerings, particularly into the new categories, we can deliver more comprehensive solutions for anglers and drive business growth.

  Our rationales for expanding into fishing tackle categories through acquisition mainly include: (i) the fishing tackle market presents significant growth potential: in 2024, the size of the global fishing tackle market had reached RMB133.7 billion in terms of retail sales, nearly 20 times the size of the fishing-related equipment market, according to Frost & Sullivan; (ii) by acquiring existing fishing gear brands rather than self-developing new brands, we can effectively utilize the advantages offered by the brands that come with proven market recognition, established product portfolios and existing supply or sales resources, which allow us to accelerate growth more effectively than starting from scratch; and (iii) we have robust design and production capabilities, established sales channels and profound marketing expertise, honed through years of experience with fishing-related equipment, which could strongly empower the existing infrastructure of the acquired brands. This approach enables faster scaling and market penetration, positioning us for rapid success in a high-growth sector.

We take into consideration the following major factors when evaluating a target brand: (i) the positioning and market recognition of the brand; (ii) established sales channels of the brand, both online and offline; (iii) product portfolio of the brand, preferably fishing rods, reels or other fishing gear complementary to our existing product offerings; and (iv) other factors such as the operating scale, financial condition and growth potential of the brand. Particularly, we aim to select acquisition targets mainly from the following three types of brands, depending on which best aligns with our strategic objectives at the time of acquisition: (i) established U.S. or European brands with broad product portfolios and an annual revenue ranging from approximately $20 million to $30 million; (ii) fishing tackle brands in China, with established supply chain and sales channel resources and an annual revenue of approximately RMB60 million; and (iii) established Korean or Japanese brands with broad product portfolios and an annual revenue of approximately RMB30 million. According to Frost & Sullivan, there were hundreds of potential acquisition targets that could meet our criteria in the industry as of the Latest Practicable Date. We had not identified any specific investment target for our use of net proceeds from the Global Offering as of the Latest Practicable Date.

- approximately 25.0% of the net proceeds, or HK$67.9 million, is expected to be used for product design and development and the establishment of a global fishing gear innovation center. In particular:

  ○ approximately 15.0% of the net proceeds, or HK$40.8 million, is expected to be used to enrich our product portfolio, and we plan to (i) introduce more fishing gear categories such as fishing rods, reels, baits and hooks; and (ii) expand scenario application of our products by exploring new product functions leveraging new technologies. With our profound industry experience in the fishing-related equipment industry, we identify emerging market demand through close collaboration with downstream customers, comprehensive market research and rigorous analysis of internal product data. Our long-standing experience in the fishing-related equipment industry has allowed us to build robust supply chain resources, strong production capabilities and global sales network. With these capabilities, we are well-positioned to expand into more fishing gear categories. Leveraging our understanding of industry trends and customer needs gained through our existing products, as well as our product development driven by advanced technologies and insights from industry experts, we are able to create products that align with market demands, enhancing comfort, convenience and enjoyment for anglers. Combined with our established global sales network and emphasis on high product quality, we believe that we can compete effectively with existing market players. As of the Latest Practicable Date, we were developing fishing rods and reels, with certain fishing rod products already available for sale and the development of certain fishing reel products completed in the second half of 2025; and

  - approximately 10.0% of the net proceeds, or HK$27.2 million, is expected to be used for the establishment of a global fishing gear innovation center, which we plan to organize as a business unit dedicated to the overall management and coordination of resources for our product development plans and efforts. The purpose of designating this center as "global" is to address diverse fishing methods and environments across regions. For example, we expect it to support our design of tailored solutions, such as space-efficient fishing gears for regions characterized by limited fishing spaces, or fishing gears with strong portability for regions characterized by expansive coastlines. Through this global fishing gear innovation center, we plan to (i) foster collaboration with external parties such as reputable institutions and talents; (ii) organize initiatives such as design competitions; (iii) expand our R&D team and recruit interdisciplinary talents; and (iv) manage interdisciplinary projects, including those combining fishing with emerging technologies. By maintaining an open and inclusive platform, we aim to drive product advancement and set new standards for sustainable industry development.

- approximately 20.0% of the net proceeds, or HK$54.4 million, is expected to be used to upgrade our production facilities and enhance our digitalization capabilities; In particular:

  - approximately 12.0% of the net proceeds, or HK$32.6 million, is expected to be used on the procurement of production equipment such as laser cutting machines, automatic tailor machines, automatic spreading machines, automatic welding machines, automated material transport systems and double-needle sewing machines. The unit cost of these equipment ranges from approximately RMB10,000 to RMB800,000, with an expected useful life of around 10 years. These upgrades can enhance production efficiency and precision, strengthen product quality and improve workplace conditions in production plants, surpassing the capabilities of our existing equipment. While we have already integrated automation and intelligent systems for production, technology continues to evolve, and these investments are essential to maintaining our competitive edge in terms of supply chain capabilities;

  - approximately 5.0% of the net proceeds, or HK$13.6 million, is expected to be used for our green production initiatives. We plan to acquire more eco-friendly equipment to reduce the impact of our production activities on the environment. For example, we plan to upgrade our wastewater and emission treatment equipment and enhance our utilization of renewable energy; and

  - ○ approximately 3.0% of the net proceeds, or HK$8.2 million, is expected to be used to upgrade our information systems, aiming to improve our operational efficiency across procurement, production, sales and management.

- approximately 10.0% of the net proceeds, or HK$27.2 million, is expected to be used for working capital and general corporate uses.

If the Offer Price is set at the high end of the Offer Price range or the low end of the Offer Price range, the net proceeds of the Global Offering will increase or decrease to approximately HK$285.2 million and HK$258.4 million, respectively.

To the extent that the net proceeds from the Global Offering are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

To the extent that the net proceeds from the Global Offering are not immediately used for the above purposes, we will only deposit such net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions) so long as it is deemed to be in the best interests of the Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, the Directors will carefully evaluate the situation and may reallocate the net proceeds from the Global Offering. We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds in accordance with the Listing Rules.

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited
Futu Securities International (Hong Kong) Limited
Fuze Securities (International) Limited

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and us on or before Friday, February 6, 2026, or such other date as agreed between the parties, the Global Offering will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 2,820,500 Hong Kong Offer Shares and the International Offering of initially 25,384,500 International Offer Shares, subject, in each case, to reallocation on the basis as described in the section headed "Structure of the Global Offering" in this prospectus.

UNDERWRITING ARRANGEMENTS

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering initially Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong at the Offer Price on the terms and subject to the terms and conditions of the Hong Kong Underwriting Agreement and the prospectus.

Subject to the Listing Committee granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein on the Main Board of the Stock Exchange, and certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on the terms and subject to the conditions of this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional upon and subject to, amongst other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination. If at any time prior to 8:00 a.m. on the day that trading in the Shares commences on the Stock Exchange:

(1) there develops, occurs, exists or comes into force:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent governmental authority in or affecting Hong Kong, Cayman Islands, the PRC, the United States, the United Kingdom or other jurisdictions relevant to the Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(b) any change or development involving an anticipated change in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, (including without limitation COVID-19, SARS, MERS, H5N1, H1N1, swine or avian influenza or such related/mutated forms), accident or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions, or without limiting the foregoing, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed), or other state of emergency or calamity or crisis in or affecting any of the Relevant Jurisdictions; or

(d) any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange or the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Sole Overall Coordinator, the issue or requirement to issue by the Company of a supplement or amendment to the Prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(g) the commencement by any governmental authority or other regulatory or political body or organization of any public action or investigation against a Group Company or a director or a senior management member of any Group Company in his/her capacity as such or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any of the Controlling Shareholders, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or

(j) any non-compliance of the Prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any Major Subsidiary (as defined in the Prospectus) or any Controlling Shareholder or any Director or senior management members as named in the Prospectus that will result in any of the persons listed above being prohibited by operation of law or otherwise disqualified from taking part in management of the Company; or

(l) any contravention by the Company or any Director of the Listing Rules or applicable laws; or

(m) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in the Prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Sole Sponsor and the Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters):

i. has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or the Group as a whole;

ii. has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

iii. makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged or for the Hong Kong Public Offering and/or the Global Offering to proceed or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents; or

iv. has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(2) there has come to the notice of the Sole Sponsor and the Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the "Global Offering Documents") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Hong Kong Prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by the Company or the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement (including any supplement or amendment thereto); or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the indemnifying parties pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon the Company or any member of the Controlling Shareholders under the Hong Kong Underwriting Agreement or the International Underwriting Agreement (including any supplement or amendment thereto); or

(f) there is any change or development involving a prospective change, having a material adverse effect; or

(g) that the Chairman of the Board, any Director or any member of senior management of the Company named in the Prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of the Company named in the Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(i) the Company withdraws the Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(j) that the approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, revoked or withheld; or

(k) any person (other than the Sole Sponsor) has withdrawn its consent to the issue of the Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(l) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(m) any person (other than the Sole Sponsor and the Sole Overall Coordinator) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or to the issue of any of the Offering Documents; or

(n) an order or petition is presented for the winding-up or liquidation of any member of the Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or

(o) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sole Overall Coordinator, the issue or requirement to issue by the Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable laws; or

(p) that a material portion of the orders placed or confirmed in the bookbuilding process, or investment commitments made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled;

then the Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) may, in its sole and absolute discretion and upon giving notice in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

(A) Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Hong Kong Stock Exchange that we will not issue any further shares or securities convertible into equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the date on which our securities first commence dealings on the Hong Kong Stock Exchange (whether or not such issue of Shares or securities will be completed within six months from the commencement of dealings), except pursuant to the Global Offering or any of the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each Controlling Shareholder has jointly and severally undertaken to the Stock Exchange, the Sole Sponsor and the Company that, except in compliance with the requirements of the Listing Rules or pursuant to the Global Offering, he, she or it shall not and shall procure that the relevant registered holder(s) shall not, without the prior written consent of the Stock Exchange:

(a) in the period commencing on the date by reference to which disclosure of its, his or her shareholding in our Company is made in this prospectus and ending on the expiration date of the six months from the Listing Date (the "**First Six-Month Period**"), either directly or indirectly, dispose of, enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of those Shares or securities of our Company in respect of which he, she or it is shown by this prospectus to be the beneficial owner (as defined in Rule 10.07(1) of the Listing Rules, the "**Relevant Securities**") (save for a charge or a pledge of any Relevant Securities as security in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan); and

(b) at any time during the period of the following six months commencing on the date on which the First Six-Month Period expires (the "**Second Six-Month Period**", together with the First Six-Month Period, the "**First Twelve-Month Period**"), either directly or indirectly, dispose of, enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Relevant Securities (save for a charge or a pledge of any Relevant Securities as security in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan), if immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, that person or group of persons would cease to be our controlling shareholder (as defined in the Listing Rules).

Pursuant to Note (3) to Rule 10.07(2) of the Listing Rules, each Controlling Shareholder has also jointly and severally undertaken to the Stock Exchange, the Sole Sponsor, and our Company that, within the period commencing on the date by reference to which disclosure of his/her/its shareholding in our Company is made in this prospectus and ending on the expiry of the Second Six-Month Period, he, she or it will:

(a) when he, she or it pledges or charges any Relevant Securities in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan in accordance with Note (2) to Rule 10.07 of the Listing Rules, immediately inform us and the Sole Sponsor and the Sole Overall Coordinator in writing of such pledge or charge together with the number of Relevant Securities so pledged or charged; and

(b) when he, she or it receives any indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged securities will be disposed of, immediately inform us, the Sole Sponsor and the Sole Overall Coordinator in writing of such indications.

We will inform the Stock Exchange as soon as we have been informed of the above matters (if any) by any Controlling Shareholder and disclose such matters by way of an announcement published in accordance with the Listing Rules as soon as possible after being so informed by the relevant Controlling Shareholder.

Undertakings to the Hong Kong Underwriters Pursuant to the Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company and the Controlling Shareholders have undertaken as follows.

(A) Undertakings by our Company

The Company has undertaken to each of the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters that except pursuant to the Global Offering at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six-Month Period**"), it will not, without the prior written consent of the Sole Sponsor and the Sole Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create a mortgage, charge, pledge, lien, or other security interest or option, restriction, right of first refusal, right of pre-emption or other third party claim, right, interest or preference or any other encumbrance of any kind (an "**Encumbrance**") over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally or repurchase any Shares or other securities of the Company or any interest in any of the foregoing (including any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares), or deposit any share capital or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or other securities of the Company or any interest in any of the foregoing (including any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or agree to or announce any intention to effect any transaction specified in (a), (b) and (c) above,

in each case, whether any of the foregoing transactions is to be settled by delivery of Shares or other securities of the Company as applicable, or, in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-Month Period). The Company further agrees that, in the event the Company enters into any of the transactions described in Clause (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the Hong Kong Underwriting Agreement First Six-Month Period expires (the "**Second Six-Month Period**"), the Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company. Controlling Shareholders has undertaken to each of the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters to procure the Company to comply with such undertakings.

(B) Undertakings by our Controlling Shareholders

Each of the Controlling Shareholders jointly and severally undertakes to each of our Company, the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that, without the prior written consent of the Sole Overall Coordinator (on behalf of the Hong Kong Underwriters) and the Sole Sponsor and unless in compliance with the requirements of the Listing Rules or pursuant to the Global Offering:

(a) he/she/it will not, and will procure that none of his/her/its affiliates will not, at any time during the First Six-Month Period, (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, hedge, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over (other than any mortgage, pledge or charge in favor of an authorized institution (as defined in the Banking Ordinance (Cap. 155 of the Laws of Hong Kong)) not involving a change of legal ownership of such Shares other than on enforcement for a *bona fide* commercial loan in compliance with the Listing Rules), either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any other securities of the Company, as applicable) beneficially owned by him/her/it directly or indirectly through his/her/its controlled entities as at the Listing Date (the "**Subject Securities**"), or deposit any Subject Securities with a depositary in connection with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Subject Securities, or (iii) enter into or effect any transaction with the same economic effect as any of the transactions specified in (i) or (ii) above, or (iv) offer to or, contract to or agree to announce any intention to enter into or effect any of the transactions specified in (i), (ii) or (iii) above, in each case, whether any of the foregoing transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or such other equity securities of the Company, or in cash or otherwise (whether or not the transaction will be completed within the First Six-Month Period);

(b) until the expiry of the First Twelve-Month Period, in the event that he/she/it enters into any of the transactions specified in (a)(i), (ii) or (iii) above or offers to, contract to or agrees to or announces any intention to effect any such transaction, he/she/it will take all reasonable steps to ensure that any such transaction, offer, agreement or announcement will not create a disorderly or false market in the Shares or any other securities of the Company; provided that, subject to strict compliance with any requirements of applicable laws (including, without limitation, the requirements of the Stock Exchange), nothing above shall prevent the Controlling Shareholders from

(i) entering into, undertaking or consummating the above arrangements or transactions pursuant to a requirement of a governmental authority, regulatory body to which a Controlling Shareholder is subject, a court of law, an arbitral tribunal or a requirement of any applicable law, rules and regulations, or (ii) purchasing additional Shares or other securities of the Company and disposing of such additional Shares or other securities of the Company after the Listing Date; and

(c) he/she/it shall comply with all the restrictions and requirements under the Listing Rules on the sale, transfer or disposal by him/her/it or by the registered holder(s) of the Shares or any other securities of our Company at any time during the First Twelve-Month Period.

Indemnity

We and our Controlling Shareholders have jointly and severally agreed and undertaken to indemnify each of the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer, including, among other things, losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement or any breach by us of the Hong Kong Underwriting Agreement.

The International Offering

In connection with the International Offering, it is expected that we and the Controlling Shareholders will enter into the International Underwriting Agreement with, among others, the Sole Overall Coordinator, and the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would severally but not jointly agree to procure purchasers for or failing which to purchase, the International Offer Shares. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

Underwriting Commission and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission of 4% of the aggregate Offer Price of the Offer Shares offered under the Global Offering (the "**Fixed Fees**"). In addition, our Company may pay to any Underwriters a discretionary incentive fee of up to 1% on the aggregate Offer Price of the Offer Shares (the "**Discretionary Fees**").

Assuming the Discretionary Fees are paid in full, the aggregate amount of fees payable by our Company to all syndicate members will be 5% of the gross proceeds from the Global Offering, and the ratio of Fixed Fees and Discretionary Fees payable is therefore 80: 20.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

The aggregate underwriting commissions and fees, together with listing fees, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, legal and other professional fees and printing and other expenses relating to the Global Offering are estimated to amount to approximately HK$59.6 million (based on the Offer Price of HK$11.75 per Offer Share, being the mid-point of the indicative Offer Price range).

SOLE SPONSOR'S INDEPENDENCE

The Sole Sponsor satisfies the independence criteria applicable to a sponsor as set out in Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The Underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares, and entering into over-the-counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate

Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the relevant exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or its affiliates or any person acting for them) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

Hong Kong Underwriters' Interests in our Company

Save as otherwise disclosed in this prospectus and save for its obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding interests in our Company or the right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Underwriting Agreements.

Other Services to our Company

Certain of the Sole Overall Coordinator and the Underwriters or their respective affiliates have, from time to time, provided and expect to provide in the future investment banking and other services to our Company and our respective affiliates, for which such Sole Overall Coordinator, Underwriters or their respective affiliates have received or will receive customary fees and commissions.

Other Services Provided by the Underwriters

The Sole Overall Coordinator, Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Underwriters may in their ordinary course of business provide financing to investors subscribing for the Offer Shares offered by this prospectus. Such Sole Overall Coordinator, Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Underwriters may enter into hedges and/or dispose of such Offer Shares in relation to the financing which may have a negative impact on the trading price of our Shares.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering which forms part of the Global Offering. China International Capital Corporation Hong Kong Securities Limited is the Sole Sponsor and the Sole Overall Coordinator of the Global Offering.

The Listing of the Shares on the Stock Exchange is sponsored by the Sole Sponsor. The Sole Sponsor has made an application on behalf of our Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued as mentioned in this Prospectus.

The Global Offering comprises (subject to reallocation):

- the Hong Kong Public Offering of initially 2,820,500 Shares (subject to reallocation as mentioned below) (representing 10% of the initial total number of Offer Shares) in Hong Kong as described in the subsection headed "The Hong Kong Public Offering" in this section; and

- the International Offering of initially 25,384,500 Shares (subject to reallocation) (representing 90% of the initial total number of Offer Shares) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in the subsection headed "The International Offering" below.

Investors may either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering or (ii) apply for, or indicate an interest in, if qualified to do so, the International Offer Shares under the International Offering, but may not do both. The Hong Kong Public Offering is open to the public in Hong Kong as well as to institutional and professional investors. The International Offering will involve selective marketing of the International Offer Shares to professional, institutional and other investors expected to have a sizeable demand for such International Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering, respectively, may be subject to reallocation.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement, and is conditional upon the International Underwriting Agreement being signed and becoming unconditional and is subject, among other things, the Sole Overall Coordinator (for itself and on behalf of the Underwrites) and us agreeing on the Offer Price. Our Company expects to enter into the

International Underwriting Agreement relating to the International Offering on or about Friday, February 6, 2026. These underwriting arrangements, and the respective Underwriting Agreements, are summarized in the section headed "Underwriting" in the prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for the Offer Shares pursuant to the Global Offering will be conditional on:

(i) the Listing Committee granting the approval for the listing of, and permission to deal in, the Shares to be issued pursuant to the Global Offering and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(ii) the Offer Price having been agreed between the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company on or around the Price Determination Date;

(iii) the execution and delivery of the International Underwriting Agreement on or about Friday, February 6, 2026; and

(iv) the obligations of the Underwriters under each of the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event no later than the date which is 30 days after the date of this Prospectus.

If for any reason, the Offer Price is not agreed before 12:00 noon on Friday, February 6, 2026 between us and the Sole Overall Coordinator (for itself and on behalf of the Underwriters), the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming and remaining unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse, and the Stock Exchange will be notified immediately. We will cause a notice of the lapse of the Hong Kong Public Offering to be published by the Company on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.ridgeoutdoor.com** respectively, on the next business day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for Hong Kong Offer Shares" in this Prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving bankers or other licensed bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on Tuesday, February 10, 2026 provided that (i) the Global Offering has become unconditional in all respects at or before that time, and (ii) the right of termination as described in the section headed "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Grounds for termination" has not been exercised.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Under the Hong Kong Public Offering, our Company is initially offering 2,820,500 Shares (subject to reallocation) at the Offer Price for subscription by the public in Hong Kong, representing 10% of the total number of the Offer Shares initially available under the Global Offering. Subject to any reallocation of Offer Shares between (i) the International Offering and (ii) the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 2.2% of our Company's enlarged issued share capital immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers and companies (including fund managers) whose ordinary business involve dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in the paragraph headed "Conditions of the Global Offering" in this section.

Allocation

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Offer Shares available under the Hong Kong Public Offering (after taking into account of any reallocation referred to below) is to be divided equally into two pools: pool A and pool B (with any odd lot being allocated to pool A).

Pool A: The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable) or less.

Pool B: The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable) and up to the total value of pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the pools are undersubscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this paragraph only, the "price" for the Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined).

Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications within either pool or between pools and any application for more than 1,410,000 Hong Kong Offer Shares (being approximately 50% of the 2,820,500 Hong Kong Offer Shares initially comprised in the Hong Kong Public Offering) are liable to be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offer and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sole Overall Coordinator (for itself and on behalf of the Underwriters). Subject to the allocation cap described in the subsequent paragraph, the Sole Overall Coordinator (for itself and on behalf of the Underwriters) may in its discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offer to satisfy valid applications under the Hong Kong Public Offer. In addition, if the Hong Kong Public Offer is not fully subscribed, the Sole Overall Coordinator (for itself and on behalf of the Underwriters) will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offer will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Sole Overall Coordinator deems appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offer in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (b) the

International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 1,410,000 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offer, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offer will increase up to 4,230,500 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering and the final Offer Price shall be fixed at the bottom end of the indicative price range (i.e. HK$11.25 per Offer Share) in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offer. Where both the International Offer Shares and the Hong Kong Offer Shares are undersubscribed, the Global Offering will not proceed and will lapse, unless the shortfall is taken up by the Underwriters.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offer and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offer to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Monday, February 9, 2026.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it, and any person(s) for whose benefit he/she/it is making the application, have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application under the International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Maximum Offer Price of HK$12.25 per Hong Kong Offer Share in addition to any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable on each Hong Kong Offer Share, amounting to a total of HK$6,186.78 for one board lot of 500 Shares. If the Offer Price, as finally determined in the manner described in the sub-section headed "Pricing of the Global Offering" in this section below, is less than the maximum Offer Price of HK$12.25 per Offer Share, appropriate refund payments (including the brokerage, the SFC transaction levy, AFRC transaction levy and the

Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in the section headed "How to Apply for Hong Kong Offer Shares".

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

Subject to reallocation as described above, the International Offering will consist of an initial offering of 25,384,500 Offer Shares, representing 90% of the total number of Offer Shares initially available under the Global Offering. Subject to the reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering, the number of Offer Shares initially offered under the International Offering will represent approximately 19.8% of our Company's total issued share capital immediately after completion of the Global Offering.

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in the paragraph headed "Pricing of the Global Offering" in this section and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares, and/or hold or sell its Shares, after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit, of our Company and our Shareholders as a whole.

The Sole Overall Coordinator (for itself and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Sole Overall Coordinator so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the reallocation arrangement described in the paragraph headed "The Hong Kong Public Offering – Reallocation" in this section above.

PRICING OF THE GLOBAL OFFERING

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring the Offer Shares in the International Offering.

Prospective professional and institutional investors will be required to specify the number of the Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Offer Price per Offer Share under the Hong Kong Public Offering will be identical to the Offer Price per Offer Share under the International Offering based on the Hong Kong dollar price per Offer Share, as determined by the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company. The Price Determination Date is expected to be on or around Friday, February 6, 2026 and in no event later than 12:00 noon on Friday, February 6, 2026. The Offer Price will not be more than HK$12.25 per Offer Share and is expected to be not less than HK$11.25 per Offer Share. The Offer Price will fall within the Offer Price range unless otherwise announced, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, and the number of Offer Shares to be allocated under various offerings will be determined shortly thereafter. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$12.25 for each Hong Kong Offer Share together with brokerage of 1%, a Stock Exchange trading fee of 0.00565%, a SFC transaction levy of 0.0027% and an AFRC transaction levy of 0.00015%, amounting to a total of HK$6,186.78 for one board lot of 500 Shares. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative price range stated in this Prospectus.**

The Sole Overall Coordinator (for itself and on behalf of the Underwriters), may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares being offered under the Global Offering and/or the Offer Price that stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, our Company will, as soon as practicable following the decision to make any such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause there to be published on the website of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.ridgeoutdoor.com** respectively, an announcement, or a supplemental prospectus (as appropriate), in connection with such reduction. Upon issue of such an announcement or supplemental prospectus (as appropriate), the revised number of Offer Shares in the Global Offering and/or the revised Offer Price will be final and conclusive and the revised Offer Price, if agreed upon by the Sole Overall Coordinator (for itself and on behalf of the Underwriters) and our Company, will be fixed at such revised Offer Price. Our Company will also, as soon as practicable following the decision to make such reduction, issue a supplemental prospectus updating investors of the change in number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement or supplemental prospectus (as appropriate) in connection with any such reduction in the number of Offer Shares being offered under the Global Offering and/or the revised Offer Price may not be made until the day that is the last day for lodging applications under the Hong Kong Public Offering. Such announcement or supplemental prospectus (as appropriate) will also include confirmation or revision, as appropriate, of the working capital statement, the use of proceeds and the Global Offering statistics as currently set out in this prospectus and any other financial information which may change as a result of such reduction. In the absence of any such notice or supplemental prospectus (as appropriate) published in relation to the reduction in the Offer Price, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Sole Overall Coordinator, for itself and on behalf of the Underwriters, and our Company, will under no circumstances be set outside the Offer Price range as stated in this prospectus. However, if the number of Offer Shares and/or the Offer Price is so reduced, the Company will issue a supplemental prospectus updating investors of the change in number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

In the event of a reduction in the number of Offer Shares, the Sole Overall Coordinator (for itself and on behalf of the Underwriters) may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Sole Overall Coordinator (for itself and on behalf of the Underwriters).

The net proceeds of the Global Offering accruing to our Company (after deduction of underwriting fees, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fees in relation to the Global Offering are estimated to be approximately HK$213.8 million, assuming an Offer Price per Offer Share of HK$12.25, or approximately HK$150.2 million, assuming an Offer Price per Offer Share of HK$11.25.

The final Offer Price, the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering, the results of applications in the Hong Kong Public Offering and the basis of allotments of Hong Kong Offer Shares available under the Hong Kong Public Offering, are expected to be announced on Monday, February 9, 2026 in the manner set out in the paragraph headed "How to Apply for Hong Kong Offer Shares — B. Publication of Results" in this Prospectus.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, February 10, 2026, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, February 10, 2026.

The Shares will be traded in board lots of 500 Shares each and the stock code of the Shares will be 2720.

IMPORTANT NOTICE TO INVESTORS
OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application. We will not provide any printed copies of this Prospectus for use by the public.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and our website at **www.ridgeoutdoor.com**. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

The contents of this Prospectus are identical to the Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Set out below are procedures through which you can apply for the Hong Kong Offer Shares electronically. We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public.

If you are an intermediary, broker or agent, please remind your customers, clients or principals, as applicable, that this Prospectus is available online at the website addresses above.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- have a Hong Kong address *(for the **HK eIPO White Form** service only);* and
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act).

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder of our Company or close associates;
- are a Director or chief executive of our Company or any of his/her close associates;
- are a core connected person (as defined in the Listing Rules) of the Company or will become a core connected person of the Company immediately upon completion of the Global Offering; or
- have been allocated or have applied for any International Offer Shares or otherwise participated in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Saturday, January 31, 2026 and end at 12:00 noon on Thursday, February 5, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	**www.hkeipo.hk**	Investors who would like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Saturday, January 31, 2026 to 11:30 a.m. on Thursday, February 5, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, February 5, 2026, Hong Kong time.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

For those applying through the HKSCC EIPO channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, February 6, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, February 6, 2026 (Hong Kong time) on a 24-hour basis, and should report any discrepancies on allotments to HKSCC as soon as practicable.

The **HK eIPO White Form** service and the HKSCC EIPO channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this Prospectus and any supplement to it.

For those applying through HKSCC EIPO channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this Prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. Hong Kong identity card ("**HKID**"); or
  - ii. National identification document; or
  - iii. Passport; and
- Identity document number

For Corporate Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. Legal Entity Identifier ("**LEI**") registration document; or
  - ii. Certificate of incorporation; or
  - iii. Business registration certificate; or
  - iv. Other equivalent document; and
- Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong Address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

4. The maximum number of joint account holders on FINI is capped at 4 in accordance with market practice.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Sole Overall Coordinator, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size	:	500 Shares
Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment	:	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The Maximum Offer Price is HK$12.25 per Offer Share, plus brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the designated bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
500	6,186.78	7,000	86,614.79	50,000	618,677.07	700,000	8,661,478.88
1,000	12,373.54	8,000	98,988.34	60,000	742,412.48	800,000	9,898,833.00
1,500	18,560.32	9,000	111,361.88	70,000	866,147.89	900,000	11,136,187.13
2,000	24,747.08	10,000	123,735.41	80,000	989,883.30	1,000,000	12,373,541.26
2,500	30,933.86	15,000	185,603.12	90,000	1,113,618.71	1,200,000	14,848,249.50
3,000	37,120.63	20,000	247,470.83	100,000	1,237,354.13	1,410,000[(1)]	17,446,693.17
3,500	43,307.39	25,000	309,338.53	200,000	2,474,708.26		
4,000	49,494.16	30,000	371,206.23	300,000	3,712,062.38		
4,500	55,680.93	35,000	433,073.94	400,000	4,949,416.50		
5,000	61,867.70	40,000	494,941.66	500,000	6,186,770.63		
6,000	74,241.24	45,000	556,809.36	600,000	7,424,124.76		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "— A. Applications for Hong Kong Offer Shares — 3. Information Required to Apply" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) HKSCC EIPO channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The Hong Kong Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("Best Practice Note") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorize us and/or the Sole Overall Coordinator, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the HKSCC EIPO channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this Prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this Prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this Prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Sole Sponsor, the Sole Overall Coordinator, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their or the Company's respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (the "**Relevant Persons**"), the Hong Kong Share Registrar and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares nor participated in the International Offering;

(viii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the Hong Kong Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "— G. Personal Data — 3. Purposes and 4. Transfer of personal data" in this section;

(ix) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(x) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the Hong Kong Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "— B. Publication of Results" in this section;

(xi) confirm that you are aware of the situations specified in the paragraph headed "— C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares" in this section;

(xii) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xiii) agree to comply and warrant that you have complied with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;

(xiv) represent, warrant and undertake that (a) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (b) you and the person(s) for whose benefit you have made the application are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(xv) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the Directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the Directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;

(xvi) warrant that the information you have provided is true and accurate;

(xvii) confirm that you understand that we, the Sole Sponsor and the Sole Overall Coordinator will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xviii) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xix) authorize us to place your name(s) or the name of HKSCC Nominees on our register of members as the holder(s) of any Hong Kong Offer Shares allocated to you and such other registers as may be required under the Memorandum and Articles of Association, and we and/or our agents to send any Share certificate(s) and/or any **HK eIPO White Form** e-Auto Refund payment instructions and/or any refund cheques(s) to you or the first-named applicant for joint application to the address specified in your application instructions by ordinary post at your own risk, unless you are eligible to collect the Share certificate(s) in person;

(xx) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xxi) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xxii) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC and the **HK eIPO White Form** Service Provider and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the HK eIPO White Form service or HKSCC EIPO channel:		
Website . . .	From the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function.	24 hours, from 11:00 p.m. on Monday, February 9, 2026 to 12:00 midnight on Sunday, February 15, 2026 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**).	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.ridgeoutdoor.com** which will provide links to the above mentioned websites of the Hong Kong Share Registrar.	No later than 11:00 p.m. on Monday, February 9, 2026 (Hong Kong time).

Platform		Date/Time
Telephone. .	+852 3691 8488 — the allocation results telephone enquiry line provided by the Hong Kong Share Registrar	between 9:00 a.m. and 6:00 p.m., from Tuesday, February 10, 2026 to Friday, February 13, 2026 (Hong Kong time) on a business day

For those applying through the **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, February 6, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, February 6, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.ridgeoutdoor.com** by no later than 11:00 p.m. on Monday, February 9, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Sole Overall Coordinator, the Hong Kong Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "— A. Applications for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Sole Overall Coordinator believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their designated bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Public Offering Share allotment from their designated bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its designated bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its designated bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the Hong Kong Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

Share certificates will only become valid at 8:00 a.m. on Tuesday, February 10, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or the Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	**HKSCC EIPO channel**
Despatch/collection of Share certificate[1]		
For application of 1,000,000 Hong Kong Offer Shares or more	Collection in person at the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong	Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account
	Time: from 9:00 a.m. to 1:00 p.m. on Tuesday, February 10, 2026 (Hong Kong time)	No action by you is required

	HK eIPO White Form service	HKSCC EIPO channel
	If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar. **Note**: If you do not collect your Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk	
For application of less than 1,000,000 Hong Kong Offer Shares	Your Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk **Date**: Monday, February 9, 2026	

Refund mechanism for surplus application monies paid by you

Date	Tuesday, February 10, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party . .	Hong Kong Share Registrar	Your broker or custodian

	HK eIPO White Form service	HKSCC EIPO channel
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

1 Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Monday, February 9, 2026 rendering it impossible for the relevant Share certificates to be despatched to HKSCC in a timely manner, the Company shall procure the Hong Kong Share Registrar to arrange for delivery of the supporting documents and Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— *E. Bad Weather Arrangements*" in this section.

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, February 5, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- **Extreme Conditions,**

(collectively, "**Bad Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, February 5, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have **Bad** Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the Listing Date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this Prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.ridgeoutdoor.com** of the revised timetable.

If a **Bad** Weather Signal is hoisted on Monday, February 9, 2026, the Hong Kong Share Registrar will make appropriate arrangements for the delivery of the Share Certificates to the CCASS Depository's service counter so that they would be available for trading on Tuesday, February 10, 2026.

If a **Bad** Weather Signal is hoisted on Monday, February 9, 2026, for application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical Share certificate(s) will be made by ordinary post when the post office re-opens after the **Bad** Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, February 9, 2026 or on Tuesday, February 10, 2026).

If a **Bad** Weather Signal is hoisted on Tuesday, February 10, 2026, for application of 1,000,000 Hong Kong Offer Shares or more, physical Share certificate(s) will be available for collection in person at the Hong Kong Share Registrar's office after the **Bad** Weather Signal is lowered or canceled (e.g. in the afternoon of Tuesday, February 10, 2026 or on Wednesday, February 11, 2026).

Prospective investors should be aware that if they choose to receive physical Share certificates issued in their own name, there may be a delay in receiving the Share certificates.

F. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second Settlement Day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the Hong Kong Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the Hong Kong Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the Hong Kong Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the Hong Kong Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the Hong Kong Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the Hong Kong Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer Shares;

- compliance with applicable laws and regulations in Hong Kong and elsewhere;

- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;

- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the Hong Kong Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the Hong Kong Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the Hong Kong Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving bank and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the Hong Kong Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the Hong Kong Share Registrar in connection with their respective business operation;

- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and

- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the Hong Kong Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the Hong Kong Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the Hong Kong Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the Hong Kong Share Registrar, at their registered address disclosed in the section headed "Corporate Information" in this Prospectus or as notified from time to time, for the attention of the company secretary, or the Hong Kong Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report set out on pages I-1 to I-67, received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

KPMG

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF RIDGE OUTDOOR INTERNATIONAL LIMITED AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of Ridge Outdoor International Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-67, which comprises the consolidated statements of financial position of the Group as at 31 December 2022, 2023 and 2024 and 31 August 2025, the statements of financial position of the Company as at 31 December 2024 and 31 August 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements, for each of the years ended 31 December 2022, 2023 and 2024 and the eight months ended 31 August 2025 (the "Relevant Periods"), and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-67 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 31 January 2026 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's financial position as at 31 December 2024 and 31 August 2025 and the Group's financial position as at 31 December 2022, 2023 and 2024 and 31 August 2025, and of the Group's financial performance and cash flows for the Relevant Periods in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

Review of stub period corresponding financial information

We have reviewed the stub period corresponding financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the eight months ended 31 August 2024 and other explanatory information (the "Stub Period Corresponding Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Corresponding Financial Information in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period

Corresponding Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Corresponding Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 25(d) to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its incorporation.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

31 January 2026

HISTORICAL FINANCIAL INFORMATION

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by KPMG Huazhen LLP Hangzhou Branch (畢馬威華振會計師事務所(特殊普通合夥)杭州分所) in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Expressed in Renminbi ("RMB"))

	Note	Year ended 31 December			Eight months ended 31 August	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue	4	818,412	463,251	573,463	391,042	460,269
Cost of sales		(628,279)	(340,027)	(420,783)	(288,500)	(332,754)
Gross profit		190,133	123,224	152,680	102,542	127,515
Other net income/(loss)	5	6,267	(9,215)	(1,038)	(1,999)	2,605
Selling and distribution expenses		(12,332)	(14,196)	(16,939)	(10,805)	(14,895)
Administrative expenses		(30,893)	(30,596)	(51,215)	(26,391)	(33,608)
Research and development costs		(523)	(3,906)	(3,538)	(1,984)	(3,821)
(Provision)/reversal of impairment loss on trade receivables		(73)	(274)	(123)	33	(101)
Profit from operations		152,579	65,037	79,827	61,396	77,695
Finance costs	6(a)	(171)	(359)	(822)	(183)	(3,076)
Profit before taxation	6	152,408	64,678	79,005	61,213	74,619
Income tax	7(a)	(38,557)	(15,677)	(19,600)	(14,504)	(18,378)
Profit for the year/period		113,851	49,001	59,405	46,709	56,241
Attributable to:						
Equity shareholders of the Company		106,938	45,973	55,741	44,005	56,241
Non-controlling interests		6,913	3,028	3,664	2,704	–
Profit for the year/period		113,851	49,001	59,405	46,709	56,241
Earnings per share						
Basic and diluted earnings per share (*RMB*)	10	N/A	N/A	N/A	N/A	N/A
Profit for the year/period		113,851	49,001	59,405	46,709	56,241
Other comprehensive income for the year/period (after tax and reclassification adjustments)						
Item that will not be reclassified to profit or loss:						
Exchange differences on translation of financial statements of the Company		–	–	(12)	–	34
Item that is or may be reclassified subsequently to profit or loss:						
Exchange differences on translation of financial statements of overseas subsidiaries		(15)	(322)	(31)	(166)	(320)
Other comprehensive income for the year/period, net of income tax		(15)	(322)	(43)	(166)	(286)
Total comprehensive income for the year/period		113,836	48,679	59,362	46,543	55,955
Attributable to:						
Equity shareholders of the Company		106,923	45,651	55,698	43,839	55,955
Non-controlling interests		6,913	3,028	3,664	2,704	–
Total comprehensive income for the year/period		113,836	48,679	59,362	46,543	55,955

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in RMB)

		As at 31 December			As at 31 August
	Note	2022	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Property, plant and equipment	*11*	43,744	40,219	37,521	36,629
Right-of-use assets	*12*	14,077	7,754	4,242	2,246
Intangible assets	*13*	50	59	413	1,167
Prepayments for property, plant and equipment		–	40	510	–
Deferred tax assets	*24*	9,446	9,425	8,507	8,121
		67,317	57,497	51,193	48,163
Current assets					
Derivative financial instruments	*15*	1,328	261	–	–
Inventories	*16*	129,118	87,319	122,035	113,358
Trade and other receivables	*17*	121,683	69,936	101,433	109,874
Restricted cash	*18(b)*	–	–	–	1,139
Cash and cash equivalents	*18(a)*	14,135	26,644	65,673	106,353
		266,264	184,160	289,141	330,724
Current liabilities					
Trade and other payables	*19*	153,822	79,047	266,274	123,250
Contract liabilities	*20*	6,853	5,435	12,441	7,915
Bank loans	*21*	25	27	100,092	230,186
Lease liabilities	*22*	8,298	4,052	2,506	465
Derivative financial instruments	*15*	1,197	2,284	–	–
Current taxation	*24*	3,625	10,626	3,032	5,410
		173,820	101,471	384,345	367,226
Net current assets/(liabilities)		92,444	82,689	(95,204)	(36,502)
Total assets less current liabilities		159,761	140,186	(44,011)	11,661

	Note	As at 31 December			As at 31 August
		2022	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current liabilities					
Bank loans	*21*	78	57	–	–
Lease liabilities	*22*	5,140	3,143	1,294	1,011
		5,218	3,200	1,294	1,011
NET ASSETS/(LIABILITIES)		154,543	136,986	(45,305)	10,650
CAPITAL AND RESERVES					
Share capital	*25(a)*	–	–	356	356
Reserves	*25(e)*	154,543	136,986	(45,661)	10,294
Total equity/(deficit) attributable to equity shareholders of the Company		149,357	132,713	(45,305)	10,650
Non-controlling interests		5,186	4,273	–	–
TOTAL EQUITY/(DEFICIT)		154,543	136,986	(45,305)	10,650

The accompanying notes form part of the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in RMB)

	Note	As at 31 December 2024	As at 31 August 2025
		RMB'000	*RMB'000*
Non-current assets			
Investments in subsidiaries	*14*	1,374	1,358
		1,374	1,358
Current assets			
Cash and cash equivalents	*18*	423	380
		423	380
Current liabilities			
Trade and other payables	*19*	4,338	4,635
		4,338	4,635
Net current liabilities		(3,915)	(4,255)
NET LIABILITIES		(2,541)	(2,897)
CAPITAL AND RESERVES			
Share capital	*25(a)*	356	356
Reserves		(2,897)	(3,253)
TOTAL DEFICIT		(2,541)	(2,897)

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in RMB)

	Note	Share capital	Capital reserve	Statutory reserve	Exchange reserve	Net parent investment	(Accumulated losses)/Retained profits	Sub-total	Non-controlling interests	Total equity/(deficit)
		Attributable to equity shareholders of the Company								
		RMB'000 *(Note 25(a))*	*RMB'000* *(Note 25(e)(i))*	*RMB'000* *(Note 25(e)(ii))*	*RMB'000* *(Note 25(e)(iii))*	*RMB'000* *(Note 25(c))*	*RMB'000*	*RMB'000*	*RMB'000* *(Note 25(e)(iv))*	*RMB'000*
Balance at 1 January 2022		–	3,456	–	420	183,117	(4,528)	182,465	11,706	194,171
Changes in equity for 2022:										
Profit for the year		–	–	–	–	97,280	9,658	106,938	6,913	113,851
Other comprehensive income		–	–	–	(15)	–	–	(15)	–	(15)
Total comprehensive income		–	–	–	(15)	97,280	9,658	106,923	6,913	113,836
Profit appropriation to statutory reserve		–	–	1,224	–	–	(1,224)	–	–	–
Deemed distribution	*1*	–	–	–	–	(212,321)	–	(212,321)	(13,433)	(225,754)
Owners' contributions of capital	*(Note 25(e)(i))*	–	72,290	–	–	–	–	72,290	–	72,290
Balance at 31 December 2022 and 1 January 2023		–	75,746	1,224	405	68,076	3,906	149,357	5,186	154,543
Changes in equity for 2023:										
Profit for the year		–	–	–	–	13,010	32,963	45,973	3,028	49,001
Other comprehensive income		–	–	–	(322)	–	–	(322)	–	(322)
Total comprehensive income		–	–	–	(322)	13,010	32,963	45,651	3,028	48,679
Profit appropriation to statutory reserve		–	–	3,371	–	–	(3,371)	–	–	–
Deemed distribution	*1*	–	–	–	–	(62,295)	–	(62,295)	(3,941)	(66,236)
Balance at 31 December 2023		–	75,746	4,595	83	18,791	33,498	132,713	4,273	136,986

The accompanying notes form part of the Historical Financial Information.

	Note	Attributable to equity shareholders of the Company								
		Share capital	Capital reserve	Statutory reserve	Exchange reserve	Net parent investment	(Accumulated losses)/Retained profits	Sub-total	Non-controlling interests	Total equity/(deficit)
		RMB'000 (Note 25(a))	*RMB'000* (Note 25(e)(i))	*RMB'000* (Note 25(e)(ii))	*RMB'000* (Note 25(e)(iii))	*RMB'000* (Note 25(c))	*RMB'000*	*RMB'000*	*RMB'000* (Note 25(e)(iv))	*RMB'000*
Balance at 31 December 2023 and 1 January 2024		–	75,746	4,595	83	18,791	33,498	132,713	4,273	136,986
Changes in equity for 2024:										
Profit for the year		–	–	–	–	(427)	56,168	55,741	3,664	59,405
Other comprehensive income		–	–	–	(43)	–	–	(43)	–	(43)
Total comprehensive income		–	–	–	(43)	(427)	56,168	55,698	3,664	59,362
Issuance of new shares	*25(a)*	356	–	–	–	–	–	356	–	356
Profit appropriation to statutory reserve		–	–	5,429	–	–	(5,429)	–	–	–
Deemed distribution	*1*	–	–	–	–	(18,364)	–	(18,364)	(1,162)	(19,526)
Dividends declared and paid	*25(d)*	–	–	–	–	–	(61,133)	(61,133)	(3,867)	(65,000)
Deemed distribution arising from the Reorganisation	*25(e)(i)*	–	(155,928)	–	–	–	–	(155,928)	(2,908)	(158,836)
Capital contributions under equity settled share-based transactions	*23*	–	1,353	–	–	–	–	1,353	–	1,353
Balance at 31 December 2024		356	(78,829)	10,024	40	–	23,104	(45,305)	–	(45,305)

The accompanying notes form part of the Historical Financial Information.

	Note	Attributable to equity shareholders of the Company						
		Share capital	Capital reserve	Statutory reserve	Exchange reserve	Net parent investment	(Accumulated losses)/Retained profits	Total equity/ (deficit)
		RMB'000 *(Note 25(a))*	*RMB'000* *(Note 25(e)(i))*	*RMB'000* *(Note 25(e)(ii))*	*RMB'000* *(Note 25(e)(iii))*	*RMB'000* *(Note 25(c))*	*RMB'000*	*RMB'000*
Balance at 31 December 2024 and 1 January 2025		356	(78,829)	10,024	40	–	23,104	(45,305)
Changes in equity for the eight months ended 31 August 2025:								
Profit for the period		–	–	–	–	–	56,241	56,241
Other comprehensive income		–	–	–	(286)	–	–	(286)
Total comprehensive income		–	–	–	(286)	–	56,241	55,955
Profit appropriation to statutory reserve		–	–	5,421	–	–	(5,421)	–
Balance at 31 August 2025		356	(78,829)	15,445	(246)	–	73,924	10,650

	Note	Attributable to equity shareholders of the Company								
		Share capital	Capital reserve	Statutory reserve	Exchange reserve	Net parent investment	(Accumulated losses)/Retained profits	Sub-total	Non-controlling interests	Total equity/(deficit)
		RMB'000 *(Note 25(a))*	*RMB'000* *(Note 25(e)(i))*	*RMB'000* *(Note 25(e)(ii))*	*RMB'000* *(Note 25(e)(iii))*	*RMB'000* *(Note 25(c))*	*RMB'000*	*RMB'000*	*RMB'000* *(Note 25(e)(iv))*	*RMB'000*
(Unaudited)										
Balance at 31 December 2023 and 1 January 2024		–	75,746	4,595	83	18,791	33,498	132,713	4,273	136,986
Changes in equity for eight months ended 31 August 2024:										
Profit for the period		–	–	–	–	(718)	44,723	44,005	2,704	46,709
Other comprehensive income		–	–	–	(166)	–	–	(166)	–	(166)
Total comprehensive income		–	–	–	(166)	(718)	44,723	43,839	2,704	46,543
Profit appropriation to statutory reserve		–	–	4,256	–	–	(4,256)	–	–	–
Deemed distribution	*1*	–	–	–	–	(17,291)	–	(17,291)	(1,094)	(18,385)
Dividends declared	*25(d)*	–	–	–	–	–	(61,133)	(61,133)	(3,867)	(65,000)
Balance at 31 August 2024		–	75,746	8,851	(83)	782	12,832	98,128	2,016	100,144

CONSOLIDATED CASH FLOW STATEMENTS

(Expressed in RMB)

	Note	Year ended 31 December			Eight months ended 31 August	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Operating activities:						
Cash generated from operations	*18(c)*	254,320	97,521	73,211	48,413	84,553
Income tax paid		–	(7,504)	(25,586)	(18,637)	(15,614)
Net cash generated from operating activities		254,320	90,017	47,625	29,776	68,939
Investing activities:						
Payment for the purchase of property, plant and equipment and intangible assets		(3,233)	(1,185)	(2,273)	(941)	(2,881)
Advance payments to related party		–	–	(1,089)	–	–
Receipts of advance payments to related party		–	–	–	–	1,089
Proceeds from sale of property, plant and equipment		63	324	68	10	18
Payment for the settlement of derivative financial instruments		(1,850)	(5,252)	(5,398)	(5,398)	–
Interest received		3	67	152	59	886
Net cash used in investing activities		(5,017)	(6,046)	(8,540)	(6,270)	(888)
Financing activities:						
Capital contributions from shareholders		20,000	–	356	–	–
Proceeds from bank loans	*18(d)*	–	–	100,000	–	180,000
Proceeds from borrowings from related parties	*18(d)*	–	–	168,330	–	–
Capital element of lease rentals paid	*18(d)*	(913)	(4,439)	(3,408)	(2,555)	(2,417)
Interest element of lease rentals paid	*18(d)*	(168)	(357)	(249)	(182)	(88)
Repayment of bank loans	*18(d)*	(26)	(23)	(85)	(18)	(50,000)
Repayment of borrowings from related parties	*18(d)*	–	–	(17,874)	–	(150,000)
Payment of listing expenses		–	–	(2,735)	(359)	(1,894)
Interest paid	*18(d)*	(3)	(2)	(481)	(1)	(2,894)
Dividends paid	*25(d)*	–	–	(65,000)	–	–
Deemed distribution	*1*	(260,446)	(67,387)	(20,216)	(18,951)	–
Payment arising from the Reorganisation	*25(e)(i)*	–	–	(158,836)	–	–
Net cash used in financing activities		(241,556)	(72,208)	(198)	(22,066)	(27,293)
Net increase in cash and cash equivalents		7,747	11,763	38,887	1,440	40,758
Cash and cash equivalents at 1 January	*18(a)*	6,417	14,135	26,644	26,644	65,673
Effect of foreign exchange rate changes		(29)	746	142	(53)	(78)
Cash and cash equivalents at 31 December/31 August	*18(a)*	14,135	26,644	65,673	28,031	106,353

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION
(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

Ridge Outdoor International Limited (the "Company") was incorporated in Cayman Islands on 17 July 2024 as an exempted company with limited liability under the Companies Act (Cap. 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands.

The Company is an investment holding company and has not carried on any business since the date of its incorporation save for the corporate reorganisation as described below. The Company and its subsidiaries (together the "Group") are principally engaged in the manufacturing and sales of fishing-related equipment (the "Listing Businesses").

During the Relevant Periods and before the completion of the reorganisation described below, the Listing Businesses were conducted through the fishing-related equipment division of Zhejiang Topsun Holding Group Co. Ltd. and its subsidiaries (together the "Topsun Group") and various entities which are controlled by Mr. Yang Baoqing (the "Ultimate Controlling Shareholder"). To rationalise the corporate structure in preparation of the listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group underwent a reorganisation (the "Reorganisation") as detailed in the section headed "History, Reorganisation and Corporate Structure" in the Prospectus. Upon completion of the Reorganisation in November 2024, the Company became the holding company of the Group. As the Listing Businesses were ultimately controlled by the Ultimate Controlling Shareholder during the Relevant Periods and both before and after the Reorganisation, and the control is not transitory, consequently there was a continuation of the risks and benefits to the Ultimate Controlling Shareholder. The Reorganisation is therefore treated as a combination of businesses under common control.

Accordingly, the Historical Financial Information has been prepared and presented using the merger basis of accounting as if current structure of the Group had been in existence and remained unchanged throughout the Relevant Periods. The consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements of the Group include the financial performance and cash flows of the Listing Businesses for the Relevant Periods as if the current group structure had been in existence and remained unchanged throughout the Relevant Periods. The consolidated statements of financial position of the Group as at 31 December 2022, 2023 and 2024 and 31 August 2025 have been prepared to present the financial position of the Listing Businesses as at the respective dates. The assets and liabilities of the Listing Businesses have been measured at their carrying amounts prior to the Reorganisation. Intra-group balances, transactions and unrealised gains/losses on intra-group transactions were eliminated when preparing the Historical Financial Information.

During the Relevant Periods and before the completion of the Reorganisation, certain manufacturing, sales and administrative activities of the Listing Businesses were carried out by the fishing-related equipment division of Topsun Group that was under common control of the Ultimate Controlling Shareholder, while Topsun Group did not become part of the Group upon the completion of the Reorganisation. In June 2022, the Ultimate Controlling Shareholder set up a new entity 浙江樂欣戶外用品有限公司 Zhejiang Ridge Outdoor Co., Ltd. ("Zhejiang Ridge Outdoor") to gradually take over the activities which were carried out by the fishing-related equipment division of Topsun Group. For the purpose of this report, a process has been completed to specifically identify assets, liabilities, revenue, expenses and cash flows of the fishing-related equipment division of Topsun Group associated with the Listing Businesses during the Relevant Periods in preparing the Historical Financial Information.

The Historical Financial Information only includes transactions and balances that are attributable to the Listing Businesses. Since certain of Listing businesses were conducted as a division of Topsun Group before the Reorganisation, the net parent investment, representing the net assets related to the Listing Businesses which were managed and controlled by the fishing-related equipment division of Topsun Group, has been shown in lieu of shareholders' equity in the Historical Financial Information (Note 25(c)). Transactions and balances were attributed to the Listing Businesses based on specific identification except for those set out below, for which they were accounted for using the most relevant bases in the views of the directors of the Group (the "Directors"):

– Administrative and operating expenses have been principally allocated either based on headcount to the extent a separate group of personnel could be specifically identified and attributed to the Listing Businesses, or otherwise allocated on another reasonable basis as appropriate;

– Income taxes were determined based on the assumptions that the Listing Businesses carried out by the fishing-related equipment division of Topsun Group was a separate taxable entity. As the income tax has been charged at the legal entity level, the tax payments related to the Listing Businesses carried out by the fishing-related equipment division of Topsun Group are regarded as deemed contribution in the consolidated statements of changes in equity and non-cash transactions to the Listing Businesses, amounting to RMB34,692,000, RMB1,151,000, RMB690,000, RMB566,000 (unaudited) and nil for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025, respectively (Note 24(a)); and

– Cash generated from the Listing Businesses which were managed and controlled by the fishing-related equipment division of Topsun Group under common control of the Ultimate Controlling Shareholder, with the net amount of cash used of RMB260,446,000, RMB67,387,000, RMB20,216,000, RMB18,951,000 (unaudited) and nil for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025, respectively, for the Listing Businesses is presented as deemed distribution in the consolidated statements of changes in equity and consolidated cash flow statements.

As at the date of report, the Company has direct or indirect interests in the following subsidiaries, all of which are private and limited liability companies.

Company name	Place and date of incorporation/ establishment	Particulars of registered capital/ paid-up capital	Proportion of ownership interest		Principal activities
			Directly held by the Company	Indirectly held by the Company	
Solar Tackle Limited *(i)*	The United Kingdom 27 April 2004	Great Britain Pound ("GBP") 100,000/GBP1	100.00%	–	Sales of fishing-related equipment
Ridge Holding (HK) Limited *(i)*	Hong Kong 15 August 2024	Hong Kong Dollar ("HKD") 10,000/ HKD10,000	100.00%	–	Investment holding
Zhejiang Ridge Creative Industry Co., Ltd. *浙江樂欣創意產業有限公司 *(i)*	Chinese Mainland 30 October 2024	United States dollar ("USD") 2,000,000/ –	–	100.00%	Investment holding
Zhejiang Ridge Outdoor *浙江樂欣戶外用品有限公司 *(i)*	Chinese Mainland 8 June 2022	RMB100,000,000/ RMB100,000,000	–	100.00%	Manufacturing and sales of fishing-related equipment

Notes:

(i) No audited statutory financial statements have been prepared for these companies for the Relevant Periods as they have not carried out any business since the date of incorporation, or are not subject to statutory audit requirements under the relevant rules and regulations in the jurisdiction of incorporation.

(ii) The subsidiaries incorporated in the Chinese Mainland adopt 31 December as their financial year end date. All other subsidiaries comprising the Group adopt 30 June as their financial year end date.

* The English name of the subsidiaries incorporated in the Chinese Mainland is translated from their registered Chinese name for identification purpose only.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB"). Further details of the material accounting policy information are set out in Note 2.

The Historical Financial Information has been prepared assuming the Group will continue as a going concern notwithstanding that the Group recorded net current liabilities of RMB36,502,000 as at 31 August 2025. Based on the projection of profit and cash inflows from operations and the financial resources available, the Directors are of the opinion that the Group has sufficient working capital to continue as a going concern for the next twelve months from 31 August 2025. Therefore, the Directors are satisfied that it is appropriate to prepare the Historical Financial Information on a going concern basis.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing the Historical Financial Information, all applicable new and revised IFRS Accounting Standards have been adopted for the Relevant Periods, except for any new standards or interpretations that are not yet effective for the Relevant Periods. The revised and new accounting standards and interpretations issued but not yet effective for the Relevant Periods are set out in Note 31.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Stub Period Corresponding Financial Information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the Historical Financial Information.

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand yuan (RMB'000) except when otherwise indicated.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

– Investment in securities (see Note 2(e));

– Derivative financial instruments (see Note 2(f)).

(b) Use of estimates and judgements

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

(c) Business combination involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the financial statements of the ultimate controlling party at the combination date. The difference between the carrying amounts of the net assets acquired and the consideration paid for the combination is adjusted to equity. Any costs directly attributable to the combination are recognised in profit or loss when incurred. The combination date is the date on which one combining entity obtains control of other combining entities.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Historical Financial Information from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. NCI in the results of the Group is presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

(e) Other investments in securities

The Group's policies for investments, other than investments in subsidiaries, are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 26(e). These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

– amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see Note 2(t)(ii)(b)).

– fair value through other comprehensive income (FVOCI) — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

– FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(f) Derivative financial instruments

The Group holds derivative financial instruments to manage its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognised in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see Note 2(j)(ii)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment less their estimated residual values, if any, using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

– Plant and buildings	13 years
– Equipment and machinery	5-10 years
– Office equipment and furniture	4-5 years
– Motor vehicles	5 years
– Leasehold improvements	Over the shorter of the lease term or the estimated useful life of the asset

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Intangible assets

Expenditure on research activities is recognised in profit or loss as incurred.

Expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(j)(ii)).

Amortisation is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

– Patents	5 years
– Software	2-10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(i) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases that have a short lease term of 12 months or less, and leases of low-value items. When the Group enters into a lease in respect of a low-value item, the Group decides whether to capitalise the lease on a lease-by-lease basis. If not capitalised, the associated lease payments are recognised in profit or loss on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is recognised using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Note 2(j)(ii)). Depreciation is calculated using the straight-line method over the unexpired term of lease.

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see Notes 2(e)(i), 2(m) and 2(t)(ii)(b)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the public health incidents and which satisfied the conditions set out in paragraph 46B of IFRS 16, Leases. In such cases, the Group took advantage of the practical expedient set out in paragraph 46A of IFRS 16 and recognised the change in consideration as if it were not a lease modification.

In the consolidated statements of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying asset to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 2(t)(ii)(a).

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("ECLs") on

– financial assets measured at amortised cost (including cash and cash equivalents, restricted cash and trade and other receivables);

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

– fixed-rate financial assets and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and

– variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

– the financial asset is 90 days past due.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or being more than 90 days past due;

– the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written-off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written-off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(t)(i)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(m)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. All receivables are subsequently stated at amortised cost (see Note 2(j)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in Note 2(j)(i).

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(v).

(q) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

The grant-date fair value of equity-settled share-based payment arrangement granted to the employees by the shareholder of the Company is immediately recognised as an employee cost, with a corresponding increase in the capital reserve, if the employee is not required to satisfy a specified vesting condition before becoming unconditionally entitled to the equity instruments granted; or over the vesting period of the awards (if any). For the share-based payment arrangement which is settled by the shareholder of the Company clearly for a purpose other than a payment for the goods or services supplied to the Group, it is not recognised as the share-based payment expenses by the Group.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises costs for a restructuring.

(r) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income ("OCI").

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

– temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

– temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

– taxable temporary differences arising on the initial recognition of goodwill; and

– those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

(s) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under that contract and an allocation of other costs directly related to fulfilling that contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see Note 2(j)(ii)).

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods and the provision of services in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis, including the sale of products that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value-added tax or other sales taxes.

Further details of the Group's revenue and other income recognition policies are as follows:

(a) Sale of goods

Revenue is recognised when the customer takes possession of and accepts the products.

(b) Service income

Service income is recognised in profit or loss when services are rendered.

(ii) Revenue from other sources and other income

(a) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(b) Interest income

Interest income is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(c) Government grants

Government grants are recognised in the statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(u) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of foreign operations are translated into RMB at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into RMB at the exchange rates at the dates of the transactions. Foreign currency differences arose from translation of foreign operations are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattribute to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(w) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

As detailed in Note 1, for those transactions and balances that cannot be attributed to the Listing Businesses based on specific identification, allocations were made based on the most relevant allocation bases in the views of the Directors. The Directors believe that these allocation bases are reasonable.

(b) Sources of estimation uncertainty

Significant sources of estimation uncertainty in the process of applying the Group's accounting policies are as follows:

(i) Income tax

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The management carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of these transactions is reconsidered periodically to take into account changes in tax legislations. Deferred tax assets are recognised for deductible temporary differences and cumulative tax losses to the extent that it is probable that future taxable profits will be available against which they can be used. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves a number of assumptions relating to the operating environment of the Group and requires a significant level of judgement exercised by the management.

(ii) Net realisable value of inventories

As described in Note 2(k), net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated distribution expenses. These estimates are based on the current market condition and historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to changes in market conditions.

Management reassesses these estimations at each reporting date to ensure inventory is shown at the lower of cost and net realisable value.

(iii) Impairment of trade and other receivables

The Group's management determines the loss allowance for expected credit losses on trade and other receivables based on an assessment of the present value of all expected cash shortfalls. These estimates are based on the information about past events, current conditions and forecasts of future economic conditions. The Group's management reassesses the loss allowance at each reporting period end.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the manufacturing and sale of fishing-related equipment.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15					
Recognised at a point in time					
Disaggregated by major products					
– Chairs, bedchairs and other accessories	364,316	240,044	290,743	207,758	224,256
– Bags	198,342	108,501	144,000	98,532	131,540
– Tents	238,338	105,953	131,054	80,923	101,829
– Others	17,335	7,782	6,735	3,195	2,077
Revenue from other sources					
– Rental income	81	971	931	634	567
	818,412	463,251	573,463	391,042	460,269

(ii) Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue during the Relevant Periods is set out below:

	Year ended 31 December			Eight months ended 31 August	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Company A	146,468	N/A*	N/A*	N/A*	N/A*
Company B	93,612	72,796	88,414	66,209	81,481
Company C	88,874	N/A*	83,671	59,732	N/A*
Topsun Group	88,819	60,969	61,981	49,663	54,413

* Less than 10% of the Group's revenue in the respective year.

(iii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.

As at 31 December 2022, 2023 and 2024 and 31 August 2025, the remaining performance obligations (unsatisfied or partially unsatisfied) for contracts with customers are part of contracts that have original expected duration of one year or less. The Group has elected the practical expedient and not disclosed the transaction price allocated to the performance obligations (unsatisfied or partially unsatisfied) as at the end of each reporting period.

(b) Segment reporting

IFRS 8, Operating Segments, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment. On this basis, the Group has determined that it only has one operating segment.

(c) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets and intangible assets ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment and the location of the operation to which they are allocated, in the case of intangible assets.

(i) Revenue from external customers

	Year ended 31 December			Eight months ended 31 August	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Europe	537,561	325,684	420,435	290,782	347,410
North America	154,053	46,228	49,959	28,812	29,736
Chinese Mainland	102,983	78,545	87,446	60,726	70,032
Others	23,815	12,794	15,623	10,722	13,091
	818,412	463,251	573,463	391,042	460,269

The analysis above includes property rental income from customers in Chinese Mainland of RMB81,000, RMB971,000, RMB931,000, RMB634,000 (unaudited) and RMB567,000 for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025, respectively.

(ii) Specified non-current assets

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Chinese Mainland	56,966	45,250	39,943	37,557
Overseas	905	2,782	2,233	2,485
	57,871	48,032	42,176	40,042

5 OTHER NET INCOME/(LOSS)

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Net realised and unrealised loss on derivative financial instruments	(1,720)	(7,407)	(3,375)	(3,375)	–
Net foreign exchange gain/(loss)	7,962	(2,246)	1,963	1,328	1,794
Interest income	3	67	152	59	886
Net gain on disposal of leases	–	116	–	–	–
Net loss on disposal of property, plant and equipment	–	–	(28)	(25)	(12)
Government grants *(Note (i))*	–	90	249	–	–
Others	22	165	1	14	(63)
	6,267	(9,215)	(1,038)	(1,999)	2,605

Note:

(i) Government grants primarily comprise subsidies received from the government for the encouragement of business development.

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Interest on bank loans	3	2	573	1	2,988
Interest on lease liabilities	168	357	249	182	88
	171	359	822	183	3,076

(b) Staff costs

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, wages and other benefits	92,329	88,185	103,712	68,972	82,531
Contributions to defined contribution retirement plans *(Note (i) and (ii))*	2,398	2,853	4,922	2,508	6,062
Equity-settled share-based payment expenses *(Note 23)*	–	–	1,353	–	–
	94,727	91,038	109,987	71,480	88,593

Notes:

(i) The employees of the subsidiaries of the Group established in the PRC participate in a defined contribution scheme managed by the local municipal governments, whereby these companies are required to contribute to the scheme at certain rates of the employees' salaries as agreed by the local municipal governments. Employees of these companies are entitled to benefits, calculated based on a percentage of the average salaries level in the PRC, from the above mentioned retirement scheme at their normal retirement age.

(ii) The employees of the subsidiary of the Group established in the United Kingdom ("UK") participate in a defined contribution scheme under the UK regulations. In accordance with the UK regulations, the subsidiary is required to contribute to the scheme at rates based on employees' salaries. Employees of the subsidiary in the UK are entitled to benefits from the scheme upon reaching the statutory retirement age.

The Group has no further obligation for payment of other retirement benefits beyond the above contributions.

(c) Other items

	Note	Year ended 31 December			Eight months ended 31 August	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Cost of inventories sold *(Note (i))*	*16(b)*	627,976	339,349	420,343	288,232	332,526
Depreciation charges:						
– owned property, plant and equipment	*11*	1,712	4,361	4,235	2,848	2,863
– right-of-use assets	*12*	2,011	4,632	3,522	2,437	2,087
Expense relating to short-term leases	*12*	4,019	496	1,090	646	1,592
Research and development expenses *(Note (ii))*		523	3,906	3,538	1,984	3,821
Amortisation cost of intangible assets	*13*	3	17	35	12	393
Listing expenses		1,173	–	13,400	3,718	6,459
Provision/(reversal) of impairment loss on trade receivables	*26(a)*	73	274	123	(33)	101

Notes:

(i) Cost of inventories recognised as expenses includes amounts relating to staff costs, depreciation and amortisation expenses which are also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

(ii) During the Relevant Periods, research and development expenses include staff costs of RMB409,000, RMB2,503,000, RMB2,496,000, RMB1,371,000 (unaudited) and RMB3,098,000 for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025, respectively, which are also included in the total amounts of staff costs disclosed Note 6(b).

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Current tax:					
Provision for the year/period	38,317	15,656	18,682	13,784	17,992
Deferred tax:					
Origination and reversal of temporary differences	240	21	918	720	386
	38,557	15,677	19,600	14,504	18,378

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Profit before taxation	152,408	64,678	79,005	61,213	74,619
Notional tax on profit before taxation calculated at the rates applicable to profits in the jurisdiction concerned *(Note (i))*	38,242	16,282	19,920	15,228	18,806
Tax effect of additional deduction on research and development expenses *(Note (ii))*	(131)	(976)	(884)	(510)	(982)
Tax effect of non-deductible expenses	11	14	369	10	1,048
Tax effect of utilisation of the tax losses not recognised as deferred tax assets in previous years	–	–	(21)	(227)	(507)
Tax effect of deductible temporary differences and tax losses not recognised	435	357	216	3	13
Actual tax expense	38,557	15,677	19,600	14,504	18,378

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

The applicable profit tax rate of the Group's subsidiary incorporated in Hong Kong was 16.5% for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025. A two-tiered profits tax rates regime was introduced in 2018 whereby the first HKD2 million in assessable profits earned by a company will be taxed at half of the current tax rate (8.25%) while the remaining profits will continue to be taxed at 16.5%. The subsidiary of the Group incorporated in Hong Kong did not have any assessable profits for the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025.

The subsidiaries of the Group incorporated in the PRC are subject to the PRC Corporate Income Tax ("CIT") at a statutory rate of 25%.

The subsidiary of the Group incorporated in the United Kingdom is liable to UK Corporation Tax at Small Profit Rate of 19% for the years ended 31 December 2022, 2023 and 2024 and is liable to UK Corporation Tax of 25% for the eight months ended 31 August 2025.

(ii) Under the PRC CIT Law and its relevant regulations, 100% additional tax deduction is allowed for qualified research and development costs during the Relevant Periods.

8 DIRECTORS' EMOLUMENTS

Directors' emoluments are recorded in the Historical Financial Information are set out below:

Year ended 31 December 2022

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Equity-settled share-based payments *(Note 23)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Lei Yang *(Note (i))*	–	150	–	–	150	–	150
Wu Guihua *(Note (i))*	–	328	141	7	476	–	476
Non-executive directors							
Yang Baoqing *(Note (ii))*	–	–	–	–	–	–	–
Wen Meixia *(Note (iii))*	–	–	–	–	–	–	–
	–	478	141	7	626	–	626

Year ended 31 December 2023

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Equity-settled share-based payments *(Note 23)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Lei Yang *(Note (i))*	–	367	63	–	430	–	430
Wu Guihua *(Note (i))*	–	442	183	7	632	–	632
Non-executive directors							
Yang Baoqing *(Note (ii))*	–	–	–	–	–	–	–
Wen Meixia *(Note (iii))*	–	–	–	–	–	–	–
	–	809	246	7	1,062	–	1,062

Year ended 31 December 2024

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Equity-settled share-based payments *(Note 23)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Lei Yang *(Note (i))*	–	574	108	–	682	–	682
Wu Guihua *(Note (i))*	–	517	236	7	760	1,353	2,113
Non-executive directors							
Yang Baoqing *(Note (ii))*	–	–	–	–	–	–	–
Wen Meixia *(Note (iii))*	–	–	–	–	–	–	–
Independent non-executive directors							
Ding Feng *(Note (iv))*	–	–	–	–	–	–	–
Han Hongling *(Note (iv))*	–	–	–	–	–	–	–
Shu Yuanchao *(Note (iv))*	–	–	–	–	–	–	–
	–	1,091	344	7	1,442	1,353	2,795

Eight months ended 31 August 2025

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Equity-settled share-based payments *(Note 23)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Lei Yang *(Note (i))*	–	456	121	–	577	–	577
Wu Guihua *(Note (i))*	–	347	138	6	491	–	491
Non-executive directors							
Yang Baoqing *(Note (ii))*	–	–	–	–	–	–	–
Wen Meixia *(Note (iii))*	–	–	–	–	–	–	–
Independent non-executive directors							
Ding Feng *(Note (iv))*	–	–	–	–	–	–	–
Han Hongling *(Note (iv))*	–	–	–	–	–	–	–
Shu Yuanchao *(Note (iv))*	–	–	–	–	–	–	–
	–	803	259	6	1,068	–	1,068

Eight months ended 31 August 2024 (unaudited)

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Equity-settled share-based payments *(Note 23)*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors							
Lei Yang *(Note (i))*	–	264	83	–	347	–	347
Wu Guihua *(Note (i))*	–	345	139	6	490	–	490
Non-executive directors							
Yang Baoqing *(Note (ii))*	–	–	–	–	–	–	–
Wen Meixia *(Note (iii))*	–	–	–	–	–	–	–
	–	609	222	6	837	–	837

Notes:

(i) Ms. Lei Yang and Mr. Wu Guihua were appointed as the executive directors of the Company on 18 October 2024. Ms. Lei Yang joined Topsun Group in 2019 and her emoluments disclosed above represented the compensations for her services as sales director of the fishing-related equipment division of Topsun Group, executive director and the general manager of Zhejiang Ridge Outdoor or the executive director of the Company. Mr. Wu Guihua joined Topsun Group in 2009 and his emoluments disclosed above represented the compensations for his services as general manager of the fishing-related equipment division of Topsun Group, deputy general manager of Zhejiang Ridge Outdoor or the executive director of the Company.

(ii) Mr. Yang Baoqing was appointed as the non-executive director of the Company on 17 July 2024. No emoluments were paid by the fishing-related equipment division of Topsun Group, Zhejiang Ridge Outdoor or the Company to Mr. Yang Baoqing during the Relevant Periods.

(iii) Ms. Wen Meixia was appointed as the non-executive director of the Company on 18 October 2024. No emoluments were paid by the fishing-related equipment division of Topsun Group, Zhejiang Ridge Outdoor or the Company to Ms. Wen Meixia during the Relevant Periods.

(iv) Mr. Ding Feng, Mr. Han Hongling, Mr. Shu Yuanchao were appointed as the independent non-executive director of the Company on 12 November 2024 with effect from the date of the Prospectus.

(v) During the Relevant Periods, no director has waived or agreed to waive any emoluments and no amounts were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments of the Group during the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025, one, one, two, one (unaudited) and two are directors, respectively, whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the remaining four, four, three, four (unaudited) and three individuals during the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2024 and 2025 are as follows:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, allowance and benefits in kind	2,364	2,381	1,921	1,557	1,841
Discretionary bonuses	477	188	79	41	116
Retirement scheme contributions	70	83	41	46	36
	2,911	2,652	2,041	1,644	1,993

The emoluments of the individuals who are not directors and with the highest emoluments are within the following bands:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	Number of individuals	*Number of individuals*	*Number of individuals*	*Number of individuals* *(Unaudited)*	*Number of individuals*
HK$ Nil to HK$1,000,000	3	4	3	4	3
HK$1,000,001 to HK$1,500,000	1	–	–	–	–

10 EARNINGS PER SHARE

Earnings per share information is not presented as its inclusion for the purpose of this report is not considered meaningful due to the Reorganisation and the preparation of the results of the Group for the Relevant Periods on the basis as disclosed in Note 1.

11 PROPERTY, PLANT AND EQUIPMENT

	Plant and Buildings	Equipment and machinery	Office equipment and furniture	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:						
At 1 January 2022	–	16,222	868	111	–	17,201
Additions	38,549	1,659	101	–	–	40,309
Disposals	–	(533)	–	–	–	(533)
Exchange adjustments	–	(31)	(16)	(3)	–	(50)
At 31 December 2022 and 1 January 2023	38,549	17,317	953	108	–	56,927
Additions	–	1,028	130	–	–	1,158
Disposals	–	(1,413)	–	–	–	(1,413)
Exchange adjustments	–	98	58	8	–	164
At 31 December 2023 and 1 January 2024	38,549	17,030	1,141	116	–	56,836
Additions	–	1,277	99	–	253	1,629
Disposals	–	(500)	–	(118)	–	(618)
Exchange adjustments	–	6	5	2	–	13
At 31 December 2024 and 1 January 2025	38,549	17,813	1,245	–	253	57,860
Additions	–	1,408	566	–	–	1,974
Disposals	–	(359)	–	–	–	(359)
Exchange adjustments	–	78	59	–	–	137
At 31 August 2025	38,549	18,940	1,870	–	253	59,612
Accumulated depreciation:						
At 1 January 2022	–	(11,422)	(529)	(22)	–	(11,973)
Charge for the year	(237)	(1,356)	(100)	(19)	–	(1,712)
Written back on disposals	–	470	–	–	–	470
Exchange adjustments	–	24	8	–	–	32
At 31 December 2022 and 1 January 2023	(237)	(12,284)	(621)	(41)	–	(13,183)
Charge for the year	(2,844)	(1,419)	(82)	(16)	–	(4,361)
Written back on disposals	–	1,049	–	–	–	1,049
Exchange adjustments	–	(83)	(35)	(4)	–	(122)
At 31 December 2023 and 1 January 2024	(3,081)	(12,737)	(738)	(61)	–	(16,617)
Charge for the year	(2,844)	(1,281)	(101)	(9)	–	(4,235)
Written back on disposals	–	453	–	69	–	522
Exchange adjustments	–	(5)	(5)	1	–	(9)
At 31 December 2024 and 1 January 2025	(5,925)	(13,570)	(844)	–	–	(20,339)
Charge for the period	(1,896)	(818)	(104)	–	(45)	(2,863)
Written back on disposals	–	329	–	–	–	329
Exchange adjustments	–	(73)	(37)	–	–	(110)
At 31 August 2025	(7,821)	(14,132)	(985)	–	(45)	(22,983)
Net book value:						
At 31 December 2022	38,312	5,033	332	67	–	43,744
At 31 December 2023	35,468	4,293	403	55	–	40,219
At 31 December 2024	32,624	4,243	401	–	253	37,521
At 31 August 2025	30,728	4,808	885	–	208	36,629

Certain motor vehicle and plant and buildings were pledged as security for bank loans during the Relevant Periods (see Note 21).

12 RIGHT-OF-USE ASSETS

	Land use rights	Plant and buildings	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January 2022	–	1,042	1,042
Additions	629	14,869	15,498
Exchange adjustments	–	(25)	(25)
At 31 December 2022 and 1 January 2023	629	15,886	16,515
Additions	–	2,147	2,147
Disposals	–	(6,895)	(6,895)
Exchange adjustments	–	109	109
At 31 December 2023 and 1 January 2024	629	11,247	11,876
Disposals	–	(1,086)	(1,086)
Exchange adjustments	–	9	9
At 31 December 2024 and 1 January 2025	629	10,170	10,799
Exchange adjustments	–	129	129
At 31 August 2025	629	10,299	10,928
Accumulated depreciation:			
At 1 January 2022	–	(434)	(434)
Charge for the year	(2)	(2,009)	(2,011)
Exchange adjustments	–	7	7
At 31 December 2022 and 1 January 2023	(2)	(2,436)	(2,438)
Charge for the year	(18)	(4,614)	(4,632)
Written back on disposals	–	2,987	2,987
Exchange adjustments	–	(39)	(39)
At 31 December 2023 and 1 January 2024	(20)	(4,102)	(4,122)
Charge for the year	(18)	(3,504)	(3,522)
Written back on disposals	–	1,086	1,086
Exchange adjustments	–	1	1
At 31 December 2024 and 1 January 2025	(38)	(6,519)	(6,557)
Charge for the period	(12)	(2,075)	(2,087)
Exchange adjustments	–	(38)	(38)
At 31 August 2025	(50)	(8,632)	(8,682)
Net book value:			
At 31 December 2022	627	13,450	14,077
At 31 December 2023	609	7,145	7,754
At 31 December 2024	591	3,651	4,242
At 31 August 2025	579	1,667	2,246

The land use rights were pledged as security for bank loans during the Relevant Periods (see Note 21).

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Depreciation charge of right-of-use assets by class of underlying asset:					
Land use rights	2	18	18	12	12
Plant and buildings	2,009	4,614	3,504	2,425	2,075
	2,011	4,632	3,522	2,437	2,087
Interest on lease liabilities *(Note 6(a))*	168	357	249	182	88
Expense relating to short-term leases	4,019	496	1,090	646	1,592

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Note 18(e) and Note 22 respectively.

(a) Land use rights

Land in respect of land use rights is located in the PRC with a lease period of 30 years when obtained.

(b) Properties leased for own use

The Group leases various office buildings and warehouses in the PRC and the UK. The Group has obtained the right to use properties through tenancy agreements. The leases typically run for an initial period of 3 to 5 years.

Some leases include an option to terminate the lease before the end of the contract term. The Group considers it reasonably certain not to exercise the option to early terminate at lease commencement date.

(c) The analysis of the net book value of right-of-use assets by remaining lease term is as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Between 5 to 20 years	537	519	501	489
Less than 5 years	13,540	7,235	3,741	1,757
	14,077	7,754	4,242	2,246

13 INTANGIBLE ASSETS

	Patents	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January 2022	9	–	9
Additions	51	–	51
At 31 December 2022 and 1 January 2023	60	–	60
Additions	22	–	22
Exchange adjustments	5	–	5
At 31 December 2023 and 1 January 2024	87	–	87
Additions	6	383	389
At 31 December 2024 and 1 January 2025	93	383	476
Additions	11	1,134	1,145
Exchange adjustments	5	–	5
At 31 August 2025	109	1,517	1,626
Accumulated amortisation:			
At 1 January 2022	(7)	–	(7)
Charge for the year	(3)	–	(3)
At 31 December 2022 and 1 January 2023	(10)	–	(10)
Charge for the year	(17)	–	(17)
Exchange adjustments	(1)	–	(1)
At 31 December 2023 and 1 January 2024	(28)	–	(28)
Charge for the year	(18)	(17)	(35)
At 31 December 2024 and 1 January 2025	(46)	(17)	(63)
Charge for the period	(14)	(379)	(393)
Exchange adjustments	(3)	–	(3)
At 31 August 2025	(63)	(396)	(459)
Net book value:			
At 31 December 2022	50	–	50
At 31 December 2023	59	–	59
At 31 December 2024	47	366	413
At 31 August 2025	46	1,121	1,167

The amortisation charge is included in "Administrative expenses", "Selling and distribution expenses" and "Research and development costs" in the consolidated statements of profit or loss and other comprehensive income.

14 INVESTMENTS IN SUBSIDIARIES

	As at 31 December	As at 31 August
	2024	2025
	RMB'000	*RMB'000*
Investment in subsidiaries, at cost *(Note (i))*:		
– Solar Tackle Limited	–	–
– Ridge Holding (HK) Limited	9	9
Investment arising from equity-settled share-based payment *(Note (ii))*	1,365	1,349
	1,374	1,358

Notes:

(i) Details of the subsidiaries are set forth in Note 1.

(ii) The amount represents share-based payment expenses arising from the shares of the Company transferred to one executive director of the Company (Note 23) in exchange for services provided to Zhejiang Ridge Outdoor, which were deemed to be investments made by the Company into the subsidiary.

15 DERIVATIVE FINANCIAL INSTRUMENTS

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial assets				
– Foreign currency forward contracts *(Note (i))*	648	261	–	–
– Foreign currency option contracts *(Note (ii))*	680	–	–	–
	1,328	261	–	–
Derivative financial liabilities				
– Foreign currency forward contracts *(Note (i))*	351	2,284	–	–
– Foreign currency option contracts *(Note (ii))*	846	–	–	–
	1,197	2,284	–	–

Notes:

(i) The Group entered into several foreign currency forward contracts with certain banks to mitigate the currency risk arising from receivables denominated in United States Dollars ("USD").

(ii) The Group entered into several foreign currency option contracts with banks to mitigate the currency risk arising from receivables denominated in USD.

16 INVENTORIES

(a) Inventories in the consolidated statements of financial position comprise

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	15,545	18,771	24,089	18,750
Semi-finished products and work in progress	23,534	20,810	38,493	36,751
Finished products	90,834	48,181	60,224	58,483
	129,913	87,762	122,806	113,984
Write down of inventories	(795)	(443)	(771)	(626)
	129,118	87,319	122,035	113,358

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Carrying amount of inventories sold	628,748	339,701	420,015	287,763	332,671
(Reversal of write down)/write down of inventories	(772)	(352)	328	469	(145)
	627,976	339,349	420,343	288,232	332,526

17 TRADE AND OTHER RECEIVABLES

		As at 31 December			As at 31 August
	Note	2022	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables, net of loss allowance		107,793	67,295	88,310	98,467
– third parties		107,749	45,092	87,443	90,470
– related parties	*28(c)*	44	22,203	867	7,997
Prepaid expenses to related parties – Trade related	*28(c)*	–	–	–	89
Non-trade receivables due from related parties	*28(c)*	–	–	1,089	–
Prepayments for listing expenses		–	–	4,722	6,753
Other prepayments		24	633	595	1,716
Value-added tax recoverable		12,197	1,783	6,443	2,630
Other receivables and deposits		1,669	225	274	219
		121,683	69,936	101,433	109,874

All of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

Ageing analysis

As of the end of each reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables) based on the invoice date and net of loss allowance, is as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 30 days	20,566	38,977	33,473	58,732
31 days to 60 days	24,475	13,094	28,478	21,762
61 days to 90 days	26,049	5,232	16,169	17,534
91 days to 180 days	35,801	9,939	10,032	424
181 days to 1 year	755	24	121	13
1 year to 2 years	147	29	37	2
	107,793	67,295	88,310	98,467

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 26(a).

18 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

The Group

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash at bank and on hand	13,791	26,100	65,164	105,802
Other cash and cash equivalent	344	544	509	551
Cash and cash equivalents	14,135	26,644	65,673	106,353

The Company

	As at 31 December	As at 31 August
	2024	2025
	RMB'000	*RMB'000*
Cash at bank and on hand	423	380

Note:

(i) As at 31 December 2022, 2023 and 2024 and 31 August 2025, cash and cash equivalents of the Group situated in the Chinese Mainland amounted to RMB4,877,000, RMB20,443,000, RMB59,067,000 and RMB98,373,000, respectively. Remittance of funds out of Chinese Mainland is subject to relevant rules and regulations of foreign exchange control.

(b) Restricted cash

As at 31 August 2025, restricted cash comprise certain pledged deposits held at the bank arising from a commercial dispute.

(c) Reconciliation of profit before taxation to cash generated from operations:

		Year ended 31 December			Eight months ended 31 August	
	Note	2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Profit before taxation		152,408	64,678	79,005	61,213	74,619
Adjustments for:						
Depreciation of property, plant and equipment	*6(c)*	1,712	4,361	4,235	2,848	2,863
Depreciation of right-of-use assets	*6(c)*	2,011	4,632	3,522	2,437	2,087
Amortisation of intangible assets	*6(c)*	3	17	35	12	393
Net loss on disposal of property, plant and equipment	*5*	–	–	28	25	12
Net gain on disposal of leases	*5*	–	(116)	–	–	–
Finance costs	*6(a)*	171	359	822	183	3,076
Interest income	*5*	(3)	(67)	(152)	(59)	(886)
Net realised and unrealised loss on derivative financial instruments	*5*	1,720	7,407	3,375	3,375	–
(Reversal)/provision of impairment loss on inventories		(772)	(352)	328	469	(145)
Provision/(reversal) of impairment loss on trade receivables		73	274	123	(33)	101
Foreign exchange (gain)/loss		(100)	(136)	(94)	(3)	395
Share-based payment expenses		–	–	1,353	–	–
		157,223	81,057	92,580	70,467	82,515
Changes in working capital:						
Decrease/(increase) in inventories		55,495	42,151	(35,044)	(12,682)	8,822
Decrease/(increase) in trade and other receivables		13,791	51,457	(25,809)	(42,714)	(7,612)
Increase in restricted cash		–	–	–	–	(1,139)
Increase/(decrease) in trade and other payables		59,594	(75,726)	34,478	25,691	6,493
(Decrease)/increase in contract liabilities		(31,783)	(1,418)	7,006	7,651	(4,526)
Cash generated from operations		254,320	97,521	73,211	48,413	84,553

(d) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flow as cash flows from financing activities.

	Lease liabilities	Bank loans	Non-trade payables due to related parties (included in trade and other payables)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 22)	*(Note 21)*	*(Note 19)*	
At 1 January 2022	649	129	4,695	5,473
Changes from financing cash flows:				
Capital element of lease rentals paid	(913)	–	–	(913)
Interest element of lease rentals paid	(168)	–	–	(168)
Repayment of bank loans	–	(26)	–	(26)
Interest paid	–	(3)	–	(3)
Total changes from financing cash flows	(1,081)	(29)	–	(1,110)
Exchange adjustments	(20)	–	(114)	(134)
Other change:				
Increase in lease liabilities from entering into new leases during the year *(Note 12)*	13,722	–	–	13,722
Interest expenses *(Note 6(a))*	168	3	–	171
Total other change	13,890	3	–	13,893
At 31 December 2022 and 1 January 2023	13,438	103	4,581	18,122
Changes from financing cash flows:				
Capital element of lease rentals paid	(4,439)	–	–	(4,439)
Interest element of lease rentals paid	(357)	–	–	(357)
Repayment of bank loans	–	(23)	–	(23)
Interest paid	–	(2)	–	(2)
Total changes from financing cash flows	(4,796)	(25)	–	(4,821)
Exchange adjustments	73	4	353	430
Other changes:				
Increase in lease liabilities from entering into new leases during the year *(Note 12)*	2,147	–	–	2,147
Decrease in lease liabilities from early termination of lease contracts	(4,024)	–	–	(4,024)
Interest expenses *(Note 6(a))*	357	2	–	359
Total other changes	(1,520)	2	–	(1,518)
At 31 December 2023	7,195	84	4,934	12,213

	Lease liabilities	Bank loans	Non-trade payables due to related parties (included in trade and other payables)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 22)	*(Note 21)*	*(Note 19)*	
At 31 December 2023	7,195	84	4,934	12,213
Changes from financing cash flows:				
Capital element of lease rentals paid	(3,408)	–	–	(3,408)
Proceeds from bank loans	–	100,000	–	100,000
Proceeds from borrowings from related parties	–	–	168,330	168,330
Interest element of lease rentals paid	(249)	–	–	(249)
Repayment of bank loans	–	(85)	–	(85)
Repayment of borrowings from related parties	–	–	(17,874)	(17,874)
Interest paid	–	(481)	–	(481)
Total changes from financing cash flows	(3,657)	99,434	150,456	246,233
Exchange adjustments	13	1	2	16
Other changes:				
Interest expenses *(Note 6(a))*	249	573	–	822
Total other changes	249	573	–	822
At 31 December 2024	3,800	100,092	155,392	259,284

	Lease liabilities	Bank loans	Non-trade payables due to related parties (included in trade and other payables)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Note 22)	*(Note 21)*	*(Note 19)*	
At 31 December 2024	3,800	100,092	155,392	259,284
Changes from financing cash flows:				
Proceeds from bank loans	–	180,000	–	180,000
Capital element of lease rentals paid	(2,417)	–	–	(2,417)
Interest element of lease rentals paid	(88)	–	–	(88)
Repayment of bank loans	–	(50,000)	–	(50,000)
Repayment of borrowings from related parties	–	–	(150,000)	(150,000)
Interest paid	–	(2,894)	–	(2,894)
Total changes from financing cash flows	(2,505)	127,106	(150,000)	(25,399)
Exchange adjustments	93	–	663	756
Other changes:				
Interest expenses *(Note 6(a))*	88	2,988	–	3,076
Total other changes	88	2,988	–	3,076
At 31 August 2025	1,476	230,186	6,055	237,717

(e) Total cash outflow for leases:

Amounts included in the cash flow statement for leases comprise the following:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Within operating cash flows	4,019	496	1,090	646	1,592
Within financing cash flows	1,081	4,796	3,657	2,737	2,505
	5,100	5,292	4,747	3,383	4,097

These amounts are related to lease rentals paid.

19 TRADE AND OTHER PAYABLES

The Group

		As at 31 December			As at 31 August
	Note	2022	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables		140,072	60,274	86,080	92,447
– third parties		*64,795*	*59,612*	*76,107*	*88,418*
– related parties	*28(c)*	*75,277*	*662*	*9,973*	*4,029*
Accrued payroll and other benefits		8,139	11,129	14,854	13,824
Listing expense payables		–	–	6,766	7,315
Other tax payables		425	1,367	1,521	1,624
Other payables and accruals		605	1,343	1,661	1,985
Non-trade payables due to related parties	*28(c)*	4,581	4,934	155,392	6,055
		153,822	79,047	266,274	123,250

All trade and other payables are expected to be settled within one year or are repayable on demand.

As of the end of the Relevant Periods, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 90 days	124,981	59,877	86,057	90,092
91 days to 1 year	14,657	386	18	2,355
1 year to 2 years	434	11	5	–
	140,072	60,274	86,080	92,447

The Company

	Note	As at 31 December 2024	As at 31 August 2025
		RMB'000	RMB'000
Non-trade payables due to related parties	28(c)	4,338	4,635

20 CONTRACT LIABILITIES

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Advances from customers	6,853	5,435	12,441	7,915

Movements in contract liabilities

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	22,085	6,853	5,435	12,441
Decrease in contract liabilities as a result of recognising revenue during the year/period that was included in the contract liabilities at the beginning of the year/period	(22,085)	(6,853)	(5,435)	(12,161)
Increase in contract liabilities as a result of advances from customers	6,853	5,435	12,441	7,635
Balance at the end of the year/period	6,853	5,435	12,441	7,915

All of the contract liabilities are expected to be recognised as income within one year.

21 BANK LOANS

(a) The analysis of the repayment schedule of bank loans is as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
On demand	–	–	50,043	–
Within 1 year	25	27	50,049	230,186
	25	27	100,092	230,186
After 1 year but within 2 years	25	27	–	–
After 2 years but within 5 years	53	30	–	–
	78	57	–	–
	103	84	100,092	230,186

(b) Assets pledged as security and covenants for bank loans

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Secured bank loans	103	84	50,049	150,104
Unsecured bank loans	–	–	50,043	80,082
	103	84	100,092	230,186

The secured bank loans of RMB103,000 and RMB84,000 as at 31 December 2022 and 2023 are borrowed by the Group for motor vehicle financing and are pledged by the motor vehicle with a carrying amount of RMB67,000 and RMB55,000 as at 31 December 2022 and 2023, respectively. In November 2024, the Group repaid this loan in advance before the maturity of the loan.

The secured loans of RMB50,049,000 as at 31 December 2024 are secured by the land use rights and plant and buildings with the carrying amount of RMB591,000 and RMB32,624,000 as at 31 December 2024, respectively. In February 2025, the Group repaid this loan in advance before the maturity of the loan.

The secured loans of RMB150,104,000 as at 31 August 2025 are secured by the land use rights and plant and buildings with the carrying amount of RMB579,000 and RMB30,728,000 as at 31 August 2025, respectively. These short-term bank loans will mature in February, March, May and June 2026.

As at 31 December 2024 and 31 August 2025, all of the Group's bank loans are subject to the fulfillment of covenants. As at 31 December 2024, some covenants are relating to the Group's financial metric, which are tested periodically, as are commonly found in lending arrangements with financial institutions. If the Group were to breach certain covenants, it would permit banks to request the related loans payable on demand. Further details of the covenants and the Group's management of liquidity risk are set out in Note 26(b).

As at 31 December 2024, Zhejiang Ridge Outdoor, a subsidiary of the Group, failed to meet certain financial metric stipulated in a 13-month loan agreement dated 10 December 2024. The carrying amount of the related loan with the original maturity date of January 2026 is RMB50,043,000 and is recorded in "Bank loans — on demand" as at 31 December 2024. On 21 March 2025, Zhejiang Ridge Outdoor signed a supplementary agreement with the related bank only to amend and remove the relevant financial metric of such loan agreement. The bank did not demand any immediate payment or request to terminate any existing banking facility or loan agreement. The maturity date of this loan remained unchanged, i.e. January 2026. As at 31 August 2025, Zhejiang Ridge Outdoor was in compliance with the relevant covenants of the loans. The carrying amount of the aforementioned loan was RMB50,043,000, classified as "Bank loans — within 1 year" based on its remaining maturity. This bank loan was repaid in December 2025.

22 LEASE LIABILITIES

As of the end of the Relevant Periods, the lease liabilities were repayable as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	8,298	4,052	2,506	465
After 1 year but within 2 years	3,759	1,802	448	494
After 2 years but within 5 years	1,381	1,341	846	517
	5,140	3,143	1,294	1,011
	13,438	7,195	3,800	1,476

23 EQUITY SETTLED SHARE-BASED TRANSACTIONS

On 18 October 2024, GreatCast International Limited, which is wholly-owned by Mr. Yang Baoqing, the Ultimate Controlling Shareholder of the Group, transferred 6,707,600 shares, representing 6.71% of the equity shares in the Company, to Outrider Investment Limited Partnership, at a consideration of USD3,353.8 (USD0.0005 per share).

Outrider Investment Limited Partnership was formed as a limited partnership with legal personality under the laws of the BVI on 3 October 2024 and was owned as to (i) 1.00% by its general partner, Taihong International Limited, a limited liability company incorporated under the laws of the BVI on 3 September 2024, which was in turn wholly owned by Mr. Yang Baoqing; and (ii) 99.00% by 24 limited partners, who were the awardees as determined by Mr. Yang Baoqing.

Amongst these 24 limited partners, Mr. Wu Guihua, executive Director of the Company, was awarded to hold 6.71% of Outrider Investment Limited Partnership at a below-fair-value consideration of USD225.04, representing 0.45% of the equity shares in the Company, due to his past contributions to the Group before and throughout the Relevant Periods. The remaining 23 limited partners, who were the employees of the other entities (outside the Group) controlled by Mr Yang Baoqing, were awarded to hold 93.29% of Outrider Investment Limited Partnership, representing 6.26% of the equity shares in the Company.

The fair value of services received from Mr. Wu Guihua in return for the indirect equity interests in the Company was measured by reference to the difference between the fair value of shares transferred and the subscription price paid by Mr. Wu Guihua. The fair value of the shares transferred is measured at the transfer date and assessed by an independent appraiser, which was performed using the discounted cash flow model ("DCF model"). Best estimates of key assumptions are required to be determined by management. Key assumptions used in determining the fair value of the shares transferred are as follows:

Fair value of the shares transferred and assumptions:

Fair value at measurement date (18 October 2024)	RMB3.01 per share
Risk-free interest rate	2.16%
Lack of marketability discount	10.0%

No service requirements or any other conditions is attached to this share transfer transaction. The Group has recorded equity-settled share-based payment expenses in administrative expenses of RMB1,353,000 for the shares transferred to Mr. Wu Guihua by the Ultimate Controlling Shareholder of the Group during the year ended 31 December 2024 in accordance with the accounting policy adopted for share-based payments in Note 2(q)(ii).

24 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position represents

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January	–	3,625	10,626	3,032
Provision for current income tax for the year/period	38,317	15,656	18,682	17,992
Deemed contribution (Note 1 and Note 25(c))	(34,692)	(1,151)	(690)	–
Payments during the year/period	–	(7,504)	(25,586)	(15,614)
As at 31 December/31 August	3,625	10,626	3,032	5,410

(b) Deferred tax assets and liabilities recognised

(i) The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements during the Relevant Periods are as follows:

	Right-of-use assets	Lease liabilities	Credit loss allowances	Property and plant	Impairment of inventories	Accruals	Fair value change of derivative financial instruments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax arising from:								
At 1 January 2022	(116)	116	1	–	391	–	–	392
(Charged)/Credited to profit or loss	(3,249)	3,225	–	(27)	(191)	35	(33)	(240)
Credited to reserve	4,817	–	–	4,477	–	–	–	9,294
Exchange adjustments	4	(4)	–	–	–	–	–	–
At 31 December 2022 and 1 January 2023	1,456	3,337	1	4,450	200	35	(33)	9,446
Credited/(Charged) to profit or loss	1,538	(1,681)	6	(322)	(90)	(11)	539	(21)
Exchange adjustments	(14)	14	–	–	–	–	–	–
At 31 December 2023 and 1 January 2024	2,980	1,670	7	4,128	110	24	506	9,425
Credited/(Charged) to profit or loss	676	(823)	(1)	(322)	82	(24)	(506)	(918)
At 31 December 2024 and 1 January 2025	3,656	847	6	3,806	192	–	–	8,507
Credited/(Charged) to profit or loss	436	(565)	(6)	(215)	(36)	–	–	(386)
	4,092	282	*	3,591	156	–	–	8,121

Note:

* Less than 1,000.

(ii) Reconciliation to the consolidated statements of financial position

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statements of financial position	9,446	9,425	8,507	8,121

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(r), as at 31 December 2022, 2023 and 2024 and 31 August 2025, the Group did not recognise deferred tax assets in respect of certain subsidiaries' cumulative tax losses of RMB7,218,000, RMB9,331,000, RMB10,278,000 and RMB6,865,000 and deductible temporary differences of RMB243,000, RMB155,000, RMB224,000 and RMB143,000, respectively, as it is not probable that future taxable profits will be available against which unused tax losses and deductible temporary differences can be utilised.

The expiration information of the Group's unused tax losses is set out below:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
2029	–	–	39	39
2030	–	–	–	1
Deductible losses without expiry date	7,218	9,331	10,239	6,825
	7,218	9,331	10,278	6,865

(d) Deferred tax liabilities not recognised

According to PRC corporate income tax laws and its implementation rules, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008.

As at 31 December 2024 and 31 August 2025, the Group has determined that certain retained profits of the Group's PRC subsidiaries are not probable to be distributed in the foreseeable future, therefore, the Group did not recognise deferred tax liabilities of RMB3,513,000 and RMB8,392,000 on PRC dividend withholding taxes as at 31 December 2024 and 31 August 2025, respectively.

25 CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

The Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability on 17 July 2024. The initial authorised share capital of our Company was USD50,000 divided into 50,000 shares with a par value of USD1.00 each.

On 18 October 2024, each of the Company's authorised shares with a par value of USD1.00 each was subdivided into 2,000 shares with a par value of USD0.0005 each. On the same date, the authorised share capital of the Company was increased from USD50,000 divided into 100,000,000 shares with a par value of USD0.0005 each to USD500,000 divided into 1,000,000,000 shares with a par value of USD0.0005 each.

As at 31 December 2024 and 31 August 2025, 100,000,000 shares of the Company with a par value of USD0.0005 each (totalling USD50,000) was issued and fully paid.

(b) Movements in components of equity

Details of the changes in the Company's individual components of equity are set out below:

The Company

	Note	**Share capital**	**Capital reserve**	**Exchange reserve**	**Accumulated losses**	**Total deficit**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2024		–	–	–	–	–
Changes in equity for 2024:						
Total comprehensive income for the year		–	–	(13)	(401)	(414)
Issuance of new shares	*25(a)*	356	–	–	–	356
Deemed distribution arising from the Reorganisation		–	(3,836)	–	–	(3,836)
Capital contributions under equity settled share-based transactions	*23*	–	1,353	–	–	1,353
Balance at 31 December 2024		356	(2,483)	(13)	(401)	(2,541)

	Share capital	**Capital reserve**	**Exchange reserve**	**Accumulated losses**	**Total deficit**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025	356	(2,483)	(13)	(401)	(2,541)
Changes in equity for the eight months ended 31 August 2025:					
Total comprehensive income for the period	–	–	34	(390)	(356)
Balance at 31 August 2025	356	(2,483)	21	(791)	(2,897)

(c) Net parent investment

Prior to completion of the Reorganisation, the net parent investment represents the interest in net assets of the Listing Businesses which were managed and controlled by the fishing-related equipment division of Topsun Group under common control of the Ultimate Controlling Shareholder through the dates presented, inclusive of cumulative operating results. In addition, the transactions between the Group and Topsun Group for the operation and the transfer of net assets of the Listing Businesses during the Relevant Periods were reflected as deemed contribution from/distribution to the Ultimate Controlling Shareholder within equity in the Historical Financial Information.

(d) Dividends

In July 2024, the shareholder of Zhejiang Ridge Outdoor approved the profit distribution of RMB65,000,000 to 浙江泰普森實業集團有限公司 Zhejiang Hengfeng Top Leisure Co., Ltd. ("Zhejiang Topsun Industrial"), its then parent company of Zhejiang Ridge Outdoor. The dividend was paid in cash in September 2024.

Except for the dividends declared and paid by Zhejiang Ridge Outdoor mentioned above, no dividends were paid or declared by the Company and the other companies now comprising the Group during the Relevant Periods.

(e) Nature and purpose of reserves

(i) Capital reserve

The capital reserve as at 31 December 2022 and 2023 represents the aggregate amount of paid-in capital and capital reserve of the entities now comprising the Group. The capital reserve as at 31 December 2024 represents i) the merger reserve arising from the Reorganisation which represents the excess of the aggregate amount of paid-in capital and capital reserve of the subsidiaries comprising the Group over the considerations paid, and ii) the share-based payment reserve arising from the equity-settled share-based transactions recognised in accordance with the accounting policy adopted for share-based payments in Note 2(q)(ii) (see Note 23).

During the year ended 31 December 2022, Zhejiang Topsun Industrial, the then parent company of Zhejiang Ridge Outdoor, which is controlled by Mr Yang Baoqing, made a capital contribution to Zhejiang Ridge Outdoor, consisting of a cash consideration of RMB20,000,000, injections of land use right and plant including the input value-added tax of RMB42,996,000 and the corresponding deferred tax adjustments of RMB9,294,000.

As part of the Reorganisation, the Company acquired entire equity interests of Solar Tackle Limited from the Ultimate Controlling Shareholder at a consideration of GBP410,000 (equivalent to RMB3,836,000) in October 2024. The consideration paid was recognised as a deduction from capital reserve. The total consideration paid was recognised as a deduction in reserve in accordance with the accounting policy adopted for business combination under common in Note 2(c).

As part of the Reorganisation, 浙江樂欣創意產業有限公司 Zhejiang Ridge Creative Industry Co., Ltd., a subsidiary of the Group, acquired the entire equity interests of Zhejiang Ridge Outdoor from Zhejiang Topsun Industrial and non-controlling interests at a total consideration of RMB155,000,000 in November 2024. The consideration paid was recognised as a deduction from capital reserve. The total consideration paid was recognised as a deduction in reserve in accordance with the accounting policy adopted for business combination under common in Note 2(c).

(ii) Statutory reserve

Statutory reserve is established in accordance with the relevant PRC rules and regulations and the articles of association of the companies comprising the Group which are incorporated in the PRC.

In accordance with the PRC Company Law, certain subsidiaries of the Group which are domestic enterprises are required to allocate 10% of their profit after tax, as determined in accordance with the relevant PRC accounting standards, to their respective statutory reserves until the reserves reach 50% of their respective registered capital. For the entity concerned, statutory reserves can be used to make good previous years' losses, if any, and may be converted into capital in proportion to the existing equity interests of investors, provided that the balance of the reserve after such conversion is not less than 25% of the entity's registered capital.

(iii) Exchange reserve

The exchange reserve comprises the foreign exchange differences arising from the translation of the financial statements of foreign operations.

(iv) Non-controlling interests

Non-controlling interests represents the equity interests of Zhejiang Ridge Outdoor held by non-controlling shareholders before completion of the Reorganisation.

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group's overall strategy remains unchanged throughout the years ended 31 December 2022, 2023 and 2024 and eight months ended 31 August 2025. The Group monitors its capital structure with reference to its debt position. The Group's strategy is to maintain the equity and debt in a balanced position and ensure there are adequate working capital to meet its debt obligations. The Group's debt to asset ratio, being the Group's total liabilities divided by its total assets, as at 31 December 2022, 2023 and 2024 and 31 August 2025 was 53.7%, 43.3%, 113.3% and 97.2%, respectively.

26 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risk arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables.

The Group's exposure to credit risk arising from cash and cash equivalents, restricted cash and derivative financial assets is limited because the counterparties are state-owned banks or reputable commercial banks for which the Group considers to have low credit risk.

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables from third parties are due within 30 days to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group has no significant concentration of credit risk in industries or countries in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. The trade receivables from the Group's five largest customers at 31 December 2022, 2023 and 2024 and 31 August 2025 represented 81.1%, 68.7%, 74.8% and 60.7% of the total trade receivables respectively.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicates significantly different loss patterns for different customer segments, the loss allowance based on past due status is further distinguished between the Group's different customer bases.

The Group assessed that there is no significant loss allowance recognised in accordance with IFRS 9 for trade receivables from related-party customers as the credit risk in respect of trade receivables from related-party customers is low.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables from third-party customers:

	As at 31 December 2022		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within credit periods	0.0%*	46,461	(1)
Overdue 1–30 days	0.0%*	31,817	(2)
Overdue 31–90 days	0.0%*	29,020	(9)
More than 90 days past due	33.9%	700	(237)
		107,998	(249)

	As at 31 December 2023		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within credit periods	0.1%	25,950	(17)
Overdue 1–30 days	0.3%	10,388	(32)
Overdue 31–90 days	0.7%	8,757	(61)
More than 90 days past due	41.2%	182	(75)
		45,277	(185)

	As at 31 December 2024		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within credit periods	0.0%*	62,136	(9)
Overdue 1–30 days	0.0%*	16,538	(8)
Overdue 31–90 days	0.4%	8,533	(36)
More than 90 days past due	40.3%	484	(195)
		87,691	(248)

	As at 31 August 2025		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Within credit periods	0.0%*	70,913	(11)
Overdue 1–30 days	0.1%	18,555	(10)
Overdue 31–90 days	0.7%	993	(7)
More than 90 days past due	75.7%	152	(115)
		90,613	(143)

* Percentage less than 0.1%.

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the Relevant Periods is as follows:

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January	179	249	185	248
Provision of impairment losses	73	274	123	101
Amounts written-off	–	(354)	(60)	(218)
Exchange adjustment	(3)	16	–	12
Balance at 31 December/31 August	249	185	248	143

Prepayments, other receivables and deposits

Credit risk in respect of prepayments, other receivables and deposits is limited since the balance mainly includes prepayments to reputable suppliers, value-added-tax recoverable and deposits to suppliers.

The Group measures loss allowances for prepayments, other receivables and deposits at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The Group assessed that there is no significant loss allowance recognised in accordance with IFRS 9 for prepayments, other receivables and deposits at 31 December 2022, 2023 and 2024 and 31 August 2025.

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements, its compliance with lending covenants and its relationship with finance providers, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

As disclosed in Note 21(b), all of the Group's bank loans obtained as at 31 December 2024 and 31 August 2025 are subject to the fulfilment of covenants. As at 31 December 2024, some covenants are relating to the Group's financial metric, which are tested periodically, as are commonly found in lending arrangements with financial institutions. If the Group were to breach certain covenants, it would permit banks to request the related loans payable on demand.

As at 31 December 2024, Zhejiang Ridge Outdoor, a subsidiary of the Group, failed to meet certain financial metric stipulated in a 13-month loan agreement dated 10 December 2024. The carrying amount of the related loan with the original maturity date of January 2026 is RMB50,043,000 and is recorded in "Bank loans — on demand" as at 31 December 2024. Information about the covenants for the above mentioned bank loan as at 31 December 2024 is set out below.

Loans	Carrying amount	Covenants	Timing to comply with the covenants
	RMB'000		
The unsecured bank loans	50,043	(i) Total debt to total asset ratio of Zhejiang Ridge Outdoor shall be less than 50%	At any time throughout the loan term
		(ii) Total current asset to total current debt ratio of Zhejiang Ridge outdoor shall not be less than 150%	

On 21 March 2025, the Group signed a supplementary agreement with the related bank only to amend and remove the relevant financial metric of such loan agreement. The bank did not demand any immediate payment or request to terminate any existing banking facility or loan agreement. The maturity date of this loan remained

unchanged, i.e. January 2026. As at 31 August 2025, Zhejiang Ridge Outdoor was in compliance with the relevant covenants of the loans. The carrying amount of the aforementioned loan was RMB50,043,000, classified as "Bank loans — within 1 year" based on its remaining maturity. This bank loan was repaid in December 2025.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of each reporting period) and the earliest date the Group can be required to pay.

	As at 31 December 2022					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	27	27	54	–	108	103
Trade and other payables	153,822	–	–	–	153,822	153,822
Lease liabilities	8,830	4,011	1,403	–	14,244	13,438
	162,679	4,038	1,457	–	168,174	167,363
Derivatives settled gross:						
Foreign currency option contracts						
– outflow	(259,427)	–	–	–	(259,427)	
– inflow	259,558	–	–	–	259,558	

	As at 31 December 2023					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	29	28	30	–	87	84
Trade and other payables	79,047	–	–	–	79,047	79,047
Lease liabilities	4,300	1,914	1,404	–	7,618	7,195
	83,376	1,942	1,434	–	86,752	86,326
Derivatives settled gross:						
Foreign currency forward and option contracts						
– outflow	(203,753)	–	–	–	(203,753)	
– inflow	201,730	–	–	–	201,730	

	As at 31 December 2024					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	100,647	–	–	–	100,647	100,092
Trade and other payables	266,274	–	–	–	266,274	266,274
Lease liabilities	2,618	512	897	–	4,027	3,800
	369,539	512	897	–	370,948	370,166

	As at 31 August 2025					
	Contractual undiscounted cash outflow					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 August
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans	233,584	–	–	–	233,584	230,186
Trade and other payables	123,250	–	–	–	123,250	123,250
Lease liabilities	542	542	542	–	1,626	1,476
	357,376	542	542	–	358,460	354,912

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank loans. Bank loans issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out in (i) below:

(i) Interest rate profile

The following table details the interest rate profile of the Group's bank loans as at the end of each reporting period:

	As at 31 December						As at 31 August	
	2022		2023		2024		2025	
	Effective Interest rate	Amount	Effective Interest rate	Amount	Effective Interest rate	Amount	Effective Interest rate	Amount
	%	*RMB'000*	%	*RMB'000*	%	*RMB'000*	%	*RMB'000*
Fixed rate borrowings:								
Bank loans	2.50%	103	2.50%	84	3.20%	50,049	2.60%-2.65%	180,143
Variable rate borrowings:								
Bank loans	–	–	–	–	2.80%	50,043	2.80%	50,043
Total borrowings. . .		103		84		100,092		230,186
Fixed rate borrowings as a percentage of total borrowings	100%		100%		50%		78%	

(ii) Sensitivity analysis

At 31 December 2022, 2023 and 2024 and 31 August 2025, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax and retained profits by approximately nil, nil, RMB375,000 and RMB250,000 respectively.

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise assuming that the change in interest rates had occurred at the end of each reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of each reporting period, the impact on the Group's profit after tax (and retained profits) is estimated as an annualised impact on interest expenses of such changes in interest rates.

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD, HKD, GBP and EUR. The Group uses foreign currency forward contracts and foreign currency option contracts to manage its currency risk.

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting periods to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies (expressed in RMB'000)							
	As at 31 December							
	2022		2023		2024			
	USD *RMB'000*	*EUR* *RMB'000*	*USD* *RMB'000*	*EUR* *RMB'000*	*USD* *RMB'000*	*EUR* *RMB'000*	*GBP* *RMB'000*	*HKD* *RMB'000*
Trade and other receivables	129,017	2,019	58,725	1,700	88,995	1,492	–	–
Cash and cash equivalents	3,917	7,686	13,447	5,959	27,994	1,420	–	21
Trade and other payables	(25,365)	(144)	(21,184)	(176)	(29,982)	(270)	(408)	(14)
Gross exposure arising from recognised assets and liabilities	107,569	9,561	50,988	7,483	87,007	2,642	(408)	7
Notional amounts of forward exchange contracts and foreign currency option contracts used as economic hedge	(259,558)	–	(201,730)	–	–	–	–	–
Net exposure arising from recognised assets and liabilities	(151,989)	9,561	(150,742)	7,483	87,007	2,642	(408)	7

	Exposure to foreign currencies (expressed in RMB'000)		
	As at 31 August		
	2025		
	USD *RMB'000*	*EUR* *RMB'000*	*HKD* *RMB'000*
Trade and other receivables	94,891	2,012	–
Cash and cash equivalents	74,780	7,647	47
Trade and other payables	(30,498)	(333)	–
Net exposure arising from recognised assets and liabilities	139,173	9,326	47

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax (and retained profits) and net parent investment that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax and net parent investment
		RMB'000
At 31 December 2022		
USD	5%	(6,160)
	-5%	6,160
EUR	5%	478
	-5%	(478)
At 31 December 2023		
USD	5%	(5,917)
	-5%	5,917
EUR	5%	275
	-5%	(275)
At 31 December 2024		
USD	5%	2,949
	-5%	(2,949)
EUR	5%	127
	-5%	(127)
GBP	5%	(15)
	-5%	15
HKD	5%	1
	-5%	(1)
At 31 August 2025		
USD	5%	4,838
	-5%	(4,838)
EUR	5%	425
	-5%	(425)
HKD	5%	2
	-5%	(2)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, and then translated into RMB at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations: . . . Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

– Level 2 valuations: . . . Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

– Level 3 valuations: . . . Fair value measured using significant unobservable inputs

The Group has a team performing valuations for the financial instruments categories into Level 2 of the fair value hierarchy. The team reports directly to the chief financial officer. Valuation assessment with analysis of changes in fair value measurement is prepared by the team at each reporting date and is reviewed and approved by the chief financial officer.

	Fair value at 31 December 2022	Fair value measurements as at 31 December categorized into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Derivative financial instruments:				
– Foreign currency forward contracts	297	–	297	–
– Foreign currency option contracts	(166)	–	(166)	–

	Fair value at 31 December 2023	Fair value measurements as at 31 December categorized into		
		Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Recurring fair value measurement				
Derivative financial instruments:				
– Foreign currency forward contracts	(2,023)	–	(2,023)	–

The Group did not have any assets or liabilities measured at fair value as at 31 December 2024 and 31 August 2025.

During the Relevant Periods, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of each reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of foreign currency forward contracts and foreign currency option contracts in Level 2 is determined by discounting the difference between the contractual forward exchange price and the current exchange price. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2022, 2023 and 2024 and 31 August 2025.

27 COMMITMENTS

The Group does not have material commitments as at 31 December 2022, 2023 and 2024 and 31 August 2025.

28 MATERIAL RELATED PARTY TRANSACTIONS

(a) Names and relationship of the related parties that had material transactions with the Group during the Relevant Periods

Name of the related party	Relationship
Topsun Group (including its subsidiaries)	Controlled by Mr. Yang Baoqing
– 浙江泰普森控股集團有限公司 *Zhejiang Topsun Holding Group Co. Ltd.	
– Zhejiang Topsun Industrial	
– 浙江泰普森科技有限公司 *Zhejiang Hengfeng Technology Co., Ltd.	
– 浙江西域戶外用品有限公司 *Zhejiang Xiyu Outdoor Co., Ltd.	
– 河南泰普森休閒用品有限公司 *Henan Hengfeng Top Leisure Co., Ltd.	
– 浙江泰普森數字科技有限公司 *Zhejiang Topsun Digital Technology Co., Ltd.	
– 河南泰普森戶外用品有限公司 *Henan Hengfeng Outdoors Co., Ltd.	
– 我飛(浙江)戶外裝備科技有限公司 *Wofei (Zhejiang) Outdoor Equipment Technology Co., Ltd.	
– 浙江樂富設計產業有限公司 *Zhejiang Loftpower Design Industry Co., Ltd.	
– 浙江樂富文化旅遊投資管理有限公司 *Zhejiang Loftpower Cultural Tourism Investment Management Co., Ltd.	
– 森陽戶外用品有限公司 *Topsun Outdoors Limited	
浙江泰合盛新材料科技有限公司 *Zhejiang Techson Technology Co., Ltd.	Entity controlled by Mr. Yang Baoqing
Solar Outdoors Investment Limited	Entity controlled by a close family member of Mr. Yang Baoqing
浙江四方共協信息技術有限公司 *Zhejiang Outsideasy Information Technology Co., Ltd.	Entity controlled by a close family member of Mr. Yang Baoqing
浙江康達工業設計有限公司 *Zhejiang Kangda Industrial Design Co., Ltd.	Entity controlled by Mr. Yang Baoqing

* The English name of the entities incorporated in the Chinese Mainland is translated from their registered Chinese name for identification purpose only.

(b) **Transactions with related parties**

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Sales of goods					
Topsun Group	88,554	59,593	60,902	48,980	53,846
Zhejiang Techson Technology Co., Ltd.	–	4	3	1	–
Provision of processing services					
Topsun Group	184	405	148	49	–
Rental income					
Topsun Group	81	971	931	634	567
Sales of property, plant and equipment					
Topsun Group	57	327	10	10	13
Zhejiang Techson Technology Co., Ltd.	–	4	–	–	–
Purchase of goods					
Topsun Group	23,486	11,931	26,319	16,592	8,482
Zhejiang Techson Technology Co., Ltd.	–	–	1,395	1,183	101
Receiving processing services					
Topsun Group	33,062	5,218	5,523	4,618	3,088
Zhejiang Techson Technology Co., Ltd.	–	–	11	–	7
Receiving warehousing services					
Topsun Group	17,902	10,337	9,625	6,275	6,551
Receiving sales services					
Topsun Group	524	1,357	1,029	1,029	–
Receiving IT services					
Zhejiang Outsideasy Information Technology Co., Ltd.	900	900	900	600	536
Receiving other services					
Topsun Group	3,590	3,667	4,664	3,172	1,350
Short-term lease expense					
Topsun Group	3,933	389	777	518	982
Zhejiang Kangda Industrial Design Co., Ltd	–	–	201	–	535
Purchase of property, plant and equipment					
Topsun Group	644	755	124	80	415
Zhejiang Techson Technology Co., Ltd.	–	–	–	–	13
Proceeds from borrowings					
Topsun Group	–	–	168,330	–	–
Repayment of borrowings					
Topsun Group	–	–	12,939	–	150,000
Solar Outdoors Investment Limited	–	–	4,935	–	–
Advance payments to related party					
Solar Outdoors Investment Limited	–	–	1,089	–	–
Receipts of advance payments to related party					
Solar Outdoors Investment Limited	–	–	–	–	1,089

The right-of-use assets and lease liabilities recognised for a long-term lease with a related party in respect of certain leasehold properties for operating activities are as below:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Topsun Group					
Acquisitions of right-of-use assets	9,322	–	–	–	–
Interest expense on lease liabilities	89	260	130	98	22
Zhejiang Kangda Industrial Design Co., Ltd.					
Acquisitions of right-of-use assets	1,086	–	–	–	–
Interest expense on lease liabilities	9	25	4	4	–

In October 2022, the Group entered into a two-year lease in respect of office space from Zhejiang Kangda Industrial Design Co., Ltd., with annual rental fee of RMB612,000.

In October 2022, the Group entered into a three-year lease in respect of a warehouse from Topsun Group with annual rental fee of RMB2,807,000.

In October 2022, the Group entered into a three-year lease in respect of warehouse from Topsun Group with annual rental fee of RMB709,000. This lease agreement was terminated in June 2023. In July 2023, the Group entered into a new 12-month lease in respect of this warehouse with larger occupied areas from Topsun Group with total rental fee of RMB778,000.

(c) Balance with related parties

	As at 31 December			As at 31 August
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Amounts due from related parties – Trade related *(i)*				
Topsun Group	44	22,199	665	8,019
Zhejiang Techson Technology Co., Ltd.	–	–	1	–
Zhejiang Kangda Industrial Design Co., Ltd	–	4	201	67
	44	22,203	867	8,086
Amounts due from related parties – Non-trade related				
Solar Outdoors Investment Limited	–	–	1,089	–
	–	–	1,089	–
	44	22,203	1,956	8,086
Amounts due to related parties – Trade related				
Topsun Group	74,665	662	9,447	3,895
Solar Outdoors Investment Limited	–	–	76	–
Zhejiang Outsideasy Information Technology Co., Ltd.	–	–	450	134
Zhejiang Kangda Industrial Design Co., Ltd	612	–	–	–
Zhejiang Techson Technology Co., Ltd.	–	–	–	–
	75,277	662	9,973	4,029
Amounts due to related parties – Non-trade related *(ii)*				
Topsun Group	–	–	155,392	6,055
Solar Outdoors Investment Limited	4,581	4,934	–	–
	4,581	4,934	155,392	6,055
	79,858	5,596	165,365	10,084
Lease Liabilities – Trade related				
Topsun Group	8,532	4,761	2,084	–
Zhejiang Kangda Industrial Design Co., Ltd.	813	277	–	–
	9,345	5,038	2,084	–

Notes:

(i) Amounts due from related parties-non-trade related are unsecured and interest-free. The ageing of amounts due from related parties, based on the invoice date, is within 1 year as at 31 December 2022, 2023 and 2024 and 31 August 2025.

(ii) Amounts due to related parties-non-trade related are unsecured and interest-free.

As at 31 December 2024, amounts due to related parties-non-trade related primarily represent borrowings obtained by the Group from related parties to fund the equity acquisition payments pursuant to the Reorganisation. Among which, an amount of RMB150,000,000 due to Topsun Group will mature on 1 April 2025 or the date of the Company's hearing at Hong Kong Stock Exchange, whichever is later. During the eight months ended 31 August 2025, the Group repaid RMB150,000,000 due to Topsun Group.

The balance of remaining non-trade payables due to related parties as at 31 August 2025 was settled in December 2025.

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Group's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

	Year ended 31 December			Eight months ended 31 August	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Salaries, wages and other benefits	727	1,078	1,679	829	1,502
Discretionary bonuses	197	296	413	269	376
Contributions to defined contribution retirement plan	14	15	16	11	12
Equity-settled share-based payment	–	–	1,353	–	–
	938	1,389	3,461	1,109	1,890

Total remuneration is included in staff costs (see Note 6(b)).

29 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

As at the date of this report, the Directors consider the immediate parent of the Company to be GreatCast International Limited, which is incorporated in the British Virgin Islands, and the ultimate controlling party of the Company to be Mr. Yang Baoqing.

30 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

No significant subsequent events have occurred since 31 August 2025.

31 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE RELEVANT PERIODS

Up to the date of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the Relevant Periods and which have not been adopted in preparing the Historical Financial Information. These developments include the followings:

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: disclosures – Contracts referencing nature-dependent electricity*	1 January 2026
Amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments*: *disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19, *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associate or joint venture*	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements. Minor amendments to IAS 7 Statement of cash flows are also made.

The Group does not plan to early adopt IFRS 18. IFRS18 will impact the presentation of financial statements and is not expected to have a significant impact on the financial performance and positions of the Group.

SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of its subsidiaries in respect of any period subsequent to 31 August 2025.

The information set forth in this appendix does not form part of the Accountants' Report from KPMG, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, as set forth in Appendix I to this Prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the Accountants' Report set out in Appendix I to this Prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted net tangible assets of Ridge Outdoor International Limited (the "Company") and its subsidiaries (collectively the "Group") is prepared in accordance with Rule 4.29 of the Listing Rules and is set out below to illustrate the effect of the Global Offering on the consolidated net tangible assets attributable to equity shareholders of the Company as at 31 August 2025, as if the Global Offering had taken place on 31 August 2025.

The unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at 31 August 2025 or any future date.

	Consolidated net tangible assets attributable to the equity shareholders of the Company as at 31 August 2025(1)	Estimated net proceeds from the Global Offering(2)(4)	Unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company(3)(5)	Unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company per Share	
	RMB'000	*RMB'000*	*RMB'000*	*RMB(5)*	*HK$(4)*
Based on an Offer Price of HK$11.25 per Share	9,483	252,743	262,226	2.05	2.28
Based on an Offer Price of HK$12.25 per Share	9,483	276,770	286,253	2.23	2.49

Notes:

(1) The consolidated net tangible assets attributable to equity shareholders of the Company as of 31 August 2025 have been calculated based on the audited total equity of RMB10,650,000 as at 31 August 2025, after deduction of the intangible assets of RMB1,167,000 as at 31 August 2025, which is extracted from the Accountants' Report set out in Appendix I in this Prospectus.

(2) The estimated net proceeds from this Global Offering are based on 28,205,000 shares to be issued at the estimated Offer Price of HK$11.25 per share (being the low-end of the Offer Price) and HK$12.25 per Share (being the high-end of the Offer Price), respectively, after deduction of the estimated underwriting fees and other related listing expenses paid or payable by the Group (excluding the listing expenses of RMB21,032,000 that have been charged to profit or loss on or before 31 August 2025).

(3) The unaudited pro forma adjusted net tangible assets attributable to the equity shareholders of the Company per share is arrived at after the above adjustments and on the basis that a total of 128,205,000 shares were in issue immediately following the completion of Global Offering assuming the Global Offering had been completed on 31 August 2025.

(4) For illustrative purpose, the estimated net proceeds from the Global Offering and the unaudited pro forma adjusted consolidated net tangible assets per share are converted from the Hong Kong dollar into Renminbi at the exchange rate of HK$1.00 to RMB0.89676, the exchange rate set by the People's Bank of China ("PBOC") prevailing on 23 January 2026. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at the rate or at any other rates or at all.

(5) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect our trading results or other transactions entered into subsequent to 31 August 2025.

B. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose in this prospectus.

KPMG

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

To the Directors of Ridge Outdoor International Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Ridge Outdoor International Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets as at 31 August 2025 and related notes as set out in Part A of Appendix II to the prospectus dated 31 January 2026 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the "Global Offering") on the Group's consolidated financial position as at 31 August 2025 as if the Global Offering had taken place at 31 August 2025. As part of this process, information about the Group's consolidated financial position as at 31 August 2025 has been extracted by the Directors from the Group's historical financial information included in the Accountants' Report as set out in Appendix I to the Prospectus.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements ("HKSAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of events or transactions as at 31 August 2025 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Opinion

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group, and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
31 January 2026

A. BASES

Our Directors have prepared the estimate of the consolidated profit attributable to equity shareholders of our Company for the year ended 31 December 2025 (the "**Profit Estimate**") based on the audited consolidated results of the Group for the eight months ended 31 August 2025, the unaudited consolidated results based on the management accounts of the Group for the three months ended 30 November 2025 and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

The estimate has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by the Group as set out in the Accountants' Report, the text of which is set forth in Appendix I to this prospectus.

B. PROFIT ESTIMATE FOR THE YEAR ENDED 31 DECEMBER 2025

On the basis set out in Appendix IIA to this prospectus, and in the absence of unforeseen circumstances, we estimate that our unaudited consolidated profit attributable to equity shareholders of our Company for the year ended 31 December 2025 is as follows:

Estimated consolidated profit attributable to equity shareholders of our Company	Not less than RMB73.0 million

C. LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a letter, prepared for the purpose of inclusion in this prospectus, from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in relation to the Group's profit estimate for the year ended 31 December 2025.

KPMG

The Board of Directors
Ridge Outdoor International Limited
China International Capital Corporation Hong Kong Securities Limited

Dear Sirs,

Ridge Outdoor International Limited ("the Company")

Profit Estimate for Year Ended 31 December 2025

We refer to the estimate of the consolidated profit attributable to equity shareholders of the Company for the year ended 31 December 2025 ("the Profit Estimate") set forth in the section headed "Financial Information — Profit Estimate for the year ended 31 December 2025" in the prospectus of the Company dated 31 January 2026 ("the Prospectus").

Directors' Responsibilities

The Profit Estimate has been prepared by the directors of the Company based on the audited consolidated results of the Company and its subsidiaries (collectively referred to as "the Group") for the eight months ended 31 August 2025, the unaudited consolidated results based on the management accounts of the Group for the three months ended 30 November 2025 and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

The Company's directors are solely responsible for the Profit Estimate.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures. We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 "Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness" and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in Appendix IIA of the Prospectus and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated 31 January 2026, the text of which is set out in Appendix I of the Prospectus.

Yours faithfully,

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

31 January 2026

D. LETTER FROM THE SOLE SPONSOR

Letter from the Sponsor on the Profit Estimate

China International Capital Corporation
Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

31 January 2026

To: The Board of Directors of Ridge Outdoor International Limited

Dear Sirs and Madams,

We refer to the estimate of the consolidated profits attributable to the equity shareholders of Ridge Outdoor International Limited (the "**Company**", together with its subsidiaries, collectively referred to as the "**Group**") for the year ended 31 December 2025 (the "**Profit Estimate**"), for which the directors of the Company (the "**Directors**") are solely responsible, as set forth in the section headed "Financial Information — Profit estimate for the year ended 31 December 2025" in the prospectus of the Company dated 31 January 2026 (the "**Prospectus**").

The Profit Estimate has been prepared by the Directors based on (i) the audited consolidated results of the Group for the eight months ended 31 August 2025; (ii) the unaudited consolidated results of the Group for the three months ended 30 November 2025 and (iii) an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

We have discussed with you the basis made by the Directors as set out in Appendix IIA to the Prospectus, upon which the Profit Estimate has been made. We have also considered the letter dated 31 January 2026 addressed to you and us from the Company's reporting accountants, KPMG, regarding the accounting policies and calculations upon which the Profit Estimate has been made.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by KPMG, we are of the opinion that the Profit Estimate, for which you as the Directors are solely responsible, has been made after due and careful enquiry.

Yours faithfully,

For and on behalf of
China International Capital Corporation Hong Kong Securities Limited

SUMMARY OF THE CONSTITUTION OF THE COMPANY

1 Memorandum of Association

The Memorandum of Association of the Company was conditionally adopted on January 27, 2026 and states, inter alia, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Cayman Companies Act or any other law of the Cayman Islands.

The Memorandum of Association is available for inspection at the address specified in Appendix V in the section headed "Documents Delivered to the Registrar of Companies and Documents on Display".

2 Articles of Association

The Articles of Association of the Company were conditionally adopted on January 27, 2026 and include provisions to the following effect:

2.1 Classes of Shares

The share capital of the Company consists of ordinary shares. The authorized share capital of the Company at the date of adoption of the Articles is US$500,000 divided into 1,000,000,000 shares of US$0.0005 each.

2.2 Directors

(a) Power to allot and issue Shares

Subject to the provisions of the Cayman Companies Act and the Memorandum and Articles of Association, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Directors shall determine.

Subject to the provisions of the Articles of Association and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Directors may determine. Subject to the Cayman Companies Act and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof, liable to be redeemed.

(b) Power to dispose of the assets of the Company or any subsidiary

The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by the Articles of Association expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not by the Articles of Association or the Cayman Companies Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Cayman Companies Act and of the Articles of Association and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or the Articles of Association, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(c) Compensation or payment for loss of office

Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

(d) Loans to Directors

There are provisions in the Articles of Association prohibiting the making of loans to Directors or their respective close associates which are equivalent to the restrictions imposed by the Companies Ordinance.

(e) Financial assistance to purchase Shares

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries or any holding company or any subsidiary of such holding company in order that they may buy shares in the Company or any such subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

(f) Disclosure of interest in contracts with the Company or any of its subsidiaries

No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realized by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the board of Directors at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may be made by the Company.

A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his close associates (or, if required by the Listing Rules, his other associates) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

(i) the giving to such Director or any of his close associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:

  (A) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or

  (B) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or any of his close associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(g) Remuneration

The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Directors, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

The Directors shall also be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of traveling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

The Directors may grant special remuneration to any Director who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

The remuneration of an executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

(h) Retirement, appointment and removal

The number of Directors shall not be less than two.

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

The Company may by ordinary resolution remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment of office as a result of the termination of this appointment as Director).

The Company may by ordinary resolution appoint another person in his place. Any Director so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed. The Company may also by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the first annual general meeting of the Company after this appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors and which Directors who are to retire by rotation at such meeting.

No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless, during the period, which shall be at least seven days, commencing no earlier than the day after the dispatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary of the Company notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors. The office of a Director shall be vacated:

(i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;

(ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;

(iii) if, without leave, he is absent from meetings of the Directors (unless an alternate Director appointed by him attends) for 12 consecutive months, and the Directors resolve that his office be vacated;

(iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provision in the Articles of Association;

(vi) if he is removed from office by a notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) for the time being then in office; or

(vii) if he shall be removed from office by an ordinary resolution of the members of the Company under the Articles of Association.

At every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

(i) Borrowing powers

The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

(j) Proceedings of the Board

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit in any part of the world. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.3 Alteration to constitutional documents

No alteration or amendment to the Memorandum or Articles of Association may be made except by special resolution.

2.4 Variation of rights of existing shares or classes of shares

If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Cayman Companies Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting all the provisions of the Articles of Association relating to general meetings shall mutatis mutandis apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorized representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.

The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

2.5 Alteration of capital

The Company may, from time to time, whether or not all the shares for the time being authorized shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

The Company may from time to time by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares ratably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so canceled subject to the provisions of the Cayman Companies Act; and

(c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Cayman Companies Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorized and subject to any conditions prescribed by the Cayman Companies Act.

2.6 Special resolution — majority required

A "special resolution" is defined in the Articles of Association to have the meaning ascribed thereto in the Cayman Companies Act, for which purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorized representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives), and any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

In contrast, an "ordinary resolution" is defined in the Articles of Association to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorized representatives, at a general meeting held in accordance with the Articles of Association and includes an ordinary resolution approved in writing by all the members of the Company aforesaid.

2.7 Voting rights

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member (except the holder of treasury share(s) (as defined under the Companies Act, the "**Treasury Share(s)**")) present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register of members of the Company.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

In the case of joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

A member of the Company in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorized in such circumstances to do so and such person may vote by proxy.

Save as expressly provided in the Articles of Association or as otherwise determined by the Directors, no person other than a member of the Company duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member of the Company), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairman of the meeting may allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

If a recognized clearing house (or its nominee(s)) is a member of the Company it may authorize such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any meeting of the Company (including general meeting and creditors meeting of the Company) or at any general meeting of any class of members of the Company provided that, if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person authorized pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognized clearing house (or its nominee(s)) which he represents as that recognized clearing house (or its nominee(s)) could exercise as if it were an individual member of the Company holding the number and class of shares specified in such authorization, including, where a show of hands is allowed, the right to vote individually on a show of hands.

All members for the time being entitled to receive notice of and to attend and vote at general meetings (or, in the case of a member being a corporation, its duly authorized representative), shall have the right to speak at any general meetings of the Company.

A Treasury Share shall not be voted, directly or indirectly, at any general meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles of Association or the Companies Act.

2.8 Annual general meetings and extraordinary general meetings

The Company must hold a general meeting as its annual general meeting each financial year. Such meeting must be held within six months after the end of the Company's financial year. The annual general meeting shall be specified as such in the notices calling it.

Extraordinary general meetings may be convened on the requisition of one or more shareholders (or any one member which is a recognized clearing house (or its nominee(s)) holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings.

2.9 Accounts and audit

The Directors shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Cayman Companies Act.

The Directors shall from time to time determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection by members of the Company (other than officers of the Company) and no such member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Cayman Companies Act or any other relevant law or regulation or as authorized by the Directors or by the Company in general meeting.

The Directors shall, commencing with the first annual general meeting, cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a statement of financial position as at the date to which the profit and loss account is made up and a Director's report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditor's report on such accounts and such other reports and accounts as may be required by law. Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting, be sent in the manner in which notices may be served by the Company as provided in the Articles of Association to every member of the Company and every holder of debentures of the Company provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

The appointment, removal and remuneration of an auditor or auditors of the Company shall require the approval of an ordinary resolution of the members in general meeting. The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting and fix the remuneration of such auditor(s) being appointed. The removal of any auditor before the expiration of his period of office shall be approved at a general meeting; and the members shall at that meeting appoint new auditor in its place for the remainder of the term. Subject to compliance with the Listing Rules, the Board may fill any casual vacancy in the office of auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors, if any, may act.

2.10 Notice of meetings and business to be conducted thereat

An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place (except in the case of a virtual meeting held in accordance with the Articles of Association) and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors and all members of the Company (other than those who, under the provisions of the Articles of Association or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company).

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above, it shall be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat or their proxies; and

(b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.

2.11 Transfer of shares

Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve which is consistent with the standard form of transfer as prescribed by the Stock Exchange.

The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof. All instruments of transfer shall be retained by the Company.

The Directors may, in its absolute discretion, and without assigning any reason, refuse to register any transfer of any share which is not fully paid up or on which the Company has a lien. The Directors may also decline to register any transfer of any shares unless:

(a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon the registration of the transfer be canceled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of shares;

(c) the instrument of transfer is properly stamped (in circumstances where stamping is required);

(d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;

(e) the shares concerned are free of any lien in favor of the Company; and

(f) a fee of such amount not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) is paid to the Company in respect thereof.

If the Directors refuse to register a transfer of any share they shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be suspended and the register of members of the Company closed at such times for such periods as the Directors may from time to time determine, provided that the registration of transfers shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

2.12 Power of the Company to purchase its own shares

The Company is empowered by the Cayman Companies Act and the Articles of Association to purchase its own shares subject to certain restrictions and the Directors may only exercise this power on behalf of the Company subject to the authority of its members in general meeting as to the manner in which they do so and to any applicable requirements imposed from time to time by the Stock Exchange and the Securities and Futures Commission of Hong Kong. The holder of the shares being purchased shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Directors shall specify the certificate(s) thereof, if any, and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof. The Board shall have the discretion to cancel such certificate(s).

Subject to the Listing Rules, the Directors may, prior to the purchase, redemption or surrender of any share, determine that such share shall be held as a Treasury Share or canceled, and may resolve to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper.

2.13 Power of any subsidiary of the Company to own shares

There are no provisions in the Articles of Association relating to the ownership of shares by a subsidiary.

2.14 Dividends and other methods of distribution

Subject to the Cayman Companies Act and the Articles of Association, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Directors. No dividend may be declared or paid other than out of profits and reserves of the Company lawfully available for distribution, including share premium.

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For these purposes no amount paid up on a share in advance of calls shall be treated as paid up on the share.

The Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may also pay half-yearly or at other intervals to be selected by them any dividend which may be at a fixed rate if they are of the opinion that the profits available for distribution justify the payment.

The Directors may retain any dividends or other monies payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Directors may also deduct from any dividend or other monies payable to any member of the Company all sums of money (if any) presently payable by him to the Company on account of calls, installments or otherwise.

No dividend shall carry interest against the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members of the Company entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post addressed to the registered address of the member of the Company entitled, or in the case of joint holders, to the registered address of the person whose name stands first in the register of members of the Company in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members of the Company in respect of such shares, and shall be sent at his or their risk and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Any dividend unclaimed for six years from the date of declaration of such dividend may be forfeited by the Directors and shall revert to the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend may be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind, and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, and where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any members of the Company upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be declared or paid in respect of a Treasury Share. Notwithstanding the foregoing, nothing in the Articles of Association prevent an allotment of shares as fully paid up bonus shares in respect of a Treasury Share and shares allotted as fully paid up bonus shares in respect of a Treasury Share shall be treated as Treasury Shares.

2.15 Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person who must be an individual as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.

Instruments of proxy shall be in common form or in such other form as the Directors may from time to time approve provided that it shall enable a member to instruct his proxy to vote in favor of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates provided that the meeting was originally held within 12 months from such date.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney authorized in writing or if the appointor is a corporation either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.

The instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

2.16 Calls on shares and forfeiture of shares

The Directors may from time to time make calls upon the members of the Company in respect of any monies unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times and each member of the Company shall (subject to the Company serving upon him at least 14 days' notice specifying the time and place of payment and to whom such payment shall be made) pay to the person at the time and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call may be made payable either in one sum or by installments and shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and installments due in respect of such share or other monies due in respect thereof.

If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15% per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

If any call or installment of a call remains unpaid on any share after the day appointed for payment thereof, the Directors may at any time during such time as any part thereof remains unpaid serve a notice on the bolder of such shares requiring payment of so much of the call or installment as is unpaid together with any interest which may be accrued and which may still accrue up to the date of actual payment.

The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or installment is unpaid will be liable to be forfeited.

If the requirements of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or installments and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. A forfeited share shall be deemed to be the property of the Company and may be re-allotted, sold or otherwise disposed of.

A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were payable by him to the Company in respect of the shares, together with (if the Directors shall in their discretion so require) interest thereon at such rate not exceeding 15% per annum as the Directors may prescribe from the date of forfeiture until payment, and the Directors may enforce payment thereof without being under any obligation to make any allowance for the value of the shares forfeited, at the date of forfeiture.

2.17 Inspection of register of members

The register of members of the Company shall be kept in such manner as to show at all times the members of the Company for the time being and the shares respectively held by them. The register may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be closed at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

Any register of members kept in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Directors may impose) be open to inspection by any member of the Company without charge and by any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules as the Directors may determine for each inspection.

2.18 Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a chairman which shall not be treated as part of the business of the meeting.

Two members of the Company (excluding the holder of a Treasury Share) present in person or by proxy shall be a quorum provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy.

A corporation being a member of the Company shall be deemed for the purpose of the Articles of Association to be present in person if represented by its duly authorized representative being the person appointed by resolution of the directors or other governing body of such corporation or by power of attorney to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in paragraph 2.4 above.

2.19 Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.20 Procedure on liquidation

Subject to the Cayman Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

If the Company shall be wound up, and the assets available for distribution amongst the members of the Company as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. If in a winding up the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members of the Company in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. The foregoing is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Cayman Companies Act, divide amongst the members of the Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like sanction and subject to the Cayman Companies Act, shall think fit, but so that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

2.21 Untraceable members

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if: (a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (b) the Company has not during that time or before the expiry of the three month period referred to in (d) below received any indication of the whereabouts or existence of the member; (c) during the 12 year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and (d) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspapers or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

SUMMARY OF CAYMAN ISLANDS COMPANY LAW AND TAXATION

1 Introduction

The Cayman Companies Act is derived, to a large extent, from the older Companies Acts of England, although there are significant differences between the Cayman Companies Act and the current Companies Act of England. Set out below is a summary of certain provisions of the Cayman Companies Act, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2 Incorporation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 17 July 2024 under the Cayman Companies Act. As such, its operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the size of its authorized share capital.

3 Share Capital

The Cayman Companies Act permits a company to issue ordinary shares, preference shares, redeemable shares or any combination thereof.

The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premia on those shares shall be transferred to an account called the "share premium account". At the option of a company, these provisions may not apply to premia on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancelation of shares in any other company and issued at a premium. The Cayman Companies Act provides that the share premium account may be applied by a company, subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) in the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Act);

(d) writing-off the preliminary expenses of the company;

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and

(f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands or any conditions prescribed by the Cayman Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, by special resolution reduce its share capital in any way pursuant to the Cayman Companies Act.

Subject to the detailed provisions of the Cayman Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. The manner of such a purchase must be authorized either by the articles of association or by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and to act in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

4 Dividends and Distributions

With the exception of section 34 of the Cayman Companies Act, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands in this area, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see paragraph 3 above for details).

5 Shareholders' Suits

The Cayman Islands courts can be expected to follow English case law precedents. The rule in Foss v. Harbottle (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

6 Protection of Minorities

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

7 Disposal of Assets

The Cayman Companies Act contains no specific restrictions on the powers of directors to dispose of assets of a company. As a matter of general law, in the exercise of those powers, the directors must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the company.

8 Accounting and Auditing Requirements

The Cayman Companies Act requires that a company shall cause to be kept proper books of account with respect to:

(a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the company; and

(c) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

9 Register of Members

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as its directors may from time to time think fit. There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

10 Inspection of Books and Records

Members of a company will have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

11 Special Resolutions

The Cayman Companies Act provides that a resolution is a special resolution when it has been passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, except that a company may in its articles of association specify that the required majority shall be a number greater than two-thirds, and may additionally so provide that such majority (being not less than two-thirds) may differ as between matters required to be approved by a special resolution. Written resolutions signed by all the members entitled to vote for the time being of the company may take effect as special resolutions if this is authorized by the articles of association of the company.

12 Subsidiary Owning Shares in Parent

The Cayman Companies Act does not prohibit a Cayman Islands company acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

13 Mergers and Consolidations

The Cayman Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of each constituent company and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

14 Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by (i) a majority in number representing 75% in value of creditors, or (ii) a majority of 75% in value of shareholders or class of shareholders, as the case may be, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

15 Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

16 Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

17 Liquidation

A company may be placed in liquidation compulsorily by an order of the court, or voluntarily (a) by a special resolution of its members if the company is solvent, or (b) by an ordinary resolution of its members if the company is insolvent. The liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, ratably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

18 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

19 Taxation

Pursuant to section 6 of the Tax Concessions Act (2018 Revision) of the Cayman Islands, the Company may obtain an undertaking from the Financial Secretary of the Cayman Islands:

(a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (2018 Revision).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

20 Exchange Control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

21 Economic Substance Requirements

Pursuant to the International Tax Cooperation (Economic Substance) Act (As Revised) ("**ES Law**") that came into force on 1 January 2019, a "relevant entity" is required to satisfy the economic substance test set out in the ES Law. A "relevant entity" includes an exempted company incorporated in the Cayman Islands as is the Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, if an exempted company incorporated in the Cayman Islands is tax resident outside the Cayman Islands, it will not be required to satisfy the economic substance test set out in the ES Law.

22 General

Campbells, the Company's legal advisers on Cayman Islands law, have sent to the Company a letter of advice summarizing aspects of Cayman Islands company law. This letter, together with a copy of the Cayman Companies Act, is available for inspection as referred to in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he/she is more familiar is recommended to seek independent legal advice.

1. FURTHER INFORMATION ABOUT OUR COMPANY

A. Incorporation

Our Company was incorporated under the laws of the Cayman Islands on July 17, 2024 as an exempted company with limited liability under the name of Ridge International Limited. On November 12, 2024, our Company changed its name to Ridge Outdoor International Limited (樂欣戶外國際有限公司). Our registered office address is at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands. Accordingly, our Company's corporate structure, the Memorandum of Association and the Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of the relevant laws and regulations of the Cayman Islands, the Memorandum of Association and the Articles of Association is set out in the section headed "Summary of the Constitution of Our Company and Cayman Company Law" in Appendix III to this prospectus.

We have established our principal place of business in Hong Kong at Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, and we are registered with the Companies Registry in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on November 27, 2024. Ms. Wong Wai Yee, Ella has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong. The address for service of process is Room 1915, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

As of the date of this prospectus, our Company's head office was located at 8th Floor, Building 1, Lok Fu Creative Center, No. 818, Pingshui East Street, Hangzhou, Zhejiang Province, PRC.

B. Changes in the share capital of our Company

On July 17, 2024, our Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability with an authorized share capital of US$50,000 divided into 50,000 Shares of a par value of US$1.00 each. Upon incorporation, our Company issued one Share to the initial subscriber, which was subsequently transferred to GreatCast, a limited liability company incorporated under the laws of BVI on July 2, 2024, which is wholly owned by Mr. Yang, on the same day. On the same day, our Company allotted (i) 47,499 Shares to GreatCast; and (ii) 2,500 Shares to MAYYA, a limited liability company incorporated under the laws of the BVI on May 30, 2023, which is wholly owned by Mr. Cai, the overseas vice president of Zhejiang Topsun Industrial.

The following sets out the changes in the share capital of our Company since its incorporation:

On October 18, 2024, (i) each of our Shares with a par value of US$1.00 each in the authorized share capital of our Company (including the issued and unissued share capital) was subdivided into 2,000 Shares with a par value of US$0.0005 each (i.e., the Share Subdivision);

and (ii) following the Share Subdivision, the authorized share capital of our Company was increased from US$50,000 divided into 100,000,000 Shares with a par value of US$0.0005 each to US$500,000 divided into 1,000,000,000 Shares with a par value of US$0.0005 each, by the creation of an additional 900,000,000 unissued Shares with a par value of US$0.0005 each to rank *pari passu* in all respect with the existing Shares, details of which are set out in "History, Reorganization and Corporate Structure — Reorganization" of this prospectus.

On October 18, 2024, GreatCast transferred 230,000 Shares, representing 0.23% of the equity interest in our Company, to Future Trade Network, details of which are set out in "History, Reorganization and Corporate Structure — Reorganization" of this prospectus.

On October 18, 2024, GreatCast transferred 6,707,600 Shares, representing 6.71% of the equity interest in our Company, to Outrider Partnership, details of which are set out in "History, Reorganization and Corporate Structure — Reorganization" of this prospectus.

Save as disclosed above, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this prospectus.

C. Resolutions of the Shareholders of our Company dated January 27, 2026

On January 27, 2026, resolutions of the Company were passed by the Shareholders that, among other things, conditional upon the satisfaction (or, if applicable, waiver) of the conditions set out in "Structure of the Global Offering — Conditions of the Global Offering":

(a) the Memorandum of Association and the Articles of Association were approved and adopted with effect from the Listing Date;

(b) the Global Offering was approved and any one person who is an executive Director (the "**Authorized Signatory**") was authorized to allot, issue and transfer the Shares pursuant to the Global Offering;

(c) the Listing was approved and any Authorized Signatory would be authorized to implement the Listing;

(d) a general unconditional mandate would be granted to the Directors to approve, confirm and ratify that the Company allot, issue and deal with the Shares (including any sale or transfer of treasury Shares) or securities convertible into Shares or options, warrants or similar rights to subscribe for the Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers whether during or after the end of the Relevant Period (as defined below), provided that the aggregate number of Shares allotted or agreed to be allotted by the Directors other than pursuant to a (i) rights issue, (ii) any scrip dividend scheme or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares; and (iii) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of:

(i) 20% of the total number of Shares in issue (excluding any treasury Shares) immediately following the completion of the Global Offering; and

(ii) the aggregate number of Shares repurchased by the Company (if any) under the general mandate to repurchase Shares referred to in paragraph below.

Such mandate to remain in effect during the period from the passing of the resolution until the earliest of (i) the conclusion of the next annual general meeting the Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum of Association and the Articles of Association or any applicable laws to be held, and (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholders in general meeting (the "**Relevant Period**");

(e) a general unconditional mandate would be granted to the Directors to exercise all the powers of the Company to repurchase the Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be listed (and which is recognized by the SFC and the Stock Exchange for this purpose) not exceeding in aggregate 10% of the total number of Shares in issue (excluding any treasury Shares) immediately following the completion of the Global Offering but excluding (where applicable) any Shares which may be issued of the Company, in accordance with all applicable laws and the requirements of the Listing Rules, such mandate to remain in effect during the period from the passing of the resolution until the earliest of (i) the conclusion of the next annual general meeting of the Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum of Association and the Articles of Association or any applicable laws to be held, and (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholders in general meeting; and

(f) the general mandate mentioned in paragraph (d) above be extended by the addition to the total issued Shares which may be allotted, or agreed conditionally or unconditionally to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the total issued Shares repurchased by our Company pursuant to the mandate to purchase shares referred to in paragraph (e) above.

D. Subsidiaries of our Company

(a) Subsidiaries

Certain details of our subsidiaries are set forth in the Accountants' Report in Appendix I to this prospectus.

(b) Changes in the share capital of our subsidiaries

The following changes in the share capital of our subsidiaries took place within the two years immediately preceding the date of this prospectus:

On October 30, 2024, Zhejiang Ridge Creative was established under the laws of the PRC with limited liability with a registered capital of USD2,000,000 and was held as to 100% by Ridge Holding (HK).

Save as disclosed above and in "History, Reorganization and Corporate Structure", there has been no alteration in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

E. Repurchase of our own securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this prospectus concerning the repurchase of our own securities.

(a) Provision of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(i) Shareholders' Approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our Shareholders on January 27, 2026, a general unconditional mandate (the "**Repurchase Mandate**") was given to our Directors authorizing them to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, up to 10% of the total number of our Shares in issue (excluding any treasury

Shares) immediately following the completion of the Global Offering, with such mandate to expire at the earliest of (i) the conclusion of the next annual general meeting of our Company (unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions), (ii) the expiration of the period within which our Company's next annual general meeting is required by the Memorandum of Association and the Articles of Association or any other applicable laws to be held, and (iii) the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

(ii) Source of Funds

Repurchase must be funded out of funds legally available for the purpose in accordance with the Memorandum of Association and the Articles of Association and the applicable laws and regulations of Hong Kong and the Cayman Islands. A listed company may not purchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. As a matter of Cayman Islands law, any purchases by the Company may be made out of profits or out of the proceeds of a new issue of shares made for the purpose of the purchase or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Memorandum of Association and the Articles of Association and subject to the Cayman Companies Act. Any premium payable on the purchase over the par value of the shares to be purchased must have been provided for out of profits or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Memorandum of Association and the Articles of Association and subject to the Cayman Companies Act.

(iii) Trading Restrictions

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of Shares in issue (excluding any treasury Shares). A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities or a transfer of treasury shares pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(iv) Status of Repurchased Shares

We may consider canceling the Shares repurchased under the Repurchase Mandate, or holding them as treasury shares subject to our Board's consideration, including among other things, on-going market conditions and its capital management needs at the relevant time of the repurchases. Under the laws of the Cayman Islands, unless, prior to the purchase the directors of the Company resolve to hold the shares purchased by the Company as treasury shares, shares purchased by the Company shall be treated as canceled and the amount of the Company's issued share capital shall be diminished by the nominal value of those shares. However, the purchase of shares will not be taken as reducing the amount of the authorized share capital under Cayman Companies Act.

(v) Suspension of Repurchase

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of 30 days immediately preceding the earlier of (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. Also, a listed issuer may not purchase any of its own shares on the Stock Exchange for a period of 30 days after any sale or transfer of any treasury shares on the Stock Exchange, without the prior approval of the Stock Exchange. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vi) Reporting Requirements

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such repurchases, where relevant, and the aggregate prices paid.

(vii) Core Connected Persons

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a "core connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or a close associate of any of them (as defined in the Listing Rules), and a core connected person shall not knowingly sell his/her securities to the company.

(b) Reasons for Repurchases

Our Directors believe that it is in the best interests of our Company and Shareholders for our Directors to have a general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where our Directors believe that such repurchases will benefit our Company and Shareholders.

(c) Funding of Repurchases

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Memorandum of Association and the Articles of Association and the applicable laws of the Cayman Islands. Our Directors may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, our Directors may make repurchases with profits of the Company or out of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Memorandum of Association and the Articles of Association and subject to the Cayman Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Memorandum of Association and the Articles of Association and subject to Cayman Companies Act, out of capital.

However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company.

(d) General

The exercise in full of the Repurchase Mandate, on the basis of 128,205,000 Shares in issue immediately following the completion of the Global Offering, could accordingly result in up to approximately 12,820,500 Shares being repurchased by our Company during the period prior to the earliest of:

- the conclusion of the next annual general meeting of our Company unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions;

- the expiration of the period within which our Company's next annual general meeting is required by the Memorandum of Association and the Articles of Association or any other applicable laws to be held; or

- the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws in the Cayman Islands.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to our Company.

No core connected person (as defined in the Listing Rules) has notified us that he/she or it has a present intention to sell Shares to us, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of Shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

Any repurchase of Shares that results in the number of Shares held by the public being reduced to less than 25% of the Shares then in issue could only be implemented if the Stock Exchange agreed to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Our Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within two years preceding the date of this prospectus which is or may be material, and a copy of each has been published on the Stock Exchange's website and our Company's own website:

(a) the cornerstone investment agreement dated January 29, 2026 entered into among our Company, Orbit Venture Capital Management Co., Limited and China International Capital Corporation Hong Kong Securities Limited, with respect to a subscription of our Shares at the Offer Price in the aggregate amount of HK$80,000,000 (excluding brokerage, the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy);

(b) the cornerstone investment agreement dated January 29, 2026 entered into among our Company, Huangshan Dejun Enterprise Management Co., Ltd. (黃山德鈞企業管理有限公司) and China International Capital Corporation Hong Kong Securities Limited, with respect to a subscription of our Shares at the Offer Price in the aggregate amount of HK$50,000,000 (excluding brokerage, the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy); and

(c) the Hong Kong Underwriting Agreement.

B. Intellectual Property Rights

(a) Patents

(i) Patents in the PRC

As of the Latest Practicable Date, our Group had the following patents which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of tent and its top structure	ZL202323169875.8	23/11/2023
2. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of seat box	ZL202321995578.6	27/07/2023
3. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of tent and its support and folding structure	ZL202321272363.1	24/05/2023

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
4. . .	Zhejiang Ridge Outdoor	Utility model patent	Seat box with tray	ZL202320109511.1	17/01/2023
5. . .	Zhejiang Ridge Outdoor	Utility model patent	Hidden leg angle adjustment mechanism and rod pod	ZL202320172677.8	17/01/2023
6. . .	Zhejiang Ridge Outdoor	Utility model patent	Universal wheel drag structure, wheel drag system, and seat box	ZL202320115143.1	17/01/2023
7. . .	Zhejiang Ridge Outdoor	Utility model patent	Seat box and its frame structure	ZL202320068633.0	10/01/2023
8. . .	Zhejiang Ridge Outdoor	Utility model patent	Seat box and its drawer	ZL202320068569.6	10/01/2023
9. . .	Zhejiang Ridge Outdoor	Utility model patent	Seat box and its box installation structure	ZL202320031441.2	06/01/2023
10. . .	Zhejiang Ridge Outdoor	Utility model patent	Locking structure, locking device, and seat box	ZL202223569097.7	30/12/2022
11. . .	Zhejiang Ridge Outdoor	Design patent	Cushion (seat box)	ZL202230807020.5	01/12/2022
12. . .	Zhejiang Ridge Outdoor	Design patent	Large seat box	ZL202230807021.X	01/12/2022
13. . .	Zhejiang Ridge Outdoor	Design patent	Small seat box	ZL202230806584.7	01/12/2022
14. . .	Zhejiang Ridge Outdoor	Utility model patent	Button-type folding landing net	ZL202223152522.2	24/11/2022
15. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of backpack and its quick opening and closing structure	ZL202223098070.4	22/11/2022
16. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of landing net device and its quick assembly and disassembly structure for landing nets	ZL202223060410.4	17/11/2022
17. . .	Zhejiang Ridge Outdoor	Design patent	Fishing chair	ZL202230672487.3	12/10/2022
18. . .	Zhejiang Ridge Outdoor	Utility model patent	Chair cushion and the chair including it	ZL202222683017.4	12/10/2022
19. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of rod pod and its angle adjustment structure	ZL202222360803.0	02/09/2022
20. . .	Zhejiang Ridge Outdoor	Design patent	Tent (mesh tent)	ZL202230431750.X	08/07/2022
21. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of seat box	ZL202221658735.X	29/06/2022
22. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of seat box	ZL202221650545.3	29/06/2022
23. . .	Zhejiang Ridge Outdoor	Utility model patent	Leg linkage assembly and folding bed with it	ZL202220654336.X	24/03/2022

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
24. . .	Zhejiang Ridge Outdoor	Design patent	Handcart frame (outdoor fishing gear luggage cart surface folding structure)	ZL202230030234.6	17/01/2022
25. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of detachable folding fishing bed	ZL202123455877.4	31/12/2021
26. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of tray	ZL202123446762.9	31/12/2021
27. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of rod pod	ZL202123446763.3	31/12/2021
28. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of folding chair	ZL202123024576.6	03/12/2021
29. . .	Zhejiang Ridge Outdoor	Design patent	Fishing chair	ZL202130798684.5	03/12/2021
30. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of fish mat	ZL202122997910.X	30/11/2021
31. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of fish weighing bag	ZL202122997898.2	30/11/2021
32. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of chair frame and folding chair with it	ZL202122943791.X	26/11/2021
33. . .	Zhejiang Ridge Outdoor	Design patent	Folding chair frame (new domestic folding structure — iterative model)	ZL202130781860.4	26/11/2021
34. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of outdoor electric heating bedding	ZL202122769368.2	12/11/2021
35. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of buckle	ZL202122055626.0	27/08/2021
36. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of outdoor bed and adjustable angle additional legs	ZL202121186058.1	28/05/2021
37. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of multifunctional cabinet bag	ZL202022556426.9	06/11/2020
38. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of inflatable fish mat	ZL202022318974.8	16/10/2020
39. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of claw-type quick support tent and its integrated disassembly and assembly frame structure	ZL202022262126.X	12/10/2020
40. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of multi-size rod locking device	ZL202021867687.6	31/08/2020
41. . .	Zhejiang Ridge Outdoor	Design patent	Fishing seat	ZL202030502194.1	28/08/2020

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
42. . .	Zhejiang Ridge Outdoor	Utility model patent	Seat box telescopic adjustment device and its leg tube telescopic adjustment device	ZL202021847959.6	28/08/2020
43. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of retractable tent stand	ZL202021104037.6	15/06/2020
44. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of reverse support structure umbrella	ZL202021099064.9	15/06/2020
45. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of folding chair	ZL202020206615.0	25/02/2020
46. . .	Zhejiang Ridge Outdoor	Design patent	Folding chair frame	ZL202030059442.X	25/02/2020
47. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of adjustable backrest folding chair	ZL201922238267.5	13/12/2019
48. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of fully waterproof fish mat	ZL201922200165.4	10/12/2019
49. . .	Zhejiang Ridge Outdoor	Utility model patent	Unhooking device	ZL201921879682.2	01/11/2019
50. . .	Zhejiang Ridge Outdoor	Utility model patent	Height-adjustable legs for camping items	ZL201822277377.8	29/12/2018
51. . .	Zhejiang Ridge Outdoor	Design patent	Locking adjuster	ZL201830731797.1	17/12/2018
52. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of folding bed chair leg tube mechanism and folding bed chair	ZL201821556020.7	21/09/2018
53. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of folding seat	ZL201821492246.5	12/09/2018
54. . .	Zhejiang Ridge Outdoor	Utility model patent	Fishing chair and its telescopic legs	ZL201820284476.6	28/02/2018
55. . .	Zhejiang Ridge Outdoor	Utility model patent	Fish mat rack and fish mat with it	ZL201720258939.7	16/03/2017
56. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of folding chair	ZL201720188447.5	28/02/2017
57. . .	Zhejiang Ridge Outdoor	Design patent	Folding chair	ZL201730054607.2	28/02/2017
58. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of fish mat	ZL201620986887.0	30/08/2016
59. . .	Zhejiang Ridge Outdoor	Invention patent	A type of fishing rod pod	ZL201610278407.X	29/04/2016
60. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of rotating folding connection end base	ZL201620387692.4	29/04/2016
61. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of rod support device for quick disassembly and locking	ZL201620387031.1	29/04/2016

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
62. . .	Zhejiang Ridge Outdoor	Invention patent	A type of folding luggage cart	ZL201610279996.3	29/04/2016
63. . .	Zhejiang Ridge Outdoor	Utility model patent	A type of foldable universal metal footplate	ZL201620075683.1	26/01/2016
64. . .	Zhejiang Ridge Outdoor	Design patent	Base (folding model)	ZL201630028106.2	26/01/2016
65. . .	Zhejiang Ridge Outdoor	Invention patent	A type of quickly foldable fishing rod pod	ZL201410350537.0	22/07/2014
66. . .	Zhejiang Ridge Outdoor	Invention patent	Fish mat	ZL201410258371.X	11/06/2014
67. . .	Zhejiang Ridge Outdoor	Invention patent	A type of box structure and its button-type spring pin lock	ZL201310113321.8	02/04/2013
68. . .	Zhejiang Ridge Outdoor	Invention patent	A type of frame and the umbrella and tent it is applied to	ZL201110197881.7	14/07/2011
69 . .	Zhejiang Ridge Outdoor	Utility model patent	A cross link assembly, folding mechanism and folding chair	ZL202323637292.3	29/12/2023
70 . .	Zhejiang Ridge Outdoor	Utility model patent	Umbrella type folding shelf	ZL202323389347.3	12/12/2023
71 . .	Zhejiang Ridge Outdoor	Utility model patent	Elastic backrest and its chair	ZL202323115215.1	17/11/2023
72 . .	Zhejiang Ridge Outdoor	Utility model patent	A fishing box and its hand wheel locking structure	ZL202323663798.1	29/12/2023
73 . .	Zhejiang Ridge Outdoor	Utility model patent	Folding mechanism and folding chair	ZL202323637285.3	29/12/2023
74 . .	Zhejiang Ridge Outdoor	Utility model patent	A press-type inflatable fishing gear mat	ZL202420863901.2	24/04/2024
75. . .	Zhejiang Ridge Outdoor	Design patent	Trolley accessories (fishing rod and net fixings)	CN202430541529.9	26/08/2024
76. . .	Zhejiang Ridge Outdoor	Utility model patent	A sliding bag	ZL 202420271231.5	04/02/2024
77 . .	Zhejiang Ridge Outdoor	Design patent	Fishing Rod	ZL202530081068.6	24/02/2025
78 . .	Zhejiang Ridge Outdoor	Design patent	Fishing Rod	ZL202530081069.0	24/02/2025
79 . .	Zhejiang Ridge Outdoor	Utility model patent	A type of outdoor gear holder and outdoor product	ZL202520524901.4	24/03/2025
80 . .	Zhejiang Ridge Outdoor	Utility model patent	A type of lumbar support component and a seat	ZL202520529843.4	24/03/2025
81 . .	Zhejiang Ridge Outdoor	Utility model patent	A type of sliding fastening component and outdoor folding products	ZL202520338897.2	27/02/2025

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
82 . .	Zhejiang Ridge Outdoor	Utility model patent	A type of fishing rod holder	ZL202422948902.X	29/11/2024
83 . .	Zhejiang Ridge Outdoor	Utility model patent	Furniture with a flexible support structure	ZL202422657935.9	31/10/2024
84 . .	Zhejiang Ridge Outdoor	Utility model patent	An outdoor trolley and its fishing rod storage bracket	ZL202422086111.0	26/08/2024
85 . .	Zhejiang Ridge Outdoor	Design patent	Fishing Rod	ZL202530081045.5	24/02/2025
86 . .	Zhejiang Ridge Outdoor	Utility model patent	A bending structure, a fish mat stand, and a fish mat	ZL202520132756.5	20/01/2025

(ii) Patents in Germany

As of the Latest Practicable Date, our Group had the following patents in Germany which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1 . .	Zhejiang Ridge Outdoor	Utility model patent	Klemmvorrichtung mit einstellbaren Positionen des Arretierungshandrades (Clamping device with adjustable positions of the locking handwheel)	DE202016003704	14/06/2016
2 . .	Zhejiang Ridge Outdoor	Utility model patent	Höhenverstellbares Bein für Campingartikel (Height-adjustable leg for camping items)	DE202018100013	02/01/2018
3 . .	Zhejiang Ridge Outdoor	Utility model patent	Höhenverstellbares Bein für Campingartikel (Height-adjustable leg for camping items)	DE202018107287	19/12/2018
4 . .	Zhejiang Ridge Outdoor	Utility model patent	Zeltgestänge (tent poles)	DE202021103039	04/06/2021
5 . .	Zhejiang Ridge Outdoor	Utility model patent	Verlängerungsverstellvorrichtung für Angelkoffer und Verlängerungsverstellvorrichtung für Fußrohr (Extension adjustment device for fishing case and extension adjustment device for foot tube)	DE202021104427	18/08/2021

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
6 . .	Zhejiang Ridge Outdoor	Utility model patent	Integrierte Demontage. und Montage.Gerüststruktur (Integrated disassembly and assembly scaffolding structure)	DE202021105498	11/10/2021
7 . .	Zhejiang Ridge Outdoor	Utility model patent	Klappstuhl mit verstellbarer Rückenlehne (folding chair with adjustable backrest)	DE202020005779	02/12/2020
8 . .	Zhejiang Ridge Outdoor	Utility model patent	Zusatzbein zur Winkelverstellung und Outdoor.Bett (Additional leg for angle adjustment and outdoor bed)	DE202022102824	20/05/2022
9 . .	Zhejiang Ridge Outdoor	Utility model patent	Schloss	DE202022104678	18/08/2022
10 .	Zhejiang Ridge Outdoor	Utility model patent	Ablage	DE202022107193	22/12/2022
11 .	Zhejiang Ridge Outdoor	Utility model patent	Beinstangenverbindungsbaugruppe und Faltbett mit Beinstangenverbindungsbaugruppe (Leg bar connection assembly and folding bed with leg bar connection assembly)	DE202023101279	15/03/2023
12 .	Zhejiang Ridge Outdoor	Utility model patent	Zeltstruktur und Zelt	DE202024106730	21/11/2024
13 .	Zhejiang Ridge Outdoor	Utility model patent	Elastische Rückenlehne und Stuhl	DE202024106558	13/11/2024
14 .	Zhejiang Ridge Outdoor	Utility model patent	Möbel mit elastischen Stützstrukturen	DE202025106547U1	28/10/2025

(iii) Patents in France

As of the Latest Practicable Date, our Group had the following patents in France which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1 . .	Zhejiang Ridge Outdoor	Utility model patent	DISPOSITIF DE VERROUILLAGE AVEC DES POSITIONS REGLABLES DU VOLANT A MAIN DE VERROUILLAGE (Locking device with adjustable positions of the locking handwheel)	FR16070312	14/06/2016

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
2 . .	Zhejiang Ridge Outdoor	Utility model patent	Pied réglable en hauteur pour des articles de camping (Height adjustable foot for camping items)	FR18073737	21/12/2018
3 . .	Zhejiang Ridge Outdoor	Utility model patent	Structure de dépliage retournée (Flipped unfolding structure)	FR21006203	11/06/2021
4 . .	Zhejiang Ridge Outdoor	Utility model patent	Dispositif de verrouillage de tige multi.taille (Multi-size rod locking device)	FR21008910	25/08/2021
5 . .	Zhejiang Ridge Outdoor	Utility model patent	SUPPORT DE CANNE À PÊCHE ET STRUCTURE DE RÉGLAGE D'ANGLE ASSOCIÉE	FR23008980	28/08/2023
6 . .	Zhejiang Ridge Outdoor	Utility model patent	TENTE À SUPPORT RAPIDE DE TYPE À GRIFFES ET STRUCTURE INTEGRÉE DE MONTAGE ET DE DEMONTAGE D'OSSATURE (Claw type quick-stand tent and integrated frame assembly and disassembly structure)	FR21010771	12/10/2021
7 . .	Zhejiang Ridge Outdoor	Utility model patent	Verrou comprenant un premier bouton et un deuxième bouton (Lock comprising a first button and a second button)	FR22008272	11/08/2022
8 . .	Zhejiang Ridge Outdoor	Utility model patent	Lit d'extérieur et pied supplémentaire pour ajuster un angle (Outdoor bed and additional foot to adjust an angle)	FR22004926	23/05/2022
9 . .	Zhejiang Ridge Outdoor	Utility model patent	PLATEAU	FR22013374	14/12/2022
10 .	Zhejiang Ridge Outdoor	Utility model patent	Ensemble de liaison de barres de jambes et lit pliant le comportant (Leg bar link set and folding bed including it)	FR23002638	21/03/2023
11.	Zhejiang Ridge Outdoor	Utility model patent	Caisse de pêche	FR24007948	19/07/2024
12. .	Zhejiang Ridge Outdoor	Utility model patent	Structure intermédiaire supérieure pour une tente et tente	FR2024012484	15/11/2024
13. .	Zhejiang Ridge Outdoor	Utility model patent	Dossier élastique et chaise	FR2024012289	08/11/2024

(iv) Patents in the United Kingdom

As of the Latest Practicable Date, our Group had the following patents in the United Kingdom which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1. .	Zhejiang Ridge Outdoor	Invention patent	Locking device with adjustable positions of locking handwheel	GB2541276	13/06/2016
2. .	Zhejiang Ridge Outdoor	Invention patent	A foldable luggage barrow	GB2549808	22/06/2016
3. .	Zhejiang Ridge Outdoor	Invention patent	Extension adjustment device for fishing box or foot pipe	GB2602691	24/08/2021
4. .	Zhejiang Ridge Outdoor	Invention patent	Inverted unfolding structure	GB2599475	14/06/2021

(v) Patents in Netherlands

As of the Latest Practicable Date, our Group had the following patents in Netherlands which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1. .	Zhejiang Ridge Outdoor	Invention patent	Height adjustable leg for camping articles	NL2022257	20/12/2018
2. .	Zhejiang Ridge Outdoor	Invention patent	Lock	NL2032842	24/08/2022
3. .	Zhejiang Ridge Outdoor	Invention patent	Umbrella-type-folding rod placing frame	NL2039314	12/12/2024
4. .	Zhejiang Ridge Outdoor	Invention patent	Top-middle structure for a tent and a tent	NL2039148	22/11/2024

(vi) Patents in Italy

As of the Latest Practicable Date, our Group had the following patents in Italy which are considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1. .	Zhejiang Ridge Outdoor	Utility model patent	FERMO	IT202022000003492	22/08/2022
2. .	Zhejiang Ridge Outdoor	Utility model patent	DISPOSITIVO DI REGOLAZIONE DI ALLUNGAMENTO PER SCATOLA DA PESCA E DISPOSITIVO DI REGOLAZIONE DI ALLUNGAMENTO PER TUBO DI PIEDINO (Fishing box extension adjustment device and foot tube extension adjustment device)	IT202021000004259	27/08/2021
3. .	Zhejiang Ridge Outdoor	Utility model patent	DISPOSITIVO DI BLOCCAGGIO DI ASTA MULTIDIMENSIONE (Multi-size rod locking device)	IT202021000004280	27/08/2021
4. .	Zhejiang Ridge Outdoor	Utility model patent	VASSOIO	IT202022000005403	–
5. .	Zhejiang Ridge Outdoor	Utility model patent	SUPPORTO PER CANNA DA PESCA E STRUTTURA DI REGOLAZIONE DI ANGOLO DELLO STESSO	IT202023000003666	31/08/2023

(vii) Patent in European Union

As of the Latest Practicable Date, our Group had the following patent in European Union which is considered by us to be or may be material to our business:

No.	Patent Owner	Type	Patent Name	Patent No.	Application Date
1. .	Zhejiang Ridge Outdoor	Design patent	Fishing tackle	EU0084378750001	19/02/2021

(b) Trademarks

As of the Latest Practicable Date, the following trademarks have been registered in the name of the relevant member of our Group which are considered by us to be or may be material to our business:

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
1 . .	Zhejiang Ridge Outdoor	LXRidge Outdoor	66976387	PRC	28	21/04/2023-20/04/2033
2 . .	Zhejiang Ridge Outdoor	乐欣户外	66964076	PRC	9	07/09/2023-06/09/2033
3 . .	Zhejiang Ridge Outdoor	乐欣户外	66970669	PRC	20	07/09/2023-06/09/2033
4 . .	Zhejiang Ridge Outdoor	绝代宗师	70237476	PRC	25	07/09/2023-06/09/2033
5 . .	Zhejiang Ridge Outdoor	绝代宗师	70243595	PRC	28	14/09/2023-13/09/2033
6 . .	Zhejiang Ridge Outdoor	绝代宗师	70936192	PRC	20	07/10/2023-06/10/2033
7 . .	Zhejiang Ridge Outdoor	乐欣	80287123	PRC	28	28/01/2025-27/01/2035
8 . .	Zhejiang Ridge Outdoor	絶代宗師	80396455	PRC	9	14/02/2025-13/02/2035
9 . .	Zhejiang Ridge Outdoor	絶代宗師	80398299	PRC	25	21/02/2025-20/02/2035
10 . .	Zhejiang Ridge Outdoor	絶代宗師	80395448	PRC	22	28/02/2025-27/02/2035
11 . .	Zhejiang Ridge Outdoor	赤鸢	80694404	PRC	8	28/03/2025-27/03/2035
12 . .	Zhejiang Ridge Outdoor	赤鸢	80705236	PRC	18	28/03/2025-27/03/2035
13 . .	Zhejiang Ridge Outdoor	赤鸢	80691828	PRC	28	28/03/2025-27/03/2035
14 . .	Zhejiang Ridge Outdoor	赤鸢	80702293	PRC	25	28/03/2025-27/03/2035

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
15 .	Zhejiang Ridge Outdoor		82750160	PRC	22	14/06/2025-13/06/2035
16 . .	Zhejiang Ridge Outdoor		82767686	PRC	18	14/06/2025-13/06/2035
17 . .	Zhejiang Ridge Outdoor		82767675	PRC	13	14/06/2025-13/06/2035
18 . .	Zhejiang Ridge Outdoor		82760249	PRC	12	14/06/2025-13/06/2035
19 . .	Zhejiang Ridge Outdoor		82761487	PRC	13	14/06/2025-13/06/2035
20 . .	Zhejiang Ridge Outdoor		82247588	PRC	22	28/05/2025-27/05/2035
21 . .	Zhejiang Ridge Outdoor		82227266	PRC	12	28/05/2025-27/05/2035
22 . .	Zhejiang Ridge Outdoor		82245056	PRC	28	28/05/2025-27/05/2035
23 . .	Zhejiang Ridge Outdoor		82238187	PRC	18	28/05/2025-27/05/2035
24 . .	Zhejiang Ridge Outdoor		82236624	PRC	9	28/05/2025-27/05/2035
25 . .	Zhejiang Ridge Outdoor		82230275	PRC	20	28/05/2025-27/05/2035
26 . .	Zhejiang Ridge Outdoor		81934445	PRC	9	14/05/2025-13/05/2035
27 . .	Zhejiang Ridge Outdoor	LXRidge Outdoor	UK00003823376	UK	28	24/08/2022-24/08/2032
28 . .	Zhejiang Ridge Outdoor	LXRidge Outdoor	018770251	EU	28	30/09/2022-30/09/2032
29 . .	Zhejiang Ridge Outdoor		82432813	PRC	25	21/08/2025-20/08/2035
30 . .	Zhejiang Ridge Outdoor		82437104	PRC	09	21/06/2025-20/06/2035
31 . .	Zhejiang Ridge Outdoor		82440449	PRC	08	21/06/2025-20/06/2035
32 . .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82749237	PRC	21	21/08/2025-20/08/2035

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
33. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82750187	PRC	09	21/08/2025-20/08/2035
34. .	Zhejiang Ridge Outdoor	乐欣	82750655	PRC	08	21/08/2025-20/08/2035
35. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82751925	PRC	28	21/08/2025-20/08/2035
36. .	Zhejiang Ridge Outdoor	乐欣	82753654	PRC	11	21/08/2025-20/08/2035
37. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82756206	PRC	12	21/08/2025-20/08/2035
38. .	Zhejiang Ridge Outdoor	乐欣	82756948	PRC	21	21/08/2025-20/08/2035
39. .	Zhejiang Ridge Outdoor	乐欣	82759178	PRC	25	21/08/2025-20/08/2035
40. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82761475	PRC	11	07/09/2025-06/09/2035
41. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82761721	PRC	25	07/09/2025-06/09/2035
42. .	Zhejiang Ridge Outdoor	乐欣	82767720	PRC	24	21/08/2025-20/08/2035
43. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82768787	PRC	22	21/08/2025-20/08/2035

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
44. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82770048	PRC	08	21/08/2025-20/08/2035
45. .	Zhejiang Ridge Outdoor	RIDGE OUTDOOR	82772015	PRC	24	07/09/2025-06/09/2035
46. .	Zhejiang Ridge Outdoor	絶代宗師	83040834	PRC	28	28/07/2025-27/07/2035
47. .	Zhejiang Ridge Outdoor	Finz Tackle	83041208	PRC	09	07/10/2025-06/10/2035
48. .	Zhejiang Ridge Outdoor	Finz Tackle	83041226	PRC	18	14/08/2025-13/08/2035
49. .	Zhejiang Ridge Outdoor	Finz Tackle	83046783	PRC	20	14/08/2025-13/08/2035
50. .	Zhejiang Ridge Outdoor	絶代宗師	83047099	PRC	25	14/07/2025-13/07/2035
51. .	Zhejiang Ridge Outdoor	幸运鳍	83047975	PRC	11	14/07/2025-13/07/2035
52. .	Zhejiang Ridge Outdoor	幸运鳍	83050156	PRC	21	28/07/2025-27/07/2035
53. .	Zhejiang Ridge Outdoor	Finz Tackle	83050181	PRC	12	07/10/2025-06/10/2035

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
54. .	Zhejiang Ridge Outdoor	Finz Tackle	83054327	PRC	28	07/10/2025-06/10/2035
55. .	Zhejiang Ridge Outdoor	绝代宗師	83054666	PRC	20	14/08/2025-13/08/2035
56. .	Zhejiang Ridge Outdoor	幸运鳍	83055070	PRC	24	21/07/2025-20/07/2035
57. .	Zhejiang Ridge Outdoor	Finz Tackle	83059856	PRC	25	14/08/2025-13/08/2035
58. .	Zhejiang Ridge Outdoor	Finz Tackle	83060376	PRC	11	07/10/2025-06/10/2035
59. .	Zhejiang Ridge Outdoor	Finz Tackle	83060402	PRC	22	14/08/2025-13/08/2035
60. .	Zhejiang Ridge Outdoor	幸运鳍	83062171	PRC	08	21/07/2025-20/07/2035
61. .	Zhejiang Ridge Outdoor	Windwhisper	84351981	PRC	28	28/09/2025-27/09/2035
62. .	Zhejiang Ridge Outdoor	Bass Blaster	84353412	PRC	28	28/09/2025-27/09/2035
63. .	Zhejiang Ridge Outdoor	Golden Antler	84353517	PRC	28	28/09/2025-27/09/2035
64. .	Zhejiang Ridge Outdoor	Stream Hunter	84353725	PRC	28	28/09/2025-27/09/2035

No.	Trademark Registrant	Trademark	Registration Number	Place of Registration	Class	Valid Period
65. .	Zhejiang Ridge Outdoor	Tidal Heart	84353748	PRC	28	28/09/2025-27/09/2035
66. .	Zhejiang Ridge Outdoor	Dawn Raider	84358956	PRC	28	28/09/2025-27/09/2035
67. .	Zhejiang Ridge Outdoor	Affondatore	84362377	PRC	28	28/09/2025-27/09/2035
68. .	Zhejiang Ridge Outdoor	Turbo Knight	84368401	PRC	28	28/09/2025-27/09/2035
69. .	Zhejiang Ridge Outdoor	Dartling	84371236	PRC	28	07/10/2025-06/10/2035
70. .	Zhejiang Ridge Outdoor	Great Compilation	84374202	PRC	28	14/10/2025-13/10/2025
71. .	Zhejiang Ridge Outdoor	Creek Chaser	84374348	PRC	28	28/09/2025-27/09/2035
72. .	Zhejiang Ridge Outdoor	ZyloCast	84376958	PRC	28	28/09/2025-27/09/2035
73. .	Zhejiang Ridge Outdoor	Desert Spirit	84377377	PRC	28	14/10/2025-13/10/2035
74. .	Zhejiang Ridge Outdoor	乐欣	84882922	PRC	20	21/12/2025-20/12/2035

Save as disclosed above, as of the Latest Practicable Date, there were no other intellectual property rights which were material in relation to our Group's business.

3. FURTHER INFORMATION ABOUT OUR DIRECTORS

A. Particulars of Directors' contracts and appointment letters

Each of our executive Directors has entered into a service contract with us pursuant to which they agreed to act as executive Directors with effect from the date of his/her appointment as a Director until the third annual general meeting of our Company after the Listing Date (subject always to re-election as and when required under the Memorandum of Association and the Articles of Association). Either party has the right to give not less than three months' written notice to terminate the agreement.

Each of our non-executive Directors has entered into an appointment letter with our Company pursuant to which she agreed to act as a non-executive Director with effect from the date of his/her appointment as a Director until the third annual general meeting of the Company after the Listing Date (subject always to re-election as and when required under the Memorandum of Association and the Articles of Association). Either party has the right to give not less than one month's written notice to terminate the agreement.

Each of our independent non-executive Directors has entered into an appointment letter with our Company pursuant to which they agreed to act as independent non-executive Directors with effect from the date of this prospectus until the third annual general meeting of the Company after the Listing Date (subject always to re-election as and when required under the Memorandum of Association and the Articles of Association). Either party has the right to give not less than one month's written notice to terminate the agreement.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with any of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

B. Directors' remuneration

During the years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025, the aggregate amount of remuneration paid or payable to our Directors, including salaries, allowances and benefits in kind, discretionary bonuses, equity-settled share-based payments and retirement scheme contributions, amounted to RMB0.6 million, RMB1.1 million, RMB2.8 million and RMB1.1 million, respectively. Further information on the remuneration of each Director during the Track Record Period is set out in Appendix I to this prospectus.

Under the arrangement currently in force, we estimate the total remuneration before taxation, including estimated share-based remuneration, to be accrued to our Directors for the financial year ending December 31, 2025 to be approximately RMB1.7 million. The actual remuneration of Directors for the financial year ending December 31, 2025 may be different from the expected remuneration.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or has been received by, our Directors, former Directors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the Track Record Period. Save as disclosed above, during the Track Record Period, no other payments have been made or are payable by our Group to any of the Directors.

4. DISCLOSURE OF INTERESTS

A. Interests and short positions of the substantial shareholders in our Shares and underlying Shares

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, up to the Latest Practicable Date, our Directors were not aware of any other person, not being a Director or chief executive of our Company, who had an interest or short position in the Shares and underlying Shares, which following the completion of the Global Offering, would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are expected to be, directly or indirectly, interested in 10% or more of the issued voting shares of the Company or that of any other member of our Group.

B. Interests and short positions of our Directors and the chief executive of our Company in the Share, underlying Shares and debentures of our Company and its associated corporations

Immediately following completion of the Global Offering, the interests or short positions of our Directors and chief executives in the Shares, underlying shares and debentures of our Company and its associated corporation, within the meaning of Part XV of the SFO, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, are set out below:

Interests in our Company

			As of the Latest Practicable Date		Immediately following completion of the Global Offering(2)	
Name	**Position held within our Company**	**Nature of interest**	**Number of Shares held**	**Percentage**	**Number of Shares held**	**Percentage(2)**
Mr. Yang(3) . . .	Chairman of the Board and non-executive Director	Interest in controlled corporation	94,770,000	94.77%	94,770,000	73.92%

Notes:

(1) All interests stated are long position.

(2) The calculation is based on the total number of 128,205,000 Shares in issue immediately following completion of the Global Offering.

(3) As of the Latest Practicable Date, (a) GreatCast, a company incorporated under the laws of the BVI with limited liabilities, was owned as to 100% by Mr. Yang; and (b) Outrider Partnership, a limited partnership established under the laws of the BVI, was owned as to (i) 1.0% by its general partner, Taihong, which was in turn owned as to 100% by Mr. Yang; and (ii) 99.0% by 24 limited partners. For further details of the limited partners of Outrider Partnership, please refer to the section headed "Substantial Shareholders." Accordingly, Mr. Yang is deemed to be interested in the Shares held by GreatCast and Outrider Partnership for the purpose of the SFO.

Save as disclosed above, immediately following completion of the Global Offering, none of our Directors or chief executive of our Company has any interest and/or short position in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which has been taken or is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

C. Disclaimers

Save as disclosed in this prospectus:

(a) none of our Directors nor any of the parties listed in "— 5. Other Information — G. Qualification of Experts" of this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;

(b) none of our Directors nor any of the parties listed in "— 5. Other Information — G. Qualification of Experts" of this Appendix is interested in our promotion, or in any assets which have, within two years immediately preceding the issue of this prospectus, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company;

(c) none of the parties listed in the paragraph headed "— 5. Other Information — G. Qualification of Experts" of this Appendix: (i) is interested legally or beneficially in any of our Shares or any shares in any of our subsidiaries; or (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities; and

(d) none of our Directors or their associates or any Shareholders of our Company (who to the knowledge of our Directors owns more than 5% of our issued share capital) has any interest in our five largest suppliers or our five largest customers for each year/period during the Track Record Period.

5. OTHER INFORMATION

A. Estate Duty

We have been advised that no material liability for estate duty under Hong Kong law is likely to fall upon our Company or any member of our Group.

B. Litigation

As of the Latest Practicable Date, no member of our Group was involved in any material litigation, arbitration or administrative proceedings, and so far as our Directors are aware, no such material litigation, arbitration or administrative proceedings are pending or threatened against any member of our Group.

C. Sole Sponsor

The Sole Sponsor has declared its independence pursuant to Rule 3A.07 of the Listing Rules.

The Sole Sponsor have made an application on our behalf to the Listing Committee for listing of, and permission to deal in, the Shares, including any Offer Shares which may be issued. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

We have entered into an engagement agreement with the Sole Sponsor, pursuant to which we agreed to pay a total amount of US$0.6 million to the Sole Sponsor for acting as sponsor to our Company in the Global Offering.

D. Compliance Advisor

We have appointed Guotai Junan Capital Limited as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

E. Preliminary Expenses

We did not incur material preliminary expenses in relation to the incorporation of our Company.

F. Promoters

Our Company has no promoter for the purpose of the Listing Rules. Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given to any promoters in connection with the Global Offering or related transactions in this prospectus.

G. Qualification of Experts

The qualifications of the experts, as defined under the Listing Rules, who have given their opinions or advice in this prospectus, are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Grandall Law Firm (Hangzhou)	Legal advisors to our Company as to PRC laws
Campbells	Legal advisors to our Company as to Cayman Islands laws
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
KPMG Advisory (China) Limited Hangzhou Branch	Transfer pricing consultant

H. Consents of Experts

Each of the experts as referred to in "— 5. Other Information — G. Qualification of Experts" has given, and has not withdrawn, its respective written consents to the issue of this prospectus with the inclusion of its reports and/or letter and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

As of the Latest Practicable Date, none of the experts named above had any shareholding interests in any member of our Group or the right (other than the penal provisions) of sections 44A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

I. No Material Adverse Change

Save as disclosed in this prospectus, our Directors confirm that there has been no material adverse change in our financial or operational position since August 31, 2025, being the end date of our latest audited financial statements, and up to the Latest Practicable Date.

J. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

K. Related Party Transactions

Within the two years immediately preceding the date of this prospectus, we have entered into the related party transactions as described in Note 28 to the financial information in the Accountants' Report set out in Appendix I to this prospectus.

L. Agency Fees or Commissions Paid or Payable

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group within the two years preceding the date of this prospectus.

M. Miscellaneous

Save as disclosed in this prospectus:

(a) within the two years immediately preceding the date of this prospectus, we have not issued or agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash;

(b) no share or loan capital of our Group, if any, is under option or is agreed conditionally or unconditionally to be put under option;

(c) we have not issued or agreed to issue any founder shares, management shares or deferred shares;

(d) our Company has no outstanding convertible debt securities or debentures;

(e) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(f) within the two years immediately preceding the date of this prospectus, no commission, discount, brokerage or other special term has been granted in connection with the issue or sale of any capital of our Company;

(g) there is no arrangement under which future dividends are waived or agreed to be waived;

(h) there has been no interruption in our business which may have or have had a significant effect on the financial position in the last 12 months; and

(i) none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

N. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in "Appendix IV — Statutory and General Information — 5. Other Information — H. Consents of Experts"; and

(b) a copy of each of the material contracts referred to in "Appendix IV — Statutory and General Information — 2. Further Information about our Business — A. Summary of Our Material Contracts".

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.ridgeoutdoor.com** during a period of 14 days from the date of this prospectus:

(a) the Memorandum of Association and the Articles of Association;

(b) the Accountants' Report prepared by KPMG, the text of which is set forth in Appendix I to this prospectus;

(c) the audited consolidated financial statements of our Company for the three financial years ended December 31, 2022, 2023 and 2024 and the eight months ended August 31, 2025;

(d) the report from KPMG on the unaudited pro forma financial information of our Group, the text of which is set forth in Appendix II to this prospectus;

(e) the letters in respect of the profit estimate of our Group from KPMG, the reporting accountants, and China International Capital Corporation Hong Kong Securities Limited, the Sole Sponsor, the texts of which are set out in Appendix IIA to this Prospectus;

(f) the legal opinions issued by Grandall Law Firm (Hangzhou), our legal advisor as to PRC laws, in respect of certain general corporate matters and the property interests of our Group in the PRC;

(g) the letter of advice issued by Campbells, our legal advisor as to Cayman Islands laws, summarizing certain aspects of the Cayman Companies Act referred to in Appendix III to this prospectus;

(h) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., the summary of which is set forth in the section headed "Industry Overview" in this prospectus;

(i) the transfer pricing report issued by KPMG Advisory (China) Limited Hangzhou Branch, our Transfer Pricing Consultant;

(j) the material contracts referred to in "Appendix IV — Statutory and General Information — 2. Further Information about our Business — A. Summary of Our Material Contracts";

(k) the written consents referred to in "Appendix IV — Statutory and General Information — 5. Other Information — H. Consents of Experts";

(l) the service contracts and letters of appointment with our Directors referred to in "Appendix IV — Statutory and General Information — Further Information about our Directors — A. Particulars of Directors' contracts and appointment letters"; and

(m) the Cayman Companies Act.


RIDGE
OUTDOOR