勝宏科技（惠州）股份有限公司
Victory Giant Technology (HuiZhou) Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2476

GLOBAL OFFERING

Joint Sponsors, Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

J.P.Morgan　中信建投國際 CHINA SECURITIES INTERNATIONAL　广发证券 GF SECURITIES

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

ABCI 農銀國際　CICC 中金公司

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

华泰国际 HUATAI INTERNATIONAL

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

Victory Giant Technology (HuiZhou) Co., Ltd.
勝宏科技(惠州)股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	**83,348,000 H Shares (subject to the Offer Size Adjustment Option and the Over-allotment Option)**
Number of Hong Kong Offer Shares	:	**8,334,800 H Shares (including 833,400 Overseas Employee Reserved Shares, subject to reallocation)**
Number of International Offer Shares	:	**75,013,200 H Shares (including 7,501,300 PRC Employee Reserved Shares, subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option)**
Maximum Offer Price	:	**HK$209.88 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	:	**RMB1.00 per H Share**
Stock code	:	**2476**

Joint Sponsors, Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

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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 "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display", 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 of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other document referred to above.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of 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 US persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares may be offered, sold or delivered (a) in the United States solely to QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or (b) outside the United States in offshore transactions in reliance on Regulation S.

The Offer Price is expected to be fixed by agreement between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or before Friday, April 17, 2026 (Hong Kong time). The Offer Price will not be more than HK$209.88 per Offer Share unless otherwise announced. If, for any reason, the Offer Price is not agreed by 12:00 noon on Friday, April 17, 2026 (Hong Kong time) between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

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 the section headed "Risk Factors" in this prospectus.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate and with our consent, reduce the number of Offer Shares being offered under the Global Offering 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, notices of the reduction in the number of Offer Shares being offered under the Global Offering will be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.shpcb.com** as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. For further information, please see the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares".

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Please see the section headed "Underwriting" in this prospectus for further information.

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 websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.shpcb.com**. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

April 13, 2026

IMPORTANT NOTICE TO INVESTORS:

FULLY ELECTRONIC APPLICATION PROCESS

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 Hong Kong Stock Exchange at **www.hkexnews.hk** under the "*HKEXnews > New Listings > New Listing Information*" section, and our website at **www.shpcb.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 use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
Pink Form eIPO Service	**www.eipo.com.hk**	Overseas Eligible Employees who apply for Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering only	From 9:00 a.m. on Monday, April 13, 2026 to 11:30 a.m. on Thursday, April 16, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, April 16, 2026, Hong Kong time.
White Form eIPO Service	**www.eipo.com.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 Monday, April 13, 2026 to 11:30 a.m. on Thursday, April 16, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, April 16, 2026, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instruction(s) 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.

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 document 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 "How to Apply for Hong Kong Offer Shares" for further details on the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **Pink Form eIPO** service must be made for a minimum of 100 Hong Kong Offer Shares and in multiples of that number of Hong Kong Offer Shares as set out in the table below. No application for any other number of Overseas Employee Reserved Shares will be considered and such an application is liable to be rejected.

If you are applying through the **Pink Form eIPO** 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 amount payable on application in full upon application for Overseas Employee Reserved Shares.

No. of Overseas Employee Reserved Shares applied for	Amount payable on application	No. of Overseas Employee Reserved Shares applied for	Amount payable on application	No. of Overseas Employee Reserved Shares applied for	Amount payable on application	No. of Overseas Employee Reserved Shares applied for	Amount payable on application
	(HK$)		*(HK$)*		*(HK$)*		*(HK$)*
100	21,199.67	2,000	423,993.28	30,000	6,359,899.19	250,000	52,999,159.96
200	42,399.32	3,000	635,989.91	40,000	8,479,865.59	300,000	63,598,991.95
300	63,598.99	4,000	847,986.56	50,000	10,599,831.99	350,000	74,198,823.94
400	84,798.66	5,000	1,059,983.19	60,000	12,719,798.39	400,000	84,798,655.92
500	105,998.32	6,000	1,271,979.84	70,000	14,839,764.79	450,000	95,398,487.91
600	127,197.98	7,000	1,483,976.48	80,000	16,959,731.19	500,000	105,998,319.90
700	148,397.65	8,000	1,695,973.12	90,000	19,079,697.58	550,000	116,598,151.89
800	169,597.31	9,000	1,907,969.75	100,000	21,199,663.98	600,000	127,197,983.88
900	190,796.97	10,000	2,119,966.40	150,000	31,799,495.96	700,000	148,397,647.85
1,000	211,996.64	20,000	4,239,932.80	200,000	42,399,327.95	833,400(1)	176,677,999.61

(1) Maximum number of Overseas Employee Reserved Shares you may apply for.

(2) The amount payable is inclusive of the brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy. If your application is successful, the brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel must be made for a minimum of 100 Hong Kong Offer Shares and in multiples of that number of Hong Kong Offer Shares as set out in the table below. No application for any other number of Hong Kong Offer Shares will be considered and such an application is liable to be rejected.

If you are applying through the **White Form eIPO** 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 amount payable on application in full upon application for Hong Kong Offer Shares.

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.

No. of Hong Kong Offer Shares applied for	Amount payable on application	No. of Hong Kong Offer Shares applied for	Amount payable on application	No. of Hong Kong Offer Shares applied for	Amount payable on application	No. of Hong Kong Offer Shares applied for	Amount payable on application
	(HK$)		*(HK$)*		*(HK$)*		*(HK$)*
100	21,199.67	1,500	317,994.96	8,000	1,695,973.12	90,000	19,079,697.58
200	42,399.32	2,000	423,993.28	9,000	1,907,969.75	100,000	21,199,663.98
300	63,598.99	2,500	529,991.61	10,000	2,119,966.40	200,000	42,399,327.95
400	84,798.66	3,000	635,989.91	20,000	4,239,932.80	300,000	63,598,991.95
500	105,998.32	3,500	741,988.23	30,000	6,359,899.19	400,000	84,798,655.92
600	127,197.98	4,000	847,986.56	40,000	8,479,865.59	500,000	105,998,319.90
700	148,397.65	4,500	953,984.88	50,000	10,599,831.99	1,000,000	211,996,639.80
800	169,597.31	5,000	1,059,983.19	60,000	12,719,798.39	1,500,000	317,994,959.70
900	190,796.97	6,000	1,271,979.84	70,000	14,839,764.79	2,000,000	423,993,279.60
1,000	211,996.64	7,000	1,483,976.48	80,000	16,959,731.19	3,750,700(1)	795,135,796.91

(1) Maximum number of Hong Kong Offer Share you may apply for.

(2) The amount payable is inclusive of the brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy. If your application is successful, the brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) and the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

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

Hong Kong Public Offering commences . . . . . .9:00 a.m. on Monday, April 13, 2026

Latest time for completing electronic applications under the **White Form eIPO** service/**Pink Form eIPO** service through the designated website at **www.eipo.com.hk**[(2)] . . . . . .11:30 a.m. on Thursday, April 16, 2026

Application lists open[(3)] . . . . . .11:45 a.m. on Thursday, April 16, 2026

Latest time for (a) completing payment of **White Form eIPO** applications or **Pink Form eIPO** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC[(4)] . . . . . .12:00 noon on Thursday, April 16, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists close[(3)] . . . . . .12:00 noon on Thursday, April 16, 2026

Expected Price Determination Date[(5)] . . . . . .by 12:00 noon on Friday, April 17, 2026

Announcement of the final Offer Price on the website of Company at **www.shpcb.com**[(6)] and the website of the Stock Exchange at **www.hkexnews.hk** . . . . . no later than 11:00 p.m. on Monday, April 20, 2026

Announcement of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the Employee Preferential Offering and the basis of allocation of the Hong Kong Offer Shares and the Overseas Employee Reserved Shares to be published on the website of our Company at **www.shpcb.com** and the website of the Stock Exchange at **www.hkexnews.hk** . . . . . .no later than 11:00 p.m. on Monday, April 20, 2026

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

- in the announcement to be published on the website of our Company at **www.shpcb.com** and the website of the Stock Exchange at **www.hkexnews.hk** . . . . . .no later than 11:00 p.m. on Monday, April 20, 2026

- from the designated results of allocations website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function from . . . . . 11:00 p.m. on Monday, April 20, 2026 to 12:00 midnight on Sunday, April 26, 2026

- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m.. . . . . on Tuesday, April 21, 2026, Wednesday, April 22, 2026, Thursday, April 23, 2026 and Friday, April 24, 2026

H Share certificates in respect of wholly or partially successful applications pursuant to the Hong Kong Public Offering to be dispatched or deposited into CCASS on or before[(7)(9)] . . . . . Monday, April 20, 2026

White Form and **Pink Form** e-Refund payment instructions/ refund checks 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 dispatched/collected on or before[(8)(9)] . . . . . Tuesday, April 21, 2026

Dealings in the H Shares on the Hong Kong Stock Exchange expected to commence at 9:00 a.m. on . . . . . Tuesday, April 21, 2026

Notes:

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

(2) You will not be permitted to submit your application under the **White Form eIPO** service or **Pink Form eIPO** service through the designated website at **www.eipo.com.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application 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 tropical cyclone warning signal number 8 or above, a "black" rainstorm warning and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, April 16, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements."

(4) Applicants who apply for Hong Kong Offer Shares by instructing your **broker** or **custodian** to give **electronic application instructions** to HKSCC to apply on your behalf via **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels."

(5) The Price Determination Date is expected to be on or before Friday, April 17, 2026. If, for any reason, the Company does not agree with the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) on the pricing of the Offer Shares by 12:00 noon on Friday, April 17, 2026, the Global Offering will not proceed and will lapse.

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

(7) No temporary document of title will be issued in respect of the Offer Shares. H Share certificates will only become valid evidence of title 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 their respective terms at or before that time. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(8) **White Form/Pink Form** e-Refund payment instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer Share on application. Part of the applicant's identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's identification document number before encashment of the refund check. Inaccurate completion of an applicant's identification document number may invalidate or delay encashment of the refund check.

(9) Applicants who have applied for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" for details.

Applicants who have applied through the **White Form eIPO** service/**Pink Form eIPO** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **White Form/Pink Form** e-Refund payment instructions. Applicants who have applied through the **White Form eIPO** service/**Pink Form eIPO** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund check(s) by ordinary post at their own risk.

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

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" of this prospectus for details relating to the structure of the Global Offering, procedures on the applications for Hong Kong Offer Shares and the Overseas Employee Reserved Shares and the expected timetable, including conditions, effect of bad weather and the dispatch of refund cheques and H 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 a case, the Company will publish an announcement as soon as practicable thereafter.

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by our Company solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security other than the Hong Kong Offer Shares. This prospectus may not be used for the purpose of, and does not constitute, an offer to sell or a solicitation of an offer to subscribe for or buy any security 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. The distribution of this prospectus and the offering and sale 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 pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not included in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Markets Intermediaries, any of our or their respective directors, officers, employees, agents or representatives of any of them, or any other person or party involved in the Global Offering. Information contained on our website, located at ***www.shpcb.com****, does not form part of this prospectus.*

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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 H Shares are set out in "Risk Factors" in this Prospectus. You should read that section carefully before you decide to invest in the H Shares.

OVERVIEW

Who We Are

We are one of the key players in advanced printed circuit board ("**PCB**") products for AI and high-performance computing in terms of sales revenue in 2024 and the first half of 2025, specializing in research and development, manufacturing and sales of high-build-up high-density interconnects ("**HDIs**") and high-layer-count multi-layer printed circuit boards ("**MLPCBs**"). Our technologies, product quality and robust production capabilities position us as a crucial supplier to leading global technology companies. According to Frost & Sullivan, we ranked first globally in terms of sales revenue in the PCB market in the field of AI and high-performance computing in the first half of 2025 with a market share of 13.8% and ranked seventh globally by the same metric in 2024 with a market share of 1.7%, with key applications covering AI accelerator cards, servers, AI servers, data center switches and UBB. We are able to manufacture high-layer-count MLPCBs with more than 100 layers. We are also one of the first companies globally to achieve mass production of 24-layer HDIs with a 6+12+6 build-up, as well as the technical capabilities for 30-layer HDIs with a 10+10+10 build-up, and 16-layer any-layer interconnect HDIs, demonstrating our capability to deliver ultra-complex, high-density PCBs widely used in cutting-edge AI and high-performance computing applications at scale, reinforcing our industry leadership. Our technologies support the evolving needs of fast-growing industries such as AI, EV and high-speed telecommunications equipment, contributing to the advancement of China's high-end PCB manufacturing industry.

The proliferation of AI is driving advancements in AI-related hardware, creating structural growth opportunities for the PCB industry. As a key component supporting computing systems, PCB must meet increasingly stringent standards, including high frequency and speed, low signal loss and enhanced heat dissipation. The PCB content value per unit in AI servers is notably higher than that in traditional servers. As AI applications continue to expand, the demand for high-performance PCBs is expected to grow substantially. According to Frost & Sullivan, the global AI server shipments reached approximately 2.0 million units in 2024 and are projected to grow at a CAGR of over 20% to approximately 5.4 million units by 2029, with their share of total server shipments increasing to approximately 29.0%.

Accordingly, we were among the first PCB manufacturers in China to establish smart factories, adopt green manufacturing practices, and expand into emerging sectors. These initiatives increase production output, shorten delivery cycles, reduce energy consumption and lower the labor intensity, ultimately enhancing our overall competitiveness. As we continue to strengthen our core capabilities, we have seized the growth opportunities driven by the development of AI and EV, built a global delivery network to meet rising demand worldwide and rose to the top tier of advanced PCB manufacturers globally.

Our Product Portfolio

We offer a comprehensive range of products used in a variety of applications. We have expanded our presence in the following key sectors including AI and high-performance computing, smart devices, automotive electronics, telecommunications and medical devices, with a focus on technologies supporting AI computing such as GPUs and CPUs: (i) *AI and High-performance Computing*: We have developed technologies for applying low-loss materials and optimizing signal

integrity to support AI and high-performance computing. Our products center on high-build-up HDIs and high-layer-count MLPCBs supporting high-frequency and high-speed signal transmission. They are primarily used in AI accelerator cards, servers (including AI servers), data center switches and high-speed optical modules; (ii) *Smart Devices*: We focus on the key technological requirements of smart devices, including high integration, slim design and high-speed computing performance. Our products include HDIs and FPCs used in AI-powered PCs, wearables and AR/VR devices; (iii) *Automotive Electronics*: Our products are designed to meet the requirements of automotive-grade reliability, thermal resistance and signal integrity. Our products include HDIs, high-layer-count MLPCBs and FPCs, which are widely used in EV electrical systems, intelligent driving systems, vehicle body control modules and smart cockpits; (iv) *Telecommunications*: We focus on the application of materials that support high-frequency, high-speed transmission and technologies to ensure signal integrity. Our products include high-layer-count MLPCBs and high-build-up HDIs designed for use in 5G base stations, optical communication equipment and data center optical modules; and (v) *Medical Devices and Other Applications*: Our products include MLPCBs, HDIs and FPCs, which are primarily used in advanced medical devices, industrial automation control systems and core control modules of humanoid robots. Our PCB products for humanoid robots have entered production and sales.

The following table sets forth our revenue breakdown by the applications of our PCB products for the periods indicated:

Application	**Year Ended December 31,**					
	2023		**2024**		**2025**	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
AI and High-Performance Computing	461,104	5.8	706,522	6.6	8,341,256	43.2
Smart Devices	3,761,890	47.4	3,632,648	33.9	3,684,429	19.1
Automotive Electronics	848,314	10.8	2,199,366	20.5	2,591,542	13.4
Telecommunications	1,106,202	13.9	1,550,297	14.4	1,916,570	9.9
Medical Devices and Other Applications[1]	1,281,071	16.2	1,961,929	18.3	1,549,892	8.1
Total PCB products[2]	**7,458,581**	**94.1**	**10,050,762**	**93.7**	**18,083,689**	**93.7**

Notes:

(1) Other applications primarily include products used in power and battery systems, industrial control, avionics, smart security, LCDs, LEDs, memory modules, SSDs and related applications.

(2) In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

Our Global Strategic Footprint

We are committed to strengthening our global presence by continuous domestic and international expansion. Through our network of production centers at home and abroad and strategic mergers and acquisitions, we have built a comprehensive operational network integrating advanced manufacturing, customer service and regional coordination.

Research and Development

Our products are highly customized. We typically engage with customers at the outset of their end-product cycle and work closely to design and develop customized PCBs in line with their specifications and the design of the end products in which our PCBs will be used. As a result, we are involved throughout the entire product life cycle, serving as a key partner from development through mass production.

Our Customers

Our customers mainly include established global AI technology solution providers, large cloud service providers, data center equipment OEMs, server manufacturers, top-tier EV companies, automotive electronics suppliers, prominent smart device brands and major medical device manufacturers. In each year during the Track Record Period, we had more than 700 customers. In 2023, 2024 and 2025, sales to our five largest customers in each year during the Track Record Period amounted to RMB2,145.6 million, RMB2,690.5 million and RMB9,847.6 million, accounting for 27.1%, 25.1% and 51.0% of our total revenue in the respective period. In the same periods, sales to our largest customer in each year during the Track Record Period amounted to RMB503.5 million, RMB886.4 million and RMB5,737.9 million, accounting for 6.3%, 8.3% and 29.7% of our total revenue in the respective period. We believe that we do not unduly rely on our major customers because it primarily reflects a significant increase in orders placed in connection with our HDI products for AI and high performance computing for the year ended December 31, 2025. This was in line with the overall increase in customer orders during the period and consistent with our broader sales momentum across multiple product categories. See "*Business — Sales and Marketing — Our Customers*" for further details.

Our Suppliers

Our suppliers are mainly suppliers of raw materials and equipment. We have established and maintain stable, long-term and sustainable relationships with these major suppliers. In 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB1,975.3 million, RMB2,428.2 million and RMB5,658.0 million, accounting for 31.4%, 29.3% and 45.2% of our total purchases in the respective periods. In 2023, 2024 and 2025, purchases from our largest supplier in each year during the Track Record Period amounted to RMB731.9 million, RMB782.8 million and RMB1,873.0 million, accounting for 11.6%, 9.4%, and 15.0% of our total purchases in the respective periods. Except for Supplier H from whom we procure production equipment, all these are suppliers of our raw materials. See "*Business — Supply Chain — Our Suppliers — Major Suppliers*" for further details.

MANUFACTURING

We manufacture our PCB products in our production centers in (i) Huizhou, Guangdong Province, PRC, (ii) Changsha, Hunan Province, PRC, (iii) Yiyang, Hunan Province, PRC, (iv) Phra Nakhon Si Ayutthaya, Thailand, and (v) Melaka, Malaysia. We have integrated smart manufacturing into various aspects of our production, significantly improving our production efficiency and product yields.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and will continue to drive our future growth: (i) Strategy Foresight: Fast and sustainable growth driven by strategic initiatives and innovation efforts; (ii) Leading Technologies: Technological edge driven by strategic foresight and R&D; (iii) Recognized Quality: Ensuring excellence through end-to-end control and process innovation; (iv) Production Capacity and Planning: Adaptable and scalable production capabilities with global reach; (v) Strategic Customer Base: Strategic long-term collaboration with global tech leaders; (vi) Smart Factory: AI-powered smart factory and advanced manufacturing processes; and (vii) Management and Culture: Visionary founder and experienced management team.

OUR GROWTH STRATEGIES

We will pursue the following strategies to drive further growth: (i) strengthening market leadership in AI and high-performance computing PCB; (ii) expanding our product portfolio and targeting emerging sectors; (iii) advancing our global management model; and (iv) continue promoting employee well-being through people first philosophy and team integration.

COMPETITION

The PCB industry is highly competitive, with global production centered in China while a growing number of manufacturers are also establishing facilities in Southeast Asia to enhance supply chain resilience. The market remains fragmented, with many players across segments. See "*Industry Overview*" for details relating to our competitive landscape.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth a summary of financial data from our consolidated financial information during the Track Record Period. The summary financial data should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements as set out in the Accountants' Report in Appendix I to this prospectus, including the related notes. Our consolidated financial information was prepared in accordance with the IFRS Accounting Standards.

Results of Operations

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Revenue	**7,931,248**	**100.0**	**10,731,469**	**100.0**	**19,292,313**	**100.0**
Cost of sales	(6,287,951)	(79.3)	(8,292,806)	(77.3)	(12,496,889)	(64.8)
Gross profit	**1,643,297**	**20.7**	**2,438,663**	**22.7**	**6,795,424**	**35.2**
Other (losses)/gains, net	(11,413)	(0.1)	41,846	0.4	(67,840)	(0.4)
Other income	43,829	0.6	49,981	0.5	72,589	0.4
Selling and marketing expenses	(154,408)	(1.9)	(200,815)	(1.9)	(257,347)	(1.3)
Research and development expenses	(348,304)	(4.4)	(449,827)	(4.2)	(777,643)	(4.0)
(Provision)/reversal of impairment losses on financial assets, net	(15,329)	(0.2)	2,303	0.0	(36,415)	(0.2)
Administrative expenses	(320,286)	(4.0)	(456,705)	(4.3)	(563,528)	(2.9)
Listing expenses	–	–	–	–	(1,031)	(0.0)
Operating profit	**837,386**	**10.6**	**1,425,446**	**13.3**	**5,164,209**	**26.8**
Finance costs	(88,172)	(1.1)	(113,623)	(1.1)	(142,493)	(0.7)
Profit before income tax	**749,214**	**9.4**	**1,311,823**	**12.2**	**5,021,716**	**26.0**
Income tax expenses	(77,868)	(1.0)	(157,392)	(1.5)	(709,728)	(3.7)
Profit for the year attributable to owners of the Company	**671,346**	**8.5**	**1,154,431**	**10.8**	**4,311,988**	**22.4**

Revenue

During the Track Record Period, we mainly generated revenue from sales of single- and double-layer PCBs, MLPCBs, HDIs and FPCs.

By product category

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Single- and double-layer PCB	647,790	8.2	1,046,788	9.8	1,027,869	5.3
MLPCB	5,788,391	73.0	6,172,756	57.5	8,316,217	43.1
HDI	929,978	11.7	1,520,773	14.2	7,424,728	38.5
FPC	92,422	1.2	1,310,445	12.2	1,314,875	6.8
Others*	472,667	5.9	680,707	6.3	1,208,624	6.3
Total	**7,931,248**	**100.0**	**10,731,469**	**100.0**	**19,292,313**	**100.0**

Note:

* In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

During the Track Record Period, MLPCBs were our largest revenue contributor. We also derived increasingly significant revenue from the sales of HDIs, especially HDIs with a build-up of 4+N+4 or above, which we expect to continue to be a major contributor to our total revenue going forward. We also provided single- and double-layer PCBs and FPCs to address customers' diverse needs. Going forward, with the proliferation of AI technologies, we expect the demand for our high-layer-count MLPCBs and HDIs to remain strong.

By geographical location

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Chinese Mainland (excluding special supervision territory)	**2,582,247**	**32.6**	**3,517,936**	**32.8**	**3,286,380**	**17.0**
Offshore						
Special supervision territory in China	2,610,628	32.9	2,451,044	22.8	2,471,087	12.8
Taiwan	193,176	2.4	334,165	3.1	4,915,760	25.5
Hong Kong	589,521	7.4	389,051	3.6	433,220	2.2
Vietnam	559,152	7.0	1,078,642	10.1	3,233,672	16.8
Asia (Excluding special supervision territory in China, Taiwan, Hong Kong and Vietnam)	520,104	6.7	1,216,949	11.3	2,107,802	10.9
North America and Europe[1]	332,851	4.2	868,077	8.1	1,535,074	8.0
Other regions and overseas countries[2]	70,902	0.9	194,898	1.9	100,694	0.5
Total PCB products[3]	**7,458,581**	**94.1**	**10,050,762**	**93.7**	**18,083,689**	**93.7**

Notes:

(1) In 2023, 2024 and 2025, revenue generated from the U.S. accounted for less than 5% of our revenue in the same periods, respectively.

(2) Primarily including sales to South America and Oceania.

(3) In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

During the Track Record Period, a majority of our revenue was from customers outside Chinese mainland, for whom we completed the customs declarations. A substantial portion of our sales to such customers occurs in special supervision territory in China. For detailed analysis on our customs-related obligations related to special supervision territory in China, see "Financial Information — Principal Components of Results of Operations — Revenue — *By geographical location*".

Sales Volume and Average Selling Price ("ASP")*

	Year Ended December 31,					
	2023		**2024**		**2025**	
	Sales volume '000 sq m	*ASP RMB/ sq m*	*Sales volume '000 sq m*	*ASP RMB/ sq m*	*Sales volume '000 sq m*	*ASP RMB/ sq m*
Single- and double-layer PCB	1,420	456	1,779	589	1,653	622
MLPCB	5,814	996	6,018	1,026	5,965	1,394
HDI	508	1,831	647	2,351	551	13,475
FPC	35	2,641	462	2,836	494	2,662

Notes:

* For MLPCBs, HDIs and FPCs, sales volume is calculated as the aggregate of the area of specific product types. Within the same product category, products with a higher number of layers or build-up typically have a higher ASP, assuming the same sales area.

* ASP is calculated by dividing the revenue in a given product category by the corresponding sales volume.

The changes in sales volume and ASP were primarily attributable to shifts in market demand and changes in product mix. It should be noted that our ASP is calculated on a per-square-meter basis. As the number of layers increases, the yield of finished square meters from the same amount of input material decreases. As a result, the ASP per square meter tends to increase more rapidly for higher-layer products.

Our single- and double-layer PCB sales volume increase from 2023 to 2024 was mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, and to a lesser extent, an increase in demand for PCB products used in smart devices. Its decrease from 2024 to 2025 was mainly as a result of strategic capacity optimization initiatives to prioritize the production of MLPCBs.

Our MLPCB sales volume increased from 2023 to 2024, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023. It decreased from 2024 to 2025 mainly as a result of strategic capacity optimization initiatives to prioritize the production of high-end MLPCBs with more layers.

Our HDI sales volume increased from 2023 to 2024, primarily driven by a sharp increase in demand for HDIs used in AI computing and other advanced applications. It decreased from 2024 to 2025, mainly due to our strategic focus on producing higher build-up HDIs and the fact that we shifted our capacity towards these products. Its ASP increased from RMB2,351 per square meter in 2024 to RMB13,475 per square meter in 2025 mainly due to an increased proportion of higher build-up HDIs and higher prices of such higher build-up HDIs, which feature more advanced designs, processes and materials, which has been a primary driver of the year-on-year increase in ASP. We expect the ASP of our HDI products to remain at a relatively high level in the near term, supported by continued demand for high-end HDI products used in AI computing and other advanced applications.

Cost of Sales

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Cost of raw materials	3,687,558	58.6	5,197,105	62.7	8,236,815	65.9
Cost of manufacturing	1,692,755	27.0	1,952,565	23.5	2,751,275	22.0
Cost of labor	907,638	14.4	1,143,136	13.8	1,508,799	12.1
Total	**6,287,951**	**100.0**	**8,292,806**	**100.0**	**12,496,889**	**100.0**

Gross Profit and Gross Profit Margin

By product category

	Year Ended December 31,					
	2023		2024		2025	
	Gross Profit RMB	*Gross Profit Margin %*	*Gross Profit RMB*	*Gross Profit Margin %*	*Gross Profit RMB*	*Gross Profit Margin %*
	(in RMB thousands, except for percentages)					
Single- and double-layer PCB	88,926	13.7	195,975	18.7	204,387	19.9
MLPCB	933,890	16.1	940,864	15.2	2,025,263	24.4
HDI	136,891	14.7	342,598	22.5	3,231,680	43.5
FPC	24,093	26.1	315,831	24.1	310,056	23.6
Others[(1)]	459,497	97.2	643,395	94.5	1,024,038	84.7
Total/Overall[(2)]	**1,643,297**	**20.7**	**2,438,663**	**22.7**	**6,795,424**	**35.2**

Notes:

(1) Mainly attributable to the sale of scrap materials, primarily copper-bearing etching solutions. The gross profit of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

(2) The overall gross profit margin is calculated as gross profit for the year divided by revenue for the corresponding year and multiplied by 100%.

Our gross profit increased significantly from RMB2,438.7 million in 2024 to RMB6,795.4 million in 2025, primarily due to an increase in our revenue and an improvement of our gross profit margin from 22.7% to 35.2%. In particular, driven by the strong demand from AI computing-related applications, we experienced a significant boost in demand for our high-end HDIs and MLPCBs that carry higher gross profit margin than our other products. Our gross profit increased from

RMB1,643.3 million in 2023 to RMB2,438.7 million in 2024, primarily attributable to the consolidation of the results of operations of PSL upon completion of our acquisition in November 2023 and increased demand for products used in AI-related applications.

Our net profit increased by 273.5% from RMB1,154.4 million in 2024 to RMB4,312.0 million in 2025, primarily due to the increase in our gross profit from RMB2,438.7 million in 2024 to RMB6,795.4 million in 2025. Our net profit increased by 72.0% from RMB671.3 million in 2023 to RMB1,154.4 million in 2024, primarily due to the increase in our gross profit from RMB1,643.3 million in 2023 to RMB2,438.7 million in 2024.

For detailed analyses on our results of operations, please see "*Financial Information — Period-to-Period Comparison of Results of Operations*".

Summary of Consolidated Statements of Financial Position

	As of December 31,		
	2023	**2024**	**2025**
	(in RMB thousands)		
Total non-current assets	**10,120,496**	**11,095,315**	**21,730,694**
Total current assets	**7,263,120**	**8,079,998**	**13,513,795**
Total current liabilities	**7,583,189**	**7,536,563**	**14,046,996**
Total non-current liabilities	**2,174,697**	**2,710,817**	**4,579,885**
Net current (liabilities)/assets	**(320,069)**	**543,435**	**(533,201)**
Net assets	**7,625,730**	**8,927,933**	**16,617,608**
Equity attributable to owners of the Company			
Share capital	862,689	862,689	870,349
Other reserves	3,830,180	4,234,220	7,861,823
Retained profit	2,932,861	3,831,024	7,885,436
Total equity	**7,625,730**	**8,927,933**	**16,617,608**

Taking into account the net proceeds from the Global Offering and cash generated from our operating activities available to us, our Directors believe that we have sufficient working capital to meet our present and future cash requirements for at least the next 12 months from the date of publication of this prospectus. See "Financial Information — Liquidity and Capital Resources" for further details.

Our net current liabilities as of December 31, 2023 turned to net current assets of RMB543.4 million as of December 31, 2024, primarily due to a decrease in borrowings, an increase in inventories and an increase in trade and other receivables, partially offset by an increase in trade and other payables. Our net current assets as of December 31, 2024 turned to net current liabilities of RMB533.2 million as of December 31, 2025, primarily due to an increase of trade and other payables, a decrease of restricted bank deposits and an increase of borrowings, partially offset by an increase of trade and other receivables, an increase of cash and cash equivalents and an increase of inventories. Our net current liabilities amounted to RMB1,583.6 million as of February 28, 2026, primarily due to an increase in borrowings and a decrease in cash and cash equivalents, partially offset by an increase in inventories. See "*Financial Information — Liquidity and Capital Resources — Indebtedness*" for further details.

Our net assets, being the total equity, increased from RMB6,936.9 million as of January 1, 2023 to RMB7,625.7 million as of December 31, 2023, primarily due to our profit of RMB671.3 million in 2023, partially offset by our dividends paid of RMB162.2 million. Our net assets further increased to RMB8,927.9 million as of December 31, 2024, primarily because of our profit of RMB1,154.4 million in 2024, partially offset by our distribution of RMB163.3 million. Our net

assets further increased to RMB16,617.6 million as of December 31, 2025, primarily because of our enhanced net profit of RMB4,312.0 million in 2025 as well as the impact of additional capital raised through a non-public share issuance, partially offset by our dividend paid of RMB257.6 million. For further details, see consolidated statements of changes in equity in Accountants' Report in Appendix I to this prospectus. See "*Consolidated Statements of Financial Position*" in "*Appendix I — Accountants' Report.*"

Summary of consolidated statements of cash flows

	Year Ended December 31,		
	2023	2024	2025
	(in RMB thousands)		
Operating cash flows before movements in working capital	1,525,958	2,209,674	6,169,982
Cash generated from operations	1,499,449	2,190,934	5,036,278
Interest received	23,126	14,328	24,510
Income tax paid	(54,753)	(134,146)	(440,714)
Net cash generated from operating activities	1,467,822	2,071,116	4,620,074
Net cash used in investing activities	(2,710,207)	(646,872)	(5,697,525)
Net cash generated from/(used in) financing activities	1,263,997	(1,253,919)	3,344,582
Net increase in cash and cash equivalents	**21,612**	**170,325**	**2,267,131**
Cash and cash equivalents at beginning of the year	726,013	749,376	926,746
Effects of foreign exchange rate changes	1,751	7,045	12,695
Cash and cash equivalents at end of the year	**749,376**	**926,746**	**3,206,572**

In 2023, 2024 and 2025, we recorded net cash from operating activities of RMB1,467.8 million, RMB2,071.1 million and RMB4,620.1 million, respectively, primarily due to the profits we generated in each of the respective periods, which in turn was due to our successful business expansion. See "*Financial Information — Liquidity and Capital Resources — Cash Flows*" for further details.

Key financial ratios

	Year Ended/As of December 31,		
	2023	2024	2025
Gross margin	20.7%	22.7%	35.2%
Net profit margin	8.5%	10.8%	22.4%
Return on equity	8.8%	12.9%	25.9%
Gearing ratio	67.4%	48.1%	38.8%
Current ratio	1.0	1.1	1.0
Debt to equity ratio	56.7%	36.9%	18.9%

For details of calculation, see "Financial Information — Key Financial Ratios".

Rule 13.46(2) of the Listing Rules requires a PRC issuer to send an annual report or a summary financial report to its shareholders within four months after the end of the financial year to which the report relates. Since (1) this Prospectus already includes the financial information of the Company for the year ended December 31, 2025 as required under Appendix D2 to the Listing Rules in relation to annual reports; (2) we will not be in breach of the Articles of Association, laws and regulations of the PRC or other regulatory requirements as a result of not distributing such annual reports and accounts to our H Shareholders; and (3) we have complied with the applicable code provisions in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing

Rules, we will not separately prepare and publish and send an annual report to our H Shareholders for the year ended December 31, 2025. In addition, we will issue an announcement by April 30, 2026 stating that we will not separately prepare and send an annual report to our H Shareholders for the year ended December 31, 2025 as the relevant financial information has been included in this Prospectus. We will still comply with the requirements under Rule 13.91(5) of the Listing Rules.

RELATIONSHIP WITH OUR LARGEST GROUP OF SHAREHOLDERS

As at the Latest Practicable Date, our Largest Group of Shareholders directly held approximately 30.94% of the total issued Shares of our Company, comprising (i) approximately 15.45% of our total issued Shares directly held by Shenghua Xinye, which was held as to 90% and 10% equity interests by Mr. Chen Tao and Ms. Liu Chunlan (spouse of Mr. Chen Tao), respectively; (ii) approximately 15.06% of our total issued Shares directly held by Hong Kong Victory Giant, which was wholly-owned by Hongda Investment, which in turn was held as to 70% and 30% by Mr. Chen Tao and Mr. He Lianqi, respectively; and (iii) approximately 0.43% of the total issued Shares directly held by Ms. Liu Chunlan.

Upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), they will collectively exercise voting rights of approximately 28.25% of our total issued Shares. Accordingly, they will remain as our Largest Group of Shareholders immediately upon the completion of the Global Offering. See "*Relationship with our Largest Group of Shareholders*" for further details.

RISK FACTORS

We face risks including those set out in the section headed "Risk Factors." As different investors may have different interpretations and criteria when determining the significance of risks, you should read the "Risk Factors" section in its entirety before you decide to invest in our H Shares. Some of the major risks that we face include: (i) if we fail to develop new or enhanced products on a timely basis, our ability to attract and retain customers could be impaired, and our competitive position could be harmed; (ii) our growth and profitability depend on general economic conditions, which in turn may influence the development of the industries that our customers are in; (iii) our future growth depends in part on maintaining and building relationships with customers; (iv) if our production capacity is not adequate, our capability to satisfy customer demand could be hindered, and our capacity expansion efforts may not yield the benefits that we expect; and (v) we face intense competition in the global PCB industry.

FUTURE PLANS AND USE OF PROCEEDS

Use of Proceeds

Assuming an Offer Price of HK$209.88 per H Share, we estimate that we will receive net proceeds of approximately HK$17,286.6 million from the Global Offering after deducting the underwriting commissions and other estimated expenses paid and payable by us in connection with the Global Offering and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised. In line with our strategies, we intend to use our proceeds for the purposes and in the amounts as follows: (i) approximately 74.0% of the net proceeds, or approximately HK$12,792.1 million, is expected to be used to expand our production in Chinese mainland, including the purchase of smart manufacturing equipment and the further automation of our manufacturing processes, to further improve production efficiency and expand our market presence; (ii) approximately 7.0% of the net proceeds, or approximately HK$1,210.1 million, is expected to be used to further diversify our product portfolio by purchasing smart manufacturing equipment for mSAP and other machines to maintain a competitive edge in advanced PCB technologies; (iii) approximately 9.0% of the net proceeds, or approximately HK$1,555.8 million, is expected to be

used for R&D activities to strengthen our core technological capabilities across a range of fields with a focus on advanced products; and (iv) approximately 10.0% of the net proceeds, or approximately HK$1,728.7 million, is expected to be used for working capital and general corporate purposes.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 83,348,000 H Shares are newly issued in the Global Offering, (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised, and (iii) 955,905,313 Shares are issued and outstanding following the completion of the Global Offering:

	Based on an Offer Price of HK$209.88 per H Share
Market capitalization of our H Shares[(1)]	HK$17,493 million
Market capitalization of our Shares upon the completion of the Global Offering[(2)]	HK$272,653 million
Unaudited pro forma adjusted consolidated net tangible assets per Share[(3)(4)]	HK$35.82 (RMB31.50)

Notes:

(1) The calculation of market capitalization of our H shares is based on 83,348,000 H Shares expected to be issued immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). For details, see "*Share Capital — Upon the Completion of the Global Offering*" in this Prospectus.

(2) The calculation of market capitalization of our Shares is based on 83,348,000 H Shares that will be in issue immediately after the completion of the Global Offering, the total share capital of 872,557,313 A Shares (representing 870,349,313 shares in issue as of December 31, 2025, adding the 2,208,000 shares issued by the Company upon the vesting of restricted shares after the Track Record Period) as of the Latest Practicable Date and excluding 217,443 treasury shares, with an average closing price of RMB257.24 during the five trading days of A Shares immediately preceding the Latest Practicable Date (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is arrived at after the adjustments referred to in the section headed "Unaudited Pro Forma Financial Information" in Appendix II to this Prospectus and based on a total of 953,479,870 shares (representing 870,349,313 shares in issue as of December 31, 2025, excluding 217,443 treasury shares as of December 31, 2025, adding 83,348,000 offer shares under the Global Offering), assuming that the Global Offering had been completed on December 31, 2025 but does not take into account (i) any Shares which may be allotted and issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option, or (ii) any Shares which may be issued by the Company pursuant to the exercise of the restricted share scheme or the vesting of restricted shares or other awards that have been or may be granted from time to time under the share scheme.

(4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as shown on page II-1 have not been adjusted to illustrate the effect of the following:

In March 2026, the Company declared a dividend of approximately RMB1,740,264,000 to the existing shareholders prior to the Listing on the Company's retained profits as of December 31, 2025. Had the payment of the declared dividend been made on December 31. 2025, the unaudited pro forma adjusted consolidated net tangible assets of the Group would decrease from RMB30,039,178,000 to RMB28,298,914,000 based on Offer Price of HK$209.88 per Share, and the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share would be RMB29.68 (equivalent to HK$33.75) based on Offer Price of HK$209.88 per Share. Except for the information as disclosed above, no other adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets. These amounts are converted from Renminbi to Hong Kong dollars or Hong Kong dollars to Renminbi at an exchange rate of HK$1 to RMB0.87945. No representation is made that Renminbi/Hong Kong dollars amount have been, could have been or may be converted to Hong Kong dollars/Renminbi at that rate or at all.

For the calculation of the unaudited pro forma adjusted consolidated net tangible assets per Share, see the section headed "*Unaudited Pro Forma Financial Information*" in Appendix II to this Prospectus.

LISTING EXPENSES

Our listing expenses are estimated to be approximately RMB182.6 million (including underwriting commission) accounting for 1.2% of the gross proceeds of the Global Offering, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised and based on an Offer Price of HK$209.88 per Share. Among our listing expenses, approximately RMB181.0 million is directly attributable to the issuance of Shares and will be charged to equity upon completion of the Listing, and approximately RMB1.6 million has been or will be charged to our consolidated statement of profit or loss and other comprehensive income. The listing expenses we incurred in the Track Record Period and expect to incur would consist of approximately RMB148.0 million underwriting related expenses and fees (including underwriting commissions), approximately RMB14.4 million non-underwriting-related expenses and fees including fees for the legal advisors and reporting accountant and approximately RMB20.2 million for other non-underwriting-related fees and expenses. During the Track Record Period, approximately RMB1.0 million was recognised during the year ended December 31, 2025. The remaining RMB0.6 million is expected to be recognised after December 31, 2025 until the completion of the Global Offering.

DIVIDEND POLICY

Subject to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2025年修訂)》), and the Articles of Association, we are required to pay cash dividends of no less than 10% of the distributable profits recorded in the fiscal year. The Group does not, in addition to this, maintain a general dividend policy or a fixed dividend payout ratio. In 2023, 2024 and 2025, we declared dividends amounting to RMB163.3 million, RMB163.3 million and RMB257.6 million, respectively. In April 2026, as approved at our Shareholders' meeting held on April 3, 2026, we declared a dividend of RMB1,740.3 million to our existing Shareholders prior to the Listing based on our consolidated retained profits as of December 31, 2025 (the "Dividend"). New shareholders after the Listing will not be entitled to the Dividend. Subject to the satisfaction of the requirements under applicable laws and regulations, the Dividend is expected to be paid on April 15, 2026. See note 16 in Appendix I to this Prospectus.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant.

NO MATERIAL ADVERSE CHANGE AND RECENT DEVELOPMENTS

Our Directors confirmed that, as of the date of this prospectus, there has been no material adverse change in our financial position since December 31, 2025, and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this prospectus.

Up to the Latest Practicable Date, there had been no material adverse change in our operations or financial condition, including the sales volume and average selling price of our products, order cancellations, customer payment status or the impact of recent U.S. tariff developments.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed "Glossary of Technical Terms" in this prospectus.

"2022 Restricted A Share Incentive Scheme"	the restricted share incentive plan adopted by our Shareholders in 2022, which permits the grant of restricted Shares to eligible participants, a summary of which is set out in Appendix VI to this prospectus
"A Share(s)"	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the ChiNext Market of the Shenzhen Stock Exchange and traded in Renminbi
"Accountants' Report"	the accountants' report of our Company, the text of which is set out in Appendix I to this Prospectus
"affiliate(s)"	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"	Accounting and Financial Reporting Council of Hong Kong
"APCB"	APCB Electronics (Thailand) Co., Ltd.
"Articles" or "Articles of Association"	the articles of association of our Company conditionally adopted on August 15, 2025, which shall become effective on Listing Date, as amended from time to time, a summary of which is set out in Appendix V to this prospectus
"associate(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"Audit Committee"	the audit committee of our Board, the details of which are described in "Corporate Information" in this prospectus
"Board" or "Board of Directors"	the board of Directors
"Bodaxing"	Huizhou Bodaxing Industrial Co., Ltd.* (惠州市博達興實業有限公司), a limited liability company established in the PRC on December 16, 2010
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for normal banking business
"Capital Market Intermediary(ies)" or "CMI(s)"	The capital market intermediary(ies) as named in the section headed "Directors and Parties involved in the Global Offering" of this prospectus and has the meaning ascribed thereto under the Listing Rules
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"close associate(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules

"CNAS"	China National Accreditation Service for Conformity Assessment
"Company" or "our Company" or "the Company"	Victory Giant Technology (HuiZhou) Co., Ltd.* (勝宏科技(惠州)股份有限公司), a limited liability company established in the PRC on July 28, 2006, the A Shares of which have been listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300476)
"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
"connected person(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"Corporate Governance Code" or "CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"CSDC"	China Securities Depository and Clearing Corporation Limited* (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"EIT"	enterprise income tax
"EIT Law"	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
"Eligible Core Connected Person Participant(s)"	Eligible Employees who are directors, supervisors or chief executives of the Company or its subsidiaries or their close associates
"Eligible Director Participant(s)"	Eligible Employees who are Directors of the Company or their close associates

"Eligible Employee(s)"	employees of the Group selected by the Company, who are also willing to participate in the Employee Preferential Offering and satisfy the following criteria: (a) remain to be an employee of the Group as of the date of this prospectus; (b) are not a core connected person of the Company (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable); (c) are not any person whose acquisition of securities will be financed directly or indirectly by a core connected person (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable); (d) are not any person who is accustomed to take instructions from a core connected person (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable) in relation to the acquisition, disposal, voting or other disposition of securities of the Company registered in his/her name or otherwise held by him/her; (e) are outside the U.S. and not a U.S. person (as defined in Rule 902 of Regulation S); and (f) unless otherwise stated in this prospectus, will only participate in the Global Offering through the subscription of the Employee Reserved Shares under the Employee Preferential Offering and will not subscribe for the Company's H Shares in the Global Offering through any other channels
"Employee Preferential Offering"	the Overseas Employee Preferential Offering and the PRC Employee Preferential Offering
"Employee Reserved Shares"	the Overseas Employee Reserved Shares and the PRC Employee Reserved Shares
"ESG"	environmental, social and governance
"Exchange Participant(s)"	a person: (a) who, in accordance with the Hong Kong Listing Rules, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange
"Existing Shareholder Employee Participant(s)"	Eligible Employees (or their close associates) who hold less than 1% of the total number of A Shares in issue of the Company prior to the completion of the Global Offering
"Extreme Conditions"	the occurrence of "extreme conditions" as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public's ability to resume work or brings safety concern for a prolonged period
"FINI"	"Fast Interface for New Issuance", an 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 all new listings
"Frost & Sullivan" or "F&S"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant, which is an independent third party

"Frost & Sullivan Report" or "F&S Report"	an independent market research report commissioned by us and prepared by Frost & Sullivan, a summary of which is set forth in the section headed "Industry Overview" for the purpose of this prospectus
"General Rules of HKSCC"	General Rules of HKSCC published by the Hong Kong Stock Exchange and as amended from time to time
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "the Group", "our Group", "we", "our" or "us"	our Company and its subsidiaries at the relevant time or, where the context otherwise requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guide for New Listing Applicants" or the "Guide"	the Guide for New Listing Applicants published by the Stock Exchange and as amended, supplemented or otherwise modified from time to time
"H Share(s)"	overseas listed foreign invested ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for the granting of listing, and permission to deal in, on the Main Board of the Stock Exchange
"H Share Registrar" or "Computershare"	Computershare Hong Kong Investor Services Limited
"HK$" or "Hong Kong dollars" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"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 a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	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 operations and functions of CCASS, FINI or any other platform, facility or system 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 PRC
"Hong Kong Offer Share(s)"	8,334,800 new H Shares (subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus) being initially offered by our Company for subscription at the Offer Price under the Hong Kong Public Offering
"Hong Kong Public Offering"	the offering of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), on and subject to the terms and conditions described in this prospectus
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering whose names are set out in the section headed "Underwriting — Hong Kong Underwriters" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated April 10, 2026 relating to the Hong Kong Public Offering entered into by, among others, our Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the Hong Kong Underwriters as further described in the section headed "Underwriting" in this prospectus
"Hong Kong Victory Giant"	Victory Giant Technology Holdings (Hong Kong) Limited (勝宏科技集團(香港)有限公司), a limited company established in Hong Kong on July 8, 2006, and a member of our Largest Group of Shareholders
"Hongda Investment"	Huizhou Hongda Investment Development Co., Ltd.* (惠州市宏大投資發展有限公司), a limited liability company established in the PRC on September 26, 2011, and a member of our Largest Group of Shareholders
"Hongxing International"	Hongxing International Technology Limited (宏興國際科技有限公司), a company incorporated in Hong Kong on June 15, 2011 and a wholly-owned subsidiary of our Company
"IFRS"	the IFRS Accounting Standards, which include standards, amendments and interpretations promulgated by IASB and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC)
"independent third party(ies)"	a person, persons, a company or companies which is or are independent of, and not our connected person(s) within the meaning under the Listing Rules
"International Offer Shares"	75,013,200 new H Shares to be offered by our Company under the International Offering together with any additional H Shares which may be allotted and issued by our Company pursuant to the exercise of the Over-allotment Option (subject to reallocation and the Offer Size Adjustment Option as described in the section headed "Structure of the Global Offering" in this prospectus)

"International Offering"	the conditional placing of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in reliance on Regulation S and in the United States to QIBs only in reliance on Rule 144A or any other available exemption from the registration requirements under the U.S. Securities Act, in each case on and subject to the terms and conditions of the International Underwriting Agreement, as further described in the section headed "Structure of the Global Offering" in this prospectus
"International Underwriters"	the group of international underwriters who are expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering which is expected to be entered into by, among others, our Company, the Joint Sponsors, the Sponsor-Overall Coordinators and the International Underwriters on or about the date of the Price Determination Agreement
"Joint Bookrunners"	the joint bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Global Coordinators"	the joint global coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Lead Managers"	the joint lead managers as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Sponsors"	the joint sponsors as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Largest Group of Shareholders"	refers to Mr. Chen Tao, Ms. Liu Chunlan, Shenghua Xinye, Hongda Investment and Hong Kong Victory Giant
"Latest Practicable Date"	April 3, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
"Listing"	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Committee"	the Listing Committee of the Hong Kong Stock Exchange
"Listing Date"	the date, expected to be on or about April 21, 2026, on which our H Shares are listed and from which dealings therein are permitted to take place on the Hong Kong Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Main Board"	the Main Board of the Stock Exchange
"Malaysia"	the Federation of Malaysia

"MFSM"	MFS Technology (M) Sdn Bhd, a company incorporated in Malaysia on January 31, 1958 and a wholly-owned subsidiary of our Company
"MFSS"	MFS Technology (S) Pte Ltd, a company incorporated in Singapore on October 11, 1988 and a wholly-owned subsidiary of our Company
"MIIT"	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)
"MOF"	Ministry of Finance of the PRC (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)
"NDRC"	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
"Offer Price"	the final offer price per Offer Share in Hong Kong dollars (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) at which the Offer Shares are to be subscribed or purchased under the Hong Kong Public Offering and the International Offering, to be determined in the manner further described in the section headed "Structure of the Global Offering" in this prospectus
"Offer Shares"	the Hong Kong Offer Share(s) and the International Offer Share(s), together with, where relevant, any additional H Shares which may be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option
"Offer Size Adjustment Option"	the option expected to be granted by our Company under the International Underwriting Agreement to the International Underwriters, exercisable by the Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters), pursuant to which our Company may be required to allot and issue up to an aggregate of 12,502,000 additional new H Shares, representing approximately 15.0% of the initial number of Offer Shares offered under the Global Offering, at the Offer Price to cover any excess demand in the International Offering, further details of which are described in the section headed "Structure of the Global Offering — Offer Size Adjustment Option"
"Overall Coordinators"	the overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus

"Over-allotment Option"	the option expected to be granted by our Company to the International Underwriters, exercisable by the Sponsor-Overall Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which our Company may be required to allot and issue up to an aggregate of 12,502,000 additional H Shares (representing not more than 15.0% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to 14,377,500 additional H Shares (representing not more than 15.0% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is exercised in full) at the Offer Price to, among other things, cover over-allocations in the International Offering, if any, further details of which are described in the section headed "Structure of the Global Offering" in this prospectus
"Overseas Eligible Employee(s)"	the Eligible Employees who reside outside the PRC and are willing to participate in the Overseas Employee Preferential Offering
"Overseas Employee Preferential Offering"	the preferential offering of the Overseas Employee Reserved Shares to the Overseas Eligible Employees for subscription at the Offer Price on a preferential basis, as further described in "Structure of the Global Offering — The Overseas Employee Preferential Offering" in this prospectus
"Overseas Employee Reserved Shares"	no more than 833,400 Hong Kong Offer Shares being offered to Overseas Eligible Employees pursuant to the Overseas Employee Preferential Offering
"Overseas Listing Trial Measures"	The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines (《境內企業境外發行證券和上市管理試行辦法》及五項配套指引) promulgated by the CSRC on February 17, 2023 and became effective on March 31, 2023
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"**Pink Form eIPO**"	the application for Overseas Employee Reserved Shares to be issued in the applicant's own name, submitted online through the designated website of the **Pink Form eIPO** Service Provider at **www.eipo.com.hk**
"**Pink Form eIPO** Service Provider"	Computershare Hong Kong Investor Services Limited
"PRC" or "China"	the People's Republic of China, excluding for the purposes of this prospectus only, Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time

"PRC Eligible Employee(s)"	the Eligible Employees who reside in the PRC and are willing to participate in the PRC Employee Preferential Offering
"PRC Employee Preferential Offering"	the preferential offering of the PRC Employee Reserved Shares to the PRC Eligible Employees for subscription at the Offer Price on a preferential basis, as further described in "Structure of the Global Offering — The PRC Employee Preferential Offering" in this prospectus
"PRC Employee Reserved Shares"	no more than 7,501,300 International Offer Shares being offered to PRC Eligible Employees pursuant to the PRC Employee Preferential Offering
"PRC government" or "State"	the Central People's Government of the People's Republic of China, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and their instrumentalities or, where the context requires, any of them
"PRC Legal Advisor"	JunHe LLP, the legal advisor to our Company as to PRC laws
"Price Determination Agreement"	the agreement to be entered into by the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date to record and fix the Offer Price
"Price Determination Date"	the date, expected to be on or around Friday, April 17, 2026 (Hong Kong time) on which the Offer Price is determined, or such later time as the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company may agree, but in any event no later than 12:00 noon on Friday, April 17, 2026
"prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering
"PSL"	Pole Star Limited, a limited liability company incorporated in Cayman Islands on October 24, 2017 and a wholly-owned subsidiary of our Company
"QIB" or "Qualified Institutional Buyer"	a qualified institutional buyer within the meaning of Rule 144A
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of our Company, the details of which are described in "Corporate Information" in this prospectus
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局), a PRC governmental agency responsible for matters relating to foreign exchange administration, including local branches, when applicable

"SAT"	State Administration of Taxation
"SCNPC"	the Standing Committee of the National People's Congress (全國人民代表大會常務委員會)
"Securities Law"	the Securities Law of the PRC (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
"Share(s)"	the ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, including our A Shares and H Shares
"Shareholder(s)"	holder(s) of the Shares
"Shenghua Electronics"	Shenghua Electronics (Huiyang) Co., Ltd.* (勝華電子(惠陽)有限公司), a company established in the PRC on January 24, 2003, and a wholly-owned subsidiary of our Company
"Shenghua Xinye"	Shenzhen Shenghua Xinye Investment Co., Ltd.* (深圳市勝華欣業投資有限公司), a company established in the PRC on September 3, 2001, and a member of our Largest Group of Shareholders
"Singapore"	the Republic of Singapore
"Sponsor-Overall Coordinators"	the sponsor-overall coordinators named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Stabilizing Manager"	J.P. Morgan Securities (Asia Pacific) Limited
"State Council"	State Council of the PRC (中華人民共和國國務院)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategy and Investment Committee"	the strategy and investment committee, the details of which are described in "Corporate Information" in this prospectus
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"Takeovers Code" or "Hong Kong Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy- backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Thailand"	the Kingdom of Thailand

"Thailand VGT"	Victory Giant Technology (Thailand) Co., Ltd., a company incorporated in Thailand on July 25, 1990 and a wholly-owned subsidiary of our Company
"Track Record Period"	the three years ended December 31, 2023, 2024 and 2025
"treasury shares"	has the meaning ascribed thereto under the Hong Kong Listing Rules
"U.S. dollar(s)", "US$" or "USD"	United States dollar, the lawful currency of the United States
"U.S. Securities Act"	The U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States" or "U.S."	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"U.S. person"	a U.S. person, as defined under Rule 902 of Regulation S
"VAT"	value added tax
"Vietnam"	the Socialist Republic of Vietnam
"Vietnam VGT"	Victory Giant Technology (Vietnam) Company Limited, a company incorporated in Vietnam on July 4, 2024 and a wholly-owned subsidiary of our Company
"Weisheng Circuit Board"	Hunan Weisheng Technology Circuit Board Co., Ltd.* (湖南維勝科技電路板有限公司), a company incorporated in the PRC on July 24, 1989 and a wholly-owned subsidiary of our Company
"Weisheng Technology"	Hunan Weisheng Technology Co., Ltd.* (湖南維勝科技有限公司), a company incorporated in the PRC on September 12, 2003 and a wholly-owned subsidiary of our Company
"**White Form eIPO**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website of the **White Form eIPO** Service Provider at **www.eipo.com.hk**
"**White Form eIPO** Service Provider"	Computershare Hong Kong Investor Services Limited
"Yiyang Weisheng"	Yiyang Weisheng Technology Co., Ltd.* (益陽維勝科技有限公司), a company incorporated in the PRC on September 14, 2018 and a wholly-owned subsidiary of our Company
"%"	percent

For ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, nature persons or other entities (including our subsidiaries) 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. For the purpose of this prospectus, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

Unless otherwise stated, 217,443 repurchased A Shares which are held as treasury shares by the Company as of the Latest Practicable Date have been included in the total number of issued shares of the Company as of the Latest Practicable Date and immediately after completion of the Global Offering. For details of the repurchased A Shares, see "*History, Development and Corporate Structure — Corporate Structure Immediately before the Global Offering*" and "*Substantial Shareholders*."

* *English translations of company names and other terms from the Chinese language are provided for identification purposes only. In this prospectus, should there be any discrepancy between the Chinese names of the entities or enterprises established in China and its English translation, the Chinese names shall prevail.*

This glossary of technical terms contains terms used in this prospectus as they relate to our business. As such, these terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

"AGV"	automated guided vehicle
"AOI"	automated optical inspection
"APS"	advanced planning and scheduling
"AR"	augmented reality
"AVI"	automated visual inspection
"BGA"	ball grid array
"BMS"	battery management system
"CCD"	Charge-Coupled Device
"CR"	current reality
"CT"	computed tomography
"CTE"	coefficient of thermal expansion
"DDR"	double data rate
"EMCS"	Electromagnetic Compatibility Control System
"EV"	electric vehicle
"FPC"	flexible printed circuit
"HDI"	high-density interconnect
"IASB"	International Accounting Standards Board
"IoT"	Internet of Things
"IIoT"	Industrial Internet of Things
"LCD"	liquid crystal display
"LDI"	laser direct imaging
"LED"	light emitting diode
"MCU"	motor control unit
"MES"	Manufacturing Execution System

"Mil"	in the context of length, is a unit equal to one-thousandth of an inch, or 0.001 inches. It's also known as a "thou". Therefore, 1 mil is equal to 0.0254 millimeters
"MLPCB"	multi-layer printed circuit board
"mSAP"	modified semi-additive process
"OEM"	original equipment manufacturer
"PCB"	printed circuit board
"Pin Lam"	a technique used during the PCB lamination process that uses alignment pins to position layers and reduce defects like pits and dents
"PLB"	pulse plating
"Rigid-Flex"	a hybrid type of printed circuit board that combines elements of both RPCB and FPC into a single unit
"RLI"	Rockwell Laser Industries
"RPCB"	rigid printed circuit board
"SBTi"	science based targets initiative
"SSD"	solid state drive
"UBB"	Universal Baseboard
"vias"	holes that are drilled through the board to create pathways for electrical connections between different layers
"VR"	virtual reality
"XR"	extended reality

This prospectus contains forward-looking statements relating to our plans, objectives, expectations and intentions, which may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus.

You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing the Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: (i) our business strategies and plans to achieve these strategies; (ii) changes to the political and regulatory environment in the industry and markets in which we operate; (iii) changes in our customers' preferences, demands and business performance; (iv) changes in competitive conditions and our ability to compete under these conditions; (v) the actions and development of our competitors; (vi) future developments, trends and conditions in the industry and markets in which we operate; (vii) general economic, political and business conditions in the markets in which we operate; (viii) effects of the global financial markets and economic conditions; (ix) our future debt levels and capital needs; (x) our financial conditions and performance; (xi) our dividend policy; and (xii) change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

In some cases, we use the words "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "going forward," "intend," "ought to," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will" and "would" and similar expressions to identify forward-looking statements. In particular, we use these forward-looking statements in this prospectus in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets. These forward-looking statements are based on assumptions and estimates and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements. Our Directors confirm that the forward-looking statements are made after reasonable care and due consideration. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H 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 H 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 RELATING TO OUR BUSINESS AND INDUSTRY

If we fail to develop new or enhanced products on a timely basis, our ability to attract and retain customers could be impaired, and our competitive position could be harmed.

To compete successfully, we must design, develop, market and sell new or enhanced products that provide higher levels of performance and reliability and meet the cost expectations and other needs of our customers. Intense competition, the continuous launch of new and upgraded products or faster product iteration by our competitors, market acceptance of products based on new or alternative technologies, the emergence of new industry standards, or new trends in customer preferences could render our existing or future products obsolete.

Our failure to anticipate the next-generation technology roadmap or timely develop new or enhanced products in response to shifts in technology and customer preferences could result in decreased revenue, increased development and rework costs and the risk of losing key customers or our position as their preferred supplier. In particular, we may experience difficulties with product design, development, incorporation of new or advanced materials, marketing or certification, which could delay or prevent our development, introduction or marketing of new or enhanced products or result in a longer time-to-market, resulting in our failure to introduce new or enhanced products that meet the needs of our customers or failure to penetrate new markets in a timely fashion.

Our growth and profitability depend on general economic conditions and capital investment cycles in AI infrastructure, which in turn may influence the development of the industries that our customers are in.

Our results of operations depend on general economic conditions. More specifically, as our products are primarily used in AI infrastructure and related sectors, our customers' ability and willingness to adopt and integrate our products directly impact our business performance. Demand for our products is tied to AI infrastructure, in particular surging demand from hyperscalers and technology companies for their global networks of data centers and cloud services, and is influenced by broader economic conditions, including the availability of funding, regulatory developments, and sector-specific trends. A slowdown in AI infrastructure spending could impact demand for our high-end PCBs and thus our business and financial conditions. In addition, a portion of our revenue is derived from the sale of products used in smart devices and automotive electronics. Accordingly, consumer spending patterns play a critical role in shaping demand for our products. These investments and spending in turn are affected by a number of economic and other factors beyond our control. Economic uncertainty and other related factors may exacerbate negative trends in these investments and spendings and may postpone or preclude the investment in AI infrastructure or purchasing of EVs or smart devices, which in turn will negatively affect customer demands for our products.

Similarly, our operating results are affected by cyclicality, either directly or indirectly, in the various industries we serve, including AI infrastructure, automotive electronics and smart devices. In 2023, 2024 and 2025, we derived 47.4%, 33.9% and 19.1% of our revenue from the sale of smart devices, respectively, and 10.8%, 20.5% and 13.4% of our revenue from the sale of automotive electronics, respectively. These industries are highly competitive and to a large extent driven by end-user markets. Fluctuations in price and evolving demands within these industries could lead to reduced sales and declining prices for the end products, which will in turn affect our revenue and profit margins. Specifically, many of our customers face intense competition and constant pressure to cut the selling prices of their end products. Accordingly, many of them may raise new requirements frequently, expect ongoing production cost reductions and increased production efficiency, and we may not be able to meet such expectations.

Our growth depends in part on maintaining and building customer relationships.

Our products are highly customized to the specifications provided by our customers. To maintain our relationships with these customers, we may be required to develop new products and make modifications to our existing products that involve significant technological challenges, greater design flexibility, as well as participate in lengthy field trials and extensive qualification programs. We cannot assure you that these efforts will result in future orders or long-term business relationships. We also expect these customers to place considerable pressure on us to meet their tight development schedules. In addition, such customers may require extensive, localized technical support, which would require us to significantly expand our customer support capabilities. We may have to devote a substantial amount of our limited resources to these relationships, which could detract from or delay our completion of other important development projects. Such delays could impair our relationships with these customers and negatively impact sales of our products under development.

In addition, as customer concentration has increased during the Track Record Period, with revenue from our top five customers accounting for 27.1%, 25.1% and 51.0% of our total revenue in 2023, 2024 and 2025, respectively, our business and future growth may become more dependent on our ability to retain key customers and maintain stable order volumes from them. See "Business _ — Sales and Marketing — Our Customers." If any such customer delays or cancels orders, changes its sourcing strategy, or demands more favorable pricing or other commercial terms, our business, financial condition and results of operations could be materially and adversely affected.

Our production capacity and expansion efforts may be inadequate.

If our production capacity cannot meet market demand, especially if we experience increased demand for our products as we grow our customer base, our ability to deliver products to our customers on a timely basis will be affected. Similarly, if we are not able to meet the overall demand for our products, our ability to satisfy our customer demands will be affected.

In the future, as our business grows, we may need to expand our production capacity through various measures, including the construction of new production facilities. We cannot assure you that our new premises will be ready in time or our production capacity will otherwise be successfully expanded.

Failure to expand our production capacity could hinder our capability to satisfy customer demand. Furthermore, if market demand declines, we may not be able to recoup the costs incurred for the construction of new premises and the maintenance of expanded production capacity. A delay in or cancellation of our expansion plans could also subject us to disputes with various counterparties.

We face intense competition in the global PCB industry.

The global PCB industry is highly competitive in terms of price and technology. Some peers have achieved substantial market shares, longer operating histories, greater name recognition, larger customer bases and greater financial, sales and marketing, production, distribution, technical and other resources and experience than we do. Our competitors' greater size in some cases may provide them with a competitive advantage with respect to production costs due to economies of scale and their ability to purchase raw materials and utilities at lower prices. In addition, our competitors may be able to devote greater resources to the research and development of technologies, processes and products that are more effective than ours. They may also adapt more quickly to new technologies and changes in customer demand and requirements. We may fail to maintain our competitive position with respect to technological advances, to adapt to changing market conditions and customer preference, or to otherwise compete successfully with existing or new competitors.

We may be subject to raw material shortage or price increases.

The cost of raw materials constitutes the majority of our cost of goods sold. We must obtain sufficient quantities of high-quality raw materials at acceptable prices and in a timely manner to manufacture our products. The main raw materials used in the manufacture of our PCB products include copper-clad laminates, copper foil and copper ball. The pricing of raw materials can be volatile and difficult to predict due to factors beyond our control, including changes in general economic conditions, currency exchange rates, industry cycles and production levels and geopolitical conflicts. For example, the recent regional conflict involving the U.S., Israel and Iran may adversely affect global commodity markets, energy prices and supply chain stability, which could in turn disrupt the supply of, or increase the prices of, certain raw materials such as resin, copper and copper-related materials. Therefore, such price may significantly increase or fluctuate, and we may not be able to compensate for or pass on such costs to customers.

In line with industry practice, we generally do not enter into long-term supply contracts with our suppliers. A shortage of any key raw materials could limit the number of units we are able to produce and increase the production costs of our products, thereby depressing the margins for our products to the extent that we are not able to pass on the increased costs to our customers. Moreover, we currently source our main raw materials and key components from a number of third-party suppliers. Deterioration in business relationships with these suppliers may result in our failure to source sufficient quantities of raw materials and components of satisfactory quality at acceptable costs. There can be no assurance that a significant shortage in the supply of raw materials will not take place in the future.

We may be subject to the risks associated with international trade policies, export controls and economic sanctions, geopolitics and trade protection measures.

We operate within a global supply chain, and our products are sold globally as part of various end products. As such, we face risks associated with international trade regulations and geopolitical developments. Although the primary risk to our business from these measures is indirect, we are exposed to the impact of them through our international customers and global supply chain, since our products are key components in industries that are susceptible to geopolitical developments and trade restrictions, such as AI and high-performance computing. For example, if tariffs or other import restrictions are imposed on our customers' finished goods exported to the United States or other overseas markets, the increased cost may reduce the competitiveness and market demand for these products. A decline in our customers' sales could, in turn, lead to reduced order volumes, order cancellations or downward revisions to their forecasts for our products. Furthermore, to mitigate their own exposure, our customers may demand price concessions from us or adjust their supply chain arrangements, which could diminish our role or lead to the loss of business. Any of these developments could materially and adversely affect our customer relationships, revenue and profitability.

Recent trade tensions, such as the ongoing U.S.-China trade dispute, have led to broader and substantially higher tariffs, export controls and other restrictive measures targeting high-technology goods, semiconductors and electronics. Regarding tariffs, in February 2025, the United States imposed a 20% tariff on certain categories of Chinese goods (the "**Fentanyl Tariff**"). Subsequently, on April 2, 2025, the United States imposed a 10% baseline tariff on all imports from its trading partners, along with additional country-specific tariffs for various countries (the so-called "**Reciprocal Tariff**", as adjusted from time to time). These actions have led to a series of retaliatory measures by other countries, including China, and further countermeasures by the United States. On May 12, 2025, the President of the United States issued an executive order that suspended certain retaliatory tariff increases imposed on April 8 and April 9 against China and reinstated the Reciprocal Tariff on imports originating from China, Hong Kong, and Macau for a 90-day period. This resulted in a combined effective tariff rate of approximately 30% on certain of our products sold into the U.S. market during this period. On August 11, 2025, the President of the United States signed an executive order extending the deadline for higher tariffs on China for another 90 days until November 10, 2025. Following a U.S.-China leaders' meeting on October 30, 2025, the United States and China announced steps to pause certain tariff escalations. On November 4, 2025, the President of the United States issued executive orders that, among other things, reduced the Fentanyl Tariff from 20% to 10%, effective November 10, 2025, and continued the suspension of heightened China-specific Reciprocal Tariff rates through November 10, 2026, thereby maintaining the 10% Reciprocal Tariff baseline on imports from China during that period.

At the same time, on May 28, 2025, the U.S. Court of International Trade ruled that many of the tariffs the current administration put in place, including the Reciprocal Tariff and the Fentanyl Tariff, exceeded the president's legal authority, which was affirmed by the U.S. Court of Appeals for the Federal Circuit on August 29, 2025. On February 20, 2026, the U.S. Supreme Court issued its opinion affirming the lower court's ruling, striking down the tariffs implemented pursuant to the International Emergency Economic Powers Act (IEEPA), including the Reciprocal Tariff and the Fentanyl Tariff. Following this decision, the administration rescinded the IEEPA-based tariffs but concurrently imposed new 10% tariffs on a global basis for a 150-day period under separate statutory authority and discussed plans to rely on other statutory authority to impose other tariffs. The U.S. tariff policies are rapidly evolving, and the final outcome, including the timing, impact and potential legal challenges regarding any newly implemented tariffs, is highly uncertain. Any additional tariff may increase the price of the end products imported to the U.S. market and reduce their competitiveness. Our customers who import the products may wish to pass on the additional tariff on us, their other suppliers or their customers. Even if the tariff is not passed on to us, the reduced competitiveness of our customers' end products could lead to the reduction or cancellation of their purchase orders from us, and tariffs could generally negatively affect economic conditions in China and other countries, which could adversely affect our business.

Exports, re-exports and transfers of our products must be made in compliance with various economic sanctions and export controls laws in different jurisdictions. In terms of economic sanctions, the most significant controls are those administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), which prohibit the provision of products to certain countries or regions, governments, entities and persons targeted by U.S. sanctions. Regarding U.S. export controls, in October 2022, the BIS issued an interim final rule (the "**BIS October 2022 IFR**") to limit China's access to advanced computing integrated circuits, supercomputers, and advanced semiconductor manufacturing. In October 2023, the BIS released another interim final rule (the "**BIS October 2023 IFR**") that updated and expanded the restrictions from the BIS October 2022 IFR (together with the BIS's April 2024 interim final rule, the "**BIS 2022/23 IFRs**"). Among other measures, the BIS 2022/23 IFRs added certain advanced and high-performance computing integrated circuits and related computer commodities to the Commerce Control List, imposing new or expanded license requirements for items subject to the U.S. Export Administration Regulations ("**EAR**") intended for use in developing or producing supercomputers, advanced node integrated circuits, and advanced semiconductor manufacturing

equipment in certain jurisdictions, including China. Most recently, in January 2025, the BIS issued an interim final rule (the "**BIS January 2025 IFR**") to further limit China's access to advanced computing integrated circuits and advanced semiconductor manufacturing equipment.

In addition to the restrictions introduced above, the BIS also maintains lists of persons that are subject to enhanced export control restrictions. One such list, the Entity List, includes a list of foreign persons on which certain trade restrictions are imposed. In recent years, the United States has placed an increasing number of entities, including hundreds of entities in China, on the Entity List and other restricted or prohibited party lists. In addition to naming additional persons to these lists, BIS has imposed complex and restrictive rules applicable to doing business with persons on them. The restrictions applicable to Entity List parties include licensing requirements for exports, reexports, or transfers of items on lists of controlled items maintained by the U.S. government, which in most cases prevents these named entities from receiving essentially any item subject to U.S. export controls, including, in some cases through the application of the EAR's foreign direct product rules, to items produced wholly outside the United States. In addition, from September 29, 2025, the Entity List restrictions apply not only to parties included on the Entity List, but also to any person that is 50% or more owned, directly or indirectly, by parties on the Entity List or certain other restricted party lists (the "**BIS Entity List Affiliate Rule**"). However, on November 12, the BIS issued a one-year suspension of the BIS Entity List Affiliate Rule, set to end on November 9, 2026, absent a future extension. For details, please refer to "Business — Trade Restrictions, Tariff Policies, and International Sanctions — Trade Restrictions and International Sanctions." We screen our counterparties to determine if they are subject to applicable economic sanctions or export control restrictions and have not identified any sales that involve such sanctioned parties or jurisdictions, including those parties and jurisdictions subject to OFAC-administered sanctions. However, during the Track Record Period, three of our customers were included on the BIS Entity List. The revenue generated from these customers in the aggregate accounted for 0.2%, 0.4% and 0.4% of our total revenue in 2023, 2024 and 2025, respectively. The products sold to these customers are standard PCB products. Our U.S. legal advisor has advised that based on the information we provided, the items that we sold to these customers do not involve the transfer, export or reexport of items subject to the EAR. The Directors believe that the Group is not subject to any trade restrictions or sanctions risks that would materially affect its business operations. The Joint Sponsors confirm that they do not have any reason to disagree with this view.

However, these policies have introduced uncertainties to global supply chains, limited access to critical raw materials and components, and increased production and compliance costs and uncertainties for companies operating in affected industries. For instance, restrictions on the export of specific technologies or materials to certain regions could disrupt our ability to procure key inputs or supply products to customers in affected markets, causing operational delays or interruptions. If these trade restrictions or geopolitical tensions escalate, we may face additional risks such as supply chain restraints, reduced access to key markets, strained customer relationships and loss of market opportunities.

Increased compliance costs and operational challenges arising from adhering to complex export control regulations and sanctions could still strain our resources. Tariffs, quotas and local content rules may further raise production costs, impacting the profitability and competitiveness of our products. As the Entity List and other sanctions and export control laws and regulations, including the EAR's de minimis rules and foreign direct product rules, continue to evolve, future sanctions and export controls may significantly impact our business relationships with some of our key customers or suppliers and increase our compliance burdens. For example, if restrictions are imposed on the export of certain computing products from the United States to China, the resulting decline in downstream production or demand may adversely affect our sales of related PCB products. In addition, if export controls restrict our ability to import advanced production equipment or components from certain jurisdictions, our capacity to upgrade or maintain our manufacturing lines may be negatively impacted. If we fail to promptly secure alternative customers or sources of supply on acceptable terms, our business may be materially and adversely affected. In addition, dealing with customers or suppliers that are subject to export control or sanctions may

pose significant risks to our business. These risks include potential disruptions in our supply chain, legal and regulatory compliance challenges, and the possibility of financial penalties and reputational damage. We have limited control over the countries, regions, or destinations to which the customers will sell and/or export their end products. If the export sales of the customers' end solutions are restricted, prohibited or made subject to any export controls or economic sanctions imposed by any jurisdictions, the customers' demand for our products may decline, and, as a result, our business, financial condition and results of operations may be materially and adversely affected.

We may experience adverse developments in labor supply.

Labor costs have been fluctuating and may rise in the future. Labor cost increases may cause our production costs to increase, and we may not be able to pass on such increases to our customers. We also cannot assure you that we will not experience any shortage of labor, especially skilled roles such as production management and quality control, which are critical to maintaining efficient operations and meeting customer specifications. Any such shortage could hinder our ability to maintain our production schedules and maintain or expand our business operations. In addition, we cannot assure you that we will not have any labor disputes in the future. Any deterioration of our labor relations could disrupt our business operations, as well as loss of experience, know-how and trade secrets.

We may be unable to maintain our current capacity utilization rates and production yields.

Maintaining our current capacity utilization and production yields is crucial to our profitability as it allows us to spread our fixed costs over a substantial volume of products. Decreases in capacity utilization rates and production yields can have an adverse impact on our gross margin. Our ability to maintain or improve our gross margin will continue to depend, in part, on maintaining high capacity utilization rates and production yields. We cannot assure you that our utilization rates and production yields will not be negatively affected by adverse factor. If demand for our products does not meet our expectations, our capacity utilization and gross margin will be adversely affected. In addition, if we fail to maintain high quality production standards, our reputation may suffer, and our customers may cancel their orders or return our products.

We may experience operational disruption or machinery breakdown.

Any operational disruption, machinery breakdown or failure of newly installed equipment to meet required production standards during initial setup and testing could lead to delays in our production schedule, lower inventory levels, and hinder our ability to fulfill customer orders on time, thus affecting customer satisfaction.

Operational disruptions or machinery breakdowns in our production facilities may arise from various unexpected incidents or catastrophic events. Additionally, instability or shortages in electricity supply could halt production activities, causing delays in fulfilling customer orders. In the event of such disruptions, maintaining production volumes and ensuring sufficient stock levels to meet customer demands could be challenging. Identifying and securing alternative facilities or machinery in a timely and cost- effective manner may not always be feasible. Delays in resuming normal operations could also affect the quality and schedule of product deliveries, potentially impacting customer satisfaction and damaging our reputation.

Our manufacturing equipment may fail, we may encounter difficulties with our manufacturing technology, and certain of our equipment suppliers may fail to perform their contracts.

We purchase substantially all of our equipment from external suppliers based on our technical specifications, and we cannot guarantee that such suppliers will perform their contractual duties as we expect. In particular, only a few companies can produce the laser drilling machines that are necessary to achieve a desirable level of production yields, and their production capacity is limited. Supply shortage due to any reason can hinder our capability to expand our production capacity.

To meet the diverse needs of our end customers, we are often required to manufacture customized products. Accordingly, some of our manufacturing equipment is customized to the designs or specifications that we provide to our equipment supplier, who then undertakes a specialized process to procure and assemble the custom equipment. As a result, the equipment is not immediately available from other vendors and may take time to repair or replace if it were damaged to a great extent or stopped working. Inability to make timely repair or replacement of such equipment can result in disruption to our production activities.

Our R&D efforts are not guaranteed to yield the results we anticipate.

To maintain our competitive position and continue to grow our business, we need to continuously develop, rapidly update and introduce innovative products for our existing and potential customers. This includes engaging in joint development projects with key customers to ensure our products align with their technical requirements. We dedicate considerable human resources and capital investment to R&D activities. In 2023, 2024 and 2025, our research and development expenses amounted to RMB348.3 million, RMB449.8 million and RMB777.6 million, accounting for 4.4%, 4.2% and 4.0% of our revenue in the respective years. However, we cannot assure you that these efforts will be successful or produce our anticipated results.

Even if our R&D efforts are successful, we may not be able to apply the technologies we developed to introduce new products in time to fully capitalize on our first-mover advantage, or at all.

Our intellectual properties may be subject to infringement.

Our intellectual property is a key asset and failure to protect it could harm our business and prospects. Our success depends in part on obtaining and maintaining effective patent and trade secret protection for our technologies, processes and products and enforcing our rights against infringement, reverse engineering and design theft. If our patents do not adequately cover our technologies or are invalidated or circumvented, we may be unable to prevent competitors from using similar technologies and products.

We also rely heavily on unpatented proprietary technologies, processes, know how and data protected mainly through trade secrets and confidentiality arrangements, which are inherently difficult to safeguard and may be breached or independently replicated by competitors. In addition, we may face intellectual property disputes alleging infringement or misappropriation or need to enforce our own rights. Such disputes are costly, time consuming, divert management attention and have uncertain outcomes, and adverse results could allow competitors to use our technologies or sell similar products.

We may be subject to delivery failures or disruptions.

We use third party logistics service providers to deliver certain of our work-in-progress and products. Disputes with or terminations of our contractual relationships with our logistics service providers could result in delayed delivery of products or increased costs. As we do not have any direct control over these logistics service providers, we cannot guarantee their quality of services. In addition, we may not be able to continue or extend relationships with our current logistics service providers on terms acceptable to us or establish relationships with new logistics service providers to ensure accurate, timely and cost-efficient delivery services. As a result, we may be prevented from offering products in sufficient quantities, on a timely basis, or at prices acceptable to our customers. In addition, our suppliers sometimes deliver materials to us through third party logistics service providers, whose delay could in turn adversely impact our ability to deliver to our customers.

Our business depends on the continuing efforts of our key personnel.

Our business operations depend on the continuing efforts of our management, particularly the members of our senior management team. If one or more members of our management are unable or unwilling to continue their employment with us, we may not be able to replace them in a timely manner at reasonable costs, or at all. In addition, members of our management may join a competitor or form a competing company. We may be unable to enforce our contractual rights included in employment agreements with our management. As a result, our business may suffer the loss of services of one or more members of our management, which in turn could have a material and adverse impact on our future prospects, business, results of operations and financial condition.

Our business may be impacted by geopolitical uncertainties and disasters.

Geopolitical uncertainties, such as tariffs, war, regional conflicts (e.g., the conflict involving the U.S., Israel and Iran) terrorism, public health issues and other business interruptions could cause damage or disruption to international commerce and the global economy, and thus could have a material adverse effect on us, our customers and suppliers. For example, we recorded significant growth in revenue derived from sales to Taiwan and Vietnam in 2025. As a result, we are more exposed to a wide range of potential geopolitical conflicts and tensions in Asia, and any adverse developments in Taiwan, Vietnam or the broader region, including regional conflicts or logistics interruptions, could materially and adversely affect our business, financial condition and results of operations. Our business operations are subject to interruption by, among others, natural disasters, whether as a result of climate change or otherwise, fire, power shortages and other industrial accidents, terrorist attacks and other hostile acts, labor disputes, public health issues, demonstrations or strikes, and other events beyond our control. Such events could decrease demand for our products, make it difficult or impossible for us to make and deliver products to our customers, or to receive materials from our suppliers, and create delays and inefficiencies in our supply chain.

U.S. outbound investment regulations and other foreign laws and regulations could have a negative impact on our future ability to access to capital.

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued a final rule, codified in the United States Code of Federal Regulations at 31 C.F.R. part 850, to implement the Executive Order 14105 of August 9, 2023 (the "**Outbound Investment Rule**"). On January 2, 2025, a U.S. outbound investment security program (the "**OISP**"), implemented by the Treasury under the Outbound Investment Rule, became effective. The OISP imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau) that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems, collectively defined as "**Covered Foreign Persons**." U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, certain investments in Covered Foreign Persons, which are defined as "Covered Transactions," and include certain acquisitions of an equity interest or contingent equity interest, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. The OISP contains exceptions for certain investments, including those in publicly traded securities, except when the U.S. person investor secures rights that go beyond standard minority shareholder protections. For details, please refer to "Business — Trade Restrictions, Tariff Policies, and International Sanctions — U.S. Outbound Investment Security Program."

We are engaged in the R&D, manufacturing and sales of advanced PCBs for AI and high-performance computing. Although we customize our PCB products to meet the specific needs of downstream customers in AI and other sectors, we are not engaged in the development of any AI systems, and none of our products themselves are integrated circuits or other "semiconductors and microelectronics" that would implicate the relevant "covered activity" definitions related to

those technologies. Accordingly, after consulting with our legal adviser as to U.S. law, we have concluded that U.S. persons purchasing H Shares in the Global Offering will not be engaging in prohibited or notifiable transaction under the OISP.

In addition, adverse changes to foreign laws and regulations, including the Outbound Investment Rule, could also heighten our exposure to legal and business risks, restrict our access to capital, disrupt our operations and affect our results of operations. For example, on February 21, 2025, U.S. President issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"), indicating that Executive Order 14105 is under review and the U.S. government will consider possible application of the Outbound Investment Rule to a wider range of technology sectors and application of restrictions to a wider range of investments, including publicly traded securities. On December 18, 2025, the U.S. Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"), which will supersede the Outbound Investment Rule, became law. The COINS Act is subject to a rulemaking process, which is required to be completed by March 2027, and there is substantial uncertainty regarding how the new law will be implemented. Possible changes to the Outbound Investment Rule, the COINS Act, or similar laws and regulations could limit or, in the worst-case scenario, eliminate our ability to raise capital or contingent equity capital (such as convertible bonds) from U.S. investors in the future, or our ability to raise such capital may be significantly and negatively affected, which could be detrimental to our capital-raising capacity and our business, financial condition and prospects. In addition, changes to the publicly traded securities exception or other aspects of the Outbound Investment Rule could prohibit the purchase or trading of our H Shares by U.S. persons, impose new notification or other regulatory requirements, or make our H Shares less attractive to such investors. In such cases, the value of our H Shares could significantly decline, and our liquidity may be materially and adversely affected. Investors, including those that are U.S. persons or are subsidiaries of U.S. persons, should consult their own legal counsel regarding the applicability of the Outbound Investment Rule, the COINS Act or similar laws and regulations to this Global Offering and any potential obligations and exceptions thereunder.

Our business is subject to risks associated with operating in various jurisdictions.

We derive a significant portion of our revenue overseas. In 2023, 2024 and 2025, we derived 61.5%, 60.9% and 76.8% of our revenue from offshore sales, respectively. Accordingly, we have faced and continue to face numerous risks, including legal, political, and regulatory instability; changes in international trade policies, tax laws, and data privacy rules; and complex compliance obligations regarding matters such as anti-bribery and local investment and labor laws. We also face financial risks from currency fluctuations and customer credit issues, alongside operational challenges in enforcing contracts and intellectual property rights. In addition, we have conducted cross-border-related party transactions in our ordinary course of business, which may result in an increased likelihood of tax audits, possibly leading to challenges in relation to, amongst other things, tax residence, permanent establishment and transfer pricing.

Our sales may be influenced by seasonality.

Although a significant portion of our revenue is derived from PCBs used in AI and high-performance computing applications, which are generally less sensitive to seasonal trends, we also generate revenue from the sale of PCBs for smart devices. Our results of operations are affected by seasonal fluctuations in the demand for smart devices, which in turn influence our customers' demands for our products. We usually experience higher sales volume in the second half of a year due to increased shopping activities during the holiday season and the smart devices launch cycle. Accordingly, various aspects of our operations, including sales, working capital and operating cash flows, are exposed to the risks associated with seasonal fluctuations in the demand for our products, and our quarterly or half year results may not reflect our full year results.

Our historical financial and results of operations during the Track Record Period are not indicative of future performance.

In 2023, 2024 and 2025, our revenue amounted to RMB7,931.2 million, RMB10,731.5 million and RMB19,292.3 million, respectively. In 2023, 2024 and 2025, our net profit amounted to RMB671.3 million, RMB1,154.4 million and RMB4,312.0 million, respectively. Especially, compared with 2024, our revenue and net profit for the period grew by 79.8% and 273.5% in 2025, respectively. However, our historical revenue and net profit may not be indicative of our future growth. There are inherent risks in using such historical financial information of ours to project or estimate our financial performance in the future, as it only reflects our past performance.

Furthermore, as the market and our business evolve, we may modify our strategies, including our operations, products and services, and sales and marketing approaches. These changes may not achieve the expected results and may have a material and adverse impact on our results of operations and financial condition. Accordingly, you should consider our business prospects in light of the risks and difficulties we may encounter as a company operating in emerging markets and dynamic industries, which we may not be able to successfully address.

We may fail to timely collect our trade receivables or other receivables.

We had total trade and other receivables with net carrying amounts of RMB3,655.6 million, RMB4,271.7 million and RMB6,560.9 million as of December 31, 2023, 2024 and 2025, respectively. In 2023, 2024 and 2025, our trade receivables turnover days were 135.6 days, 122.1 days and 93.3 days, respectively. Any significant delay or default in our collection of trade receivables or other receivables may impose pressure on our cash flow and working capital and reduce the pool of available financial resources relative to our expectations and expenditure plans.

We may be subject to impairment of goodwill.

As of December 31, 2025, our goodwill amounted to RMB1,193.5 million, primarily as a result of our acquisition of PSL and Thailand VGT. We test the goodwill and intangible assets for impairment on an annual basis and when events occur or circumstances change that indicate that the fair value of the reporting unit may be below its carrying amount. Fair value determinations require considerable judgment and are sensitive to inherent uncertainties and changes in estimates and assumptions regarding revenue growth rates, capital expenditures, working capital requirements, tax rates, benefits associated with a taxable transaction and synergies available to market participants. Declines in market conditions, a trend of weaker than anticipated financial performance of our reporting units, a decline in our share price for a sustained period of time or an increase in the market-based weighted average cost of capital, among other factors, are indicators that the carrying value of our goodwill may be impaired.

We are exposed to foreign exchange risk.

During the Track Record Period, we derive a substantial portion of our revenue from markets outside of Chinese mainland. As we operate part of our business in various jurisdictions, we have made, and may continue to make, equity and other investments outside of China. Through other gains or losses, we had net foreign exchange gains of RMB11.7 million, RMB78.2 million and a net foreign exchange loss of RMB1.9 million in 2023, 2024 and 2025, respectively. There is no assurance that future fluctuations in exchange rates would not have a material adverse impact on our financial condition and results of operations. We may face significant volatility in these foreign exchange rates and be unable to procure any specific foreign exchange control measures to mitigate such risks.

Uncertainty in the valuation of financial assets at fair value through other comprehensive income may affect our financial position.

As of December 31, 2023, 2024 and 2025, we had financial assets at fair value through other comprehensive income of RMB765.2 million, RMB1,116.3 million and RMB2,854.3 million, respectively. The fair value of certain of these financial assets is determined using valuation techniques which involve a significant degree of management judgment and the use of unobservable inputs. Such inputs and assumptions may be subject to a high degree of uncertainty and may not reflect prevailing market conditions, particularly in the absence of active markets for these assets, rendering such valuation inaccurate.

Our net current liabilities may expose us to certain liquidity risks and could restrain our operational flexibility as well as affect our ability to expand our business.

During the Track Record Period, we recorded net current liabilities of RMB320.1 million as of December 31, 2023. As of December 31, 2024, we had net current assets of RMB543.4 million, which turned to net current liabilities of RMB533.2 million as of December 31, 2025. As of February 28, 2026, we had net current liabilities of RMB1,583.6 million.

Net current liabilities may expose us to certain liquidity risks and may constrain our operational flexibility, as well as adversely affect our ability to expand our business. Our future liquidity, the payment of trade and other payables when they become due, will primarily depend on our ability to generate adequate cash inflows from our operating activities and adequate external financing, which will be affected by our future operating and financial performance, the performance of the industry in which we operate and prevailing economic and capital market conditions, among other factors, many of which are beyond our control.

Failure to maintain optimal inventory levels could increase our inventory holding costs or cause us to lose sales.

To operate our business effectively and meet our consumers' demands and expectations, we maintain a certain level of inventory to meet the customer needs and ensure timely delivery of our products. As of December 31, 2023, 2024 and 2025, we had inventories of RMB1,376.8 million, RMB2,045.4 million and RMB3,162.4 million, respectively. In 2023, 2024 and 2025, our inventory turnover days were 72.6 days, 75.3 days and 76.1 days, respectively. We determine our level of inventory based on historical sales performance, demand forecasts and supply chain capacity fluctuations. We cannot assure you that we are able to always maintain optimal inventory levels in the future. Therefore, we may experience inventory obsolescence or inventory shortage risk, which may result in inventory write-downs, and we may consequently sell the excess inventory at discounted prices, or delays in delivery.

We may require additional funding to finance our operations.

We may require additional cash resources to finance our continued growth. To the extent that our funding requirements exceed our financial resources, we will be required to seek additional financing or to defer planned expenditures. We may not be able to obtain additional funds on terms acceptable to us, or at all. In addition, our ability to raise additional funds in the future is subject to a variety of uncertainties, including our future financial condition, results of operations, general market conditions for capital raising and debt financing activities and economic, political and other conditions.

Our insurance coverage may be insufficient to cover all of our potential losses.

We maintain insurance coverage over our daily operations and the shipment of our products in transportation. We cannot assure you that our insurance 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.

We may from time to time become a party to or affected by litigation, other legal and contractual disputes, claims and administrative or other regulatory proceedings against us, our suppliers and other related individuals.

We may from time to time be subject to or affected by various litigation, legal or contractual disputes, claims, or administrative proceedings in the ordinary course of our business, which may divert our management's attention and other resources. Furthermore, any litigation, legal or contractual disputes, claims or administrative proceedings which are initially not of material importance may escalate and become important to us, due to a variety of factors such as the subject matter of the disputes, the likelihood of loss, the monetary amount at stake and the parties involved. If any adverse verdict, judgment or award is rendered against us, our suppliers and other related individuals, or if such parties settle with any third parties, we and the parties involved may be required to pay significant monetary damages or assume other liabilities. In addition, negative publicity arising from litigation, legal or contractual disputes, claims or administrative proceedings may damage the reputation of such parties, including ours.

We may make acquisitions, establish joint ventures and conduct other strategic investments, which may not be successful.

To further expand our business and strengthen our market-leading position, we may form strategic cooperation or make strategic investments and acquisitions to fuel business growth. However, the availability of appropriate acquisition or investment targets may be limited due to intense competition in the market. In recent years, the PCB industry has experienced heightened competition for attractive targets, which may result in increased acquisition costs and less favorable terms. As a result, we may not be able to identify or secure appropriate targets on commercially acceptable terms or within our desired time frame, or at all. In addition, acquisitions involve numerous risks, including difficulties in integrating the operations and personnel of the acquired companies, distraction of management from overseeing our existing operations, difficulties in executing new business initiatives, entering markets or lines of business in which we have no or limited direct prior experience, the possible loss of key employees and customers and difficulties in achieving the synergies we anticipated or levels of revenue, profitability, productivity or other benefits we expected.

We face risks in relation to the inability to obtain and maintain the approvals, licenses and permits required for our operations.

We may experience difficulties, delays, or failures in obtaining the necessary approvals, licenses and permits for our businesses. In addition, there can be no assurance that we will be able to obtain, maintain or renew all of the approvals, licenses and permits required for our existing business operations in a timely manner, or at all, given we lack control over the competent authorities' accreditation process and timeframe. Complying with government regulations may require substantial expenses, and any non-compliance may expose us to liability. In case of any non-compliance, we may have to incur significant expenses and divert substantial management time and resources to resolving any deficiencies. We may also experience negative publicity arising from such deficiencies.

We have awarded and may continue to award equity instruments under equity incentive plans, which may cause shareholding dilution to our Shareholders and result in increased share-based compensations.

We adopted the 2022 Restricted A Share Incentive Scheme approved by the Shareholders on August 15, 2022. See "*Appendix VI — Statutory and General Information — D. 2022 Restricted A Share Incentive Scheme*". To further incentivize our employees, we may adopt other equity incentive plans and award additional equity incentives in the future. Issuance of Shares with respect to our equity incentive plan may dilute the shareholding of our existing Shareholders and incur substantial share-based compensation.

Fluctuations in exchange rates may adversely affect our results of operations.

Our foreign currency denominated transactions were primarily conducted in U.S. dollars during the Track Record Period. The value of RMB against the Hong Kong dollar, the U.S. dollar and other currencies fluctuates, is subject to changes resulting from the PRC government's policies and depends to a large extent on domestic and international economic and political developments as well as supply and demand in the local market, which are hard to predict. For example, from January 1, 2023 to December 31, 2025, the central parity rate of Renminbi against U.S. dollars fluctuated between 6.7130 and 7.2258.

The proceeds from the Global Offering will be received in Hong Kong dollars, and we expect a portion of which to be spent in RMB. As a result, any appreciation of the RMB against the Hong Kong dollar may result in the decrease in the value of our proceeds from the Global Offering. Conversely, any depreciation of the RMB against the Hong Kong dollars may adversely affect the value of, and any dividends payable on, the Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs.

Failure to comply with the PRC Social Insurance Law and the Regulation on the Administration of Housing Provident Funds or other PRC labor related regulations may subject us to fines and other legal or administrative sanctions.

According to applicable PRC laws and regulations, employers must open social insurance registration accounts and housing provident fund accounts and contribute to social insurance funds and housing provident fund for the benefits of their employees. During the Track Record Period, we and certain of our PRC subsidiaries did not make adequate contribution to social insurance and housing provident funds for certain employees as required by relevant PRC laws and regulations. See "Business — Employees" for more details related thereto. There is no assurance that our historical and current practices with respect to the contribution of social insurance plans and housing provident fund will at all times satisfy the government authorities in Chinese mainland. In the event of any such non-compliance, we may be required to pay any shortfall in the contribution of social insurance plans and housing provident fund within a prescribed time period and to pay penalties if we fail to do so. See "*Regulatory Overview — Regulations on Employment and Social Welfare*" for further details. In addition to the above, if we fail to comply with any other relevant labor laws and regulations in Chinese mainland, we may be exposed to penalties or be required to compensate employees.

Given the magnitude, complexity and continuous amendments to these laws and regulations, compliance therewith may be onerous and may involve substantial financial and other resources to establish efficient compliance and monitoring systems. The liabilities, costs, obligations and requirements associated with these laws and regulations may therefore be disruptive to our operations. Non-compliance may even result in substantial penalties or fines, suspension or revocation of our relevant licenses, among other things.

We are subject to risks in relation to leased properties.

We currently lease several premises in China. Under the PRC laws and regulations, lease agreements in general are required to be registered with the local land and real estate administration bureau. We may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. As of the Latest Practicable Date, we had not registered 84 lease agreements for our leased properties. If we receive notice from the relevant PRC government authorities requiring us to complete the registration within the prescribed time frame and if we fail to do so, the maximum aggregate amount of potential administrative penalties we would be subject to for the eighty-four lease agreements is RMB840,000. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors.

In addition, as of the Latest Practicable Date, for 15 leased premises used for manufacturing, staff accommodation, canteen and warehousing with an aggregate floor area accounting for approximately 4.0% of the total gross floor area of our owned and leased premises in the PRC, the lessors with whom we enter into lease agreements did not provide the valid property ownership certificates of the leased premises, hence we cannot ensure that they have the rights to lease such premises to us. Therefore, we may need to find alternative locations with similar functionalities as the original locations and at commercially reasonable terms in a timely manner, and failure to do so may incur extra costs for us.

Failure to comply with the land use right grant contracts or to obtain proper ownership certificates can result in penalties.

We cannot assure you that we will not be subject to penalties, reclamation actions or contractual liabilities in relation to our use, development or construction on certain land parcels or buildings. We have acquired land use rights for certain parcels of land in the PRC for development and construction purposes, subject to the terms of the relevant land use rights grant contracts and investment agreements. Under such agreements, we are required to complete development and construction on the granted land within prescribed timeframes. As of the Latest Practicable Date, portions of one land parcel in Changsha held by Weisheng Circuit Board and one land parcel in Yiyang held by Yiyang Weisheng has not yet commenced construction, despite the contractual requirements to complete construction within the specified period. Such circumstances preceded our acquisition of the relevant entities in 2023 and occurred primarily given commercial considerations. As of the Latest Practicable Date, we were in the process of building various facilities on the two land parcels, for which Weisheng Circuit Board and Yiyang Weisheng have obtained government approvals in 2025 and 2026. Pursuant to applicable PRC laws and regulations, including the relevant measures for the disposal of idle land, idle land may be subject to the imposition of land idle fees, the reclamation of the land by the competent authorities without compensation, and/or liability for breach of contract.

In addition, we have constructed or altered certain buildings in the PRC which, due to historical reasons, did not undergo the required planning approval procedures and have not obtained ownership certificates. As a result, such buildings may be deemed as non-compliant and may be subject to penalties, including fines calculated as a percentage of the construction cost or orders to demolish such structures within a prescribed period. We have already initiated relevant construction and expansion projects to rectify certain historical issues. Upon completion of such rectification works, we plan to demolish the relevant non-compliant structures accordingly, and the remaining non-compliant buildings are also scheduled for timely removal. In addition, we have completed the construction of certain other buildings which, as of the Latest Practicable Date, have not yet obtained real estate ownership certificates due to the existence of nearby non-compliant structures. These buildings will be demolished after the completion of the relevant construction and expansion projects.

The preferential tax treatments granted by the PRC government may become unavailable.

Certain of our PRC subsidiaries are subject to the PRC corporate income tax at a standard rate of 25% on their taxable income, but the Company and four of our PRC subsidiaries were accredited as "High and New Technology Enterprises," and are entitled to a preferential income tax rate of 15%. We cannot assure you that the PRC policies on preferential tax treatments will not change or that the current preferential tax treatments we enjoy or will be entitled to enjoy will not be canceled. Moreover, we cannot assure you that relevant entities will be able to renew the same preferential tax treatments upon expiration. If any such change, cancelation or discontinuation of preferential tax treatment occurs, the Company and the relevant PRC subsidiaries will be subject to the standard PRC enterprise income tax.

RISKS RELATING TO THE JURISDICTIONS IN WHICH WE OPERATE

Changes in economic, political and social conditions could have a material and adverse impact on our future prospects, business, results of operations and financial condition.

We derive revenue from and operate in multiple jurisdictions. As such, changes in any of these jurisdictions could have a material and adverse impact on our future prospects, business, results of operations and financial condition. For example, a substantial part of our revenue is derived from our businesses in the PRC during the Track Record Period. Accordingly, our future prospects, business, results of operations, and financial condition are, to a material extent, subject to economic, political and legal developments in the PRC. If the macroeconomic condition in China experiences significant adverse changes, demand for our products and our ability to maintain our operations may suffer, which could consequently lead to a material and adverse impact on our business, results of operations and financial condition. Moreover, if foreign governments implement laws or regulations restricting investment in Chinese entities and we are deemed to be subject to such restrictions, the investment and transactions in our Shares, our business prospects, results of operations, financial conditions and future capital raising may be adversely affected.

China's economy has experienced significant growth over the past decades. In recent years, the PRC government has implemented measures emphasizing the utilization of market forces in economic reform and the establishment of sound corporate governance practices in business enterprises. These economic reform measures may be adaptively adjusted from industry to industry or across different regions of the country. Changes in the business environment in China and the other jurisdictions in which we operate could have a material and adverse impact on our business, results of operations and financial condition.

Any uncertainties embedded in the legal systems of certain geographic markets where we operate could affect our business, financial condition and results of operations.

Legal systems of the geographic markets where we operate vary significantly from jurisdiction to jurisdiction. Some jurisdictions have a civil law system based on written statutes and others are based on common law. Unlike the common law system, prior court decisions under the civil law system may be cited for reference but have limited precedential value.

We are subject to certain uncertainties embedded in the legal systems of some geographic markets where we operate. Laws and regulations that are recently enacted may not sufficiently cover all aspects of economic activities in such markets. In particular, the interpretation and enforcement of these laws and regulations are subject to future implementations, and the application of some of these laws and regulations to our businesses is not settled. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the geographic markets where we operate. Local courts may have discretion to reject the enforcement of foreign awards or arbitration awards. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to

enforce our contractual rights or claims. In addition, the regulatory uncertainties may be exploited through unmerited or frivolous legal actions, claims concerning the conduct of third parties, or threats in attempt to extract payments or benefits from us.

Furthermore, many of the legal systems in the geographic markets where we operate are based in part on their respective government policies and internal rules, some of which are not published on a timely basis or at all and may have retroactive effects. There are other circumstances where key regulatory definitions are unclear, imprecise or missing, or where interpretations that are adopted by regulators are inconsistent with interpretations adopted by a court in analogous cases. As a result, we may not be aware of our violation of certain policies or rules until sometime after the violation. In addition, administrative and court proceedings in some of our geographic markets may be protracted, resulting in substantial costs and diversion of resources and management attention.

It may be complex to effect service of process upon us or our management or to enforce against them or us any judgments obtained from foreign courts.

We are a company incorporated under the PRC laws, and a majority of our assets are located in Chinese mainland. In addition, most of our Directors and senior management reside in Chinese mainland. As a result, it may be complex for investors to effect service of process outside of Chinese mainland upon us, our Directors or senior management or to enforce judgments obtained against us in courts outside Chinese mainland. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in Chinese mainland only if the jurisdiction has a treaty with Chinese mainland or if the jurisdiction has been otherwise deemed by the courts of Chinese mainland to satisfy the requirements for reciprocal recognition, subject to the satisfaction of other requirements. However, Chinese mainland is not a party to treaties providing for the reciprocal enforcement of judgments of courts with certain foreign countries such as the United States, and enforcement in Chinese mainland of judgments of a court in these jurisdictions may consequently be difficult or impossible. See "Appendix IV — Summary of Principal Laws and Regulations — Arbitration and Enforcement of Arbitral Awards" for details.

We may be subject to additional regulatory requirements under new laws and regulations on overseas offerings and listings issued by PRC government authorities.

On July 6, 2021, the relevant PRC government authorities issued the Opinions on Strictly Cracking Down Illegal Securities Activities in Accordance with the Law (《關於依法從嚴打擊 證券違法活動的意見》). These opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by China-based companies and proposed to take effective measures, such as promoting the establishment of relevant regulatory systems to deal with the risks and incidents faced by China-based overseas-listed companies. See "*Regulatory Overview — Regulations on Securities and Overseas Listing*" for further details.

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection of China, and the National Archives Administration of China published the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《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 "Archives Rules"), which came into effect on March 31, 2023. The Archives Rules require that, in relation to the overseas securities offering and listing activities of domestic enterprises, either in direct or indirect form, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, are required to strictly comply with relevant requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities. The interpretation and implementation of the Archives Rules may keep evolving, failure to comply with which may materially affect our business, results of operations or financial conditions.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with future capital raising activities.

We cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements or restrictions on us or our financing activities. If it is determined in the future that approval from or filing with the CSRC or other regulatory authorities or other procedures are required, we may fail to obtain such approval, perform such filing procedures or meet such other requirements in a timely manner or at all. We may face sanctions by the CSRC or other PRC regulatory authorities for failure to seek CSRC approval or other government authorization, or perform filing procedures, for our future financing activities, and these regulatory authorities may impose fines and penalties on us, limit our operating activities in the PRC, limit our ability to pay dividends outside the PRC, delay or restrict the repatriation of the proceeds from such future financing activities into the PRC or take other actions to restrict our financing activities, which could have a material and adverse effect on our financial conditions and business prospects.

We are subject to the currency exchange regulatory system.

The conversion of Renminbi is subject to applicable laws and regulations in the PRC. It cannot be guaranteed that under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange requirements. Under the current PRC foreign exchange regulatory system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the SAFE, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that have the licenses to carry out foreign exchange business.

Under existing foreign exchange regulations, following the completion of the Global Offering, we will be able to pay dividends in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, there is no assurance that these foreign exchange policies regarding payment of dividends in foreign currencies will continue in the future. In addition, any insufficiency of foreign exchange may restrict our ability to pay dividends to shareholders or to satisfy any other foreign exchange requirements, capitalize our capital expenditure plans, and even our results of operations, financial performance and business prospects may be affected.

We are a Chinese mainland enterprise, and we are subject to Chinese mainland tax on our global income. As such, any gains on the sales of H Shares and dividends on the H Shares may be subject to Chinese mainland income taxes.

Under the PRC EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between Chinese mainland and a non-Chinese mainland investor's jurisdiction of residence that provides for a different income tax arrangement, Chinese mainland withholding tax at the rate of 10% is normally applicable to dividends from Chinese mainland sources payable to investors that are non-Chinese mainland resident enterprises, which do not have an establishment or place of business in Chinese mainland, or which have an establishment or place of business in Chinese mainland if the relevant income is not effectively connected with such establishment or place of business. Any gains realized on the transfer of shares by such investors are subject to a 10% Chinese mainland income tax rate if such gains are regarded as income from sources within Chinese mainland unless a treaty or similar arrangement provides otherwise. See "Regulatory Overview — Tax on Dividends", "Appendix III — Taxation and Foreign Exchange — Taxation in Chinese Mainland" and "Appendix III — Taxation and Foreign Exchange — Shenzhen-Hong Kong Stock Connect Taxation Policy" for details.

As of the Latest Practicable Date, the provisions therein have not expressly provided that individual income tax shall be collected from non-Chinese mainland resident individuals on the sale of shares of Chinese mainland resident enterprises listed on overseas stock exchanges.

If Chinese mainland income tax is imposed on gains realized from the transfer of our H Shares or on dividends paid to our non-Chinese mainland resident investors, the value of your investment in our H Shares may be affected. Furthermore, our Shareholders whose jurisdictions of residence do not have tax treaties or arrangements with Chinese mainland may not qualify for benefits under such tax treaties or arrangements.

RISKS RELATING TO THE GLOBAL OFFERING

We will be concurrently subject to listing and regulatory requirements of Chinese mainland and Hong Kong.

As our A Shares are listed on the ChiNext Market of the Shenzhen Stock Exchange and our H Shares will be listed on the Main Board in Hong Kong, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in continuously complying with all sets of listing rules in the two jurisdictions.

The characteristics of the A Share and H Share markets may differ.

Our A Shares are listed and traded on the ChiNext Market of the Shenzhen Stock Exchange. Following the Global Offering, our A Shares will continue to be traded on the ChiNext Market of the Shenzhen Stock Exchange and our H Shares will be traded on the Hong Kong Stock Exchange. Under current laws and regulations of Chinese mainland, without the approval from the relevant regulatory authorities, our H Shares and A Shares are neither interchangeable nor fungible, and there is no trading or settlement between the H Share and A Share markets. With different trading characteristics, the H Share and A Share markets have divergent trading volumes, liquidity and investor bases, as well as different levels of retail and institutional investor participation. As a result, the trading performance of our H Shares and A Shares may not be comparable. Nonetheless, fluctuations in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. Due to the different characteristics of the H Share and A Share markets, the historical prices of our A Shares may not be indicative of the performance of our H Shares. You should therefore not place undue reliance on the trading history of our A Shares when evaluating the investment decision in our H Shares.

There has been no prior public market for our H Shares.

Prior to the completion of the Global Offering, there has been no public market for our H Shares. There can be no guarantee that an active trading market for our H 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 Sponsor-Overall Coordinators (for themselves 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 H Shares may drop below the Offer Price at any time after completion of the Global Offering.

The trading volume and market price of our H Shares may be volatile, which may result in substantial losses for investors subscribing for or purchasing our H Shares pursuant to the Global Offering.

The trading price of our H 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 H 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 prices 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. These factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance.

Future sales or perceived sales of substantial amounts of our Shares in the public market could negatively affect the price of our Shares and our ability to raise additional capital in the future.

The market price of our H Shares could decline as a result of future sales of a substantial number of our Shares or other securities relating to our H Shares in the public market, the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our securities, including any future offerings, could also materially and adversely affect our ability to raise capital at a specific time and on terms favorable to us. Equity-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the Shares.

You will incur immediate and significant dilution and may face further dilution if we issue additional Shares in the future.

The Offer Price of the Offer Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering. Therefore, purchasers of the Offer Shares in the Global Offering will experience an immediate dilution in pro forma consolidated net tangible asset value. To expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the Offer 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 that is lower than the net tangible asset value per Share at that time.

Our Largest Group of Shareholders have significant influence over us and their interests may not always be aligned with the interest of our other Shareholders.

Upon the completion of the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised), our Largest Group of Shareholders will be interested in and control an aggregate of approximately 28.25% of our enlarged issued share capital. Our Largest Group of Shareholders will, through their voting power at the Shareholders' meetings and their delegates or positions on the Board, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, issuance of additional H Shares or other equity securities, timing and amount of dividend payments, and our management. Our Largest Group of Shareholders may not act in the best interests of our minority Shareholders. See "*Relationship with our Largest Group of Shareholders*" for further details.

Our historical dividends may not be indicative of our future dividend policy, and we cannot assure you whether and when we will pay dividends in the future.

We have declared dividends in the past. However, we cannot assure you that dividends of any amount will be declared or distributed by us in any year in the future. Under the applicable laws and regulations of Chinese mainland, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business Enterprises may differ in certain respects from the calculation under IFRS. The declaration, payment and amount of any future dividends are at the discretion of our Directors, after taking into account various factors, including our results of operations, cash flows, capital expenditure requirements, market conditions, our strategic plans and prospects for business development, regulatory restrictions on the payment of dividends and other factors as our Directors may deem relevant, and subject to the approval at Shareholders' meeting. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the applicable laws

and regulations of Chinese mainland. See "*Financial Information — Dividend Policy*" for further details. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Payment of dividends, if any, will be subject to relevant regulations. See "Appendix III — Taxation and Foreign Exchange — Foreign Exchange Administration". Our historical dividends should not be taken as indicative of our dividend policy in the future.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the ChiNext Market of the Shenzhen Stock Exchange.

As our A Shares are listed on the ChiNext Market of the Shenzhen Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in Chinese mainland. As a result, from time to time, we publicly release information relating to us on the ChiNext Market of the Shenzhen Stock Exchange or other media outlets designated by the CSRC. However, the information announced by us in connection with our A Shares listing is based on regulatory requirements of the securities authorities, industry standards and market practices in Chinese mainland, which are different from those applicable to the Global Offering. The presentation of financial and operational information for the Track Record Period disclosed on the ChiNext Market of the Shenzhen Stock Exchange or other media outlets may not be directly comparable to the financial and operational information contained in this prospectus. As a result, prospective investors in our H Shares should be reminded that, in making their investment decisions as to whether to purchase our H Shares, they should rely only on the financial, operating and other information included in this prospectus. By applying to purchase our H Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this prospectus and any formal announcements made by us in Hong Kong with respect to the Global Offering.

Certain statistics contained in this prospectus are derived from publicly available official sources.

This prospectus, particularly the section headed "Industry Overview," contains information and statistics relating to the PCB industry in China and internationally. Such information and statistics have been derived from various official governments. We believe that the sources of such information are appropriate, and we have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. The information and statistics from official government sources have not been independently verified by the Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Markets Intermediaries any of our or their respective Directors, executive officers or representatives or any other person involved in the Global Offering and no representation is given as to their 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, 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.

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 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, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the

Underwriters, the Capital Markets Intermediaries 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. Accordingly, prospective investors should not rely on any such information or publication in making their decision whether to invest in our H Shares. Prospective investors are reminded that, in making their investment decisions as to whether to purchase our Shares, they should rely only on the financial, operational, and other information included in this prospectus. By applying to purchase our H Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this prospectus.

In preparation for the Global Offering, our Company has sought and has been granted the following waivers from strict compliance with the relevant provisions of the Listing Rules.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our management, business operations and assets are primarily located outside of Hong Kong. The principal management headquarters of our Group are primarily based in the PRC. Our Company considers that our Group's management is best able to attend to its functions by being based in the PRC. None of our executive Directors is or will be ordinarily resident in Hong Kong after the Listing. Our Directors consider that relocating our executive Directors to Hong Kong would be burdensome and costly for our Company, and it may not be in the best interests of our Company and our Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong. As such, we do not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong to satisfy the requirements under Rule 8.12 and Rule 19A.15 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 the requirements under Rule 8.12 and Rule 19A.15 of the Listing Rules, provided that our Company implements the following arrangements:

(1) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives appointed are Mr. Zhao Qixiang (趙啟祥) and Ms. Lin Sio Ngo (練少娥) ("**Ms. Lin**"). Ms. Lin is situated and based in Hong Kong. Each of our authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email;

(2) As and when the Stock Exchange wishes to contact our Directors on any matters, each of our authorized representatives has the means to contact all of our Directors (including the independent non-executive Directors) promptly at all times;

(3) Each Director who is not ordinary resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and is able to meet with the Stock Exchange within a reasonable period of time, when required;

(4) We have appointed China Securities (International) Corporate Finance Company Limited as our compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, who will have access at all times to our authorized representatives, Directors and senior management, and will act as an additional channel of communication between the Stock Exchange and us; and

(5) We have provided the Authorized Representatives and the Stock Exchange with the contact details of each Director (including their respective mobile phone number, office phone number, e-mail address and fax number (as applicable)).

Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives, the Directors and/or the compliance adviser in accordance with the Listing Rules.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, our company secretary must be an individual who by virtue of his or her academic or professional qualifications or relevant experience is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that 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).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Hong Kong Stock Exchange considers the following factors in assessing the "relevant experience" of the individual:

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

(b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the 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.

Our Company has appointed Ms. Zhu Xiyao (朱溪瑤) ("**Ms. Zhu**"), secretary to the Board and vice president of our company, as one of our joint company secretaries, considering her past working experiences within our Group and her thorough understanding of our internal administration, business operations and corporate culture. As such, although Ms. Zhu does not possess the specified qualifications strictly required by Rule 3.28 of the Listing Rules, our Directors believe that Ms. Zhu is capable of discharging the functions of a joint company secretary with the assistance of Ms. Lin Sio Ngo (練少娥), who meets the requirements under Rule 3.28 of the Listing Rules and has been appointed to act as the other joint company secretary and to assist Ms. Zhu in the compliance matters for the Listing as well as other Hong Kong regulatory requirements for an initial period of three years from the Listing. Over such period, we will implement the following measures to assist Ms. Zhu to satisfy the requisite qualifications as prescribed in Rules 3.28 and 8.17 of the Listing Rules:

(a) Ms. Lin will assist Ms. Zhu so as to enable her to discharge her duties and responsibilities as a joint company secretary. Given Ms. Lin's relevant experiences, she will be able to advise both Ms. Zhu and us on the relevant requirements of the Listing Rules as well as other applicable laws and regulations in Hong Kong;

(b) Ms. Zhu will be assisted by Ms. Lin for an initial period of three years commencing from the Listing, which should be sufficient for her to acquire the requisite knowledge and experience under Rule 3.28 of the Listing Rules;

(c) we will ensure that Ms. Zhu has access to the relevant trainings and support to enable her to familiarize with the Listing Rules and the duties required of a company secretary of an issuer, and Ms. Zhu has undertaken to attend such trainings;

(d) Ms. Lin will communicate with Ms. Zhu on a regular basis regarding matters in relation to corporate governance, the Listing Rules as well as other applicable laws and regulations in Hong Kong which are relevant to our operations and affairs. Ms. Lin will work closely with, and provide assistance to Ms. Zhu with a view to discharging her duties and responsibilities as a company secretary, including but not limited to organizing the Board meetings and Shareholders' meetings; and

(e) pursuant to Rule 3.29 of the Listing Rules, Ms. Lin and Ms. Zhu will also attend in each financial year no less than 15 hours of relevant professional training courses to familiarize themselves with the requirements of the Listing Rules and other legal and regulatory requirements of Hong Kong. Both Ms. Lin and Ms. Zhu will be advised by our legal advisors as to Hong Kong laws and our compliance advisor as and when appropriate and required.

Accordingly, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules, for an initial period of three years from the Listing (the "**Waiver Period**"). Pursuant to paragraph 13 under Chapter 3.10 of the Guide for New Listing Applicants, the waiver is granted on the conditions: (1) our Company appoints Ms. Lin, who meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as a joint company secretary, to assist Ms. Zhu in discharging her functions as a joint company secretary and in gaining the relevant experience as required under Rule 3.28 of the Listing Rules; and (ii) the waiver will be revoked immediately if Ms. Lin, during the three-year period, ceases to provide assistance to Ms. Zhu, or if there are material breaches of the Listing Rules by our Company. Before the end of the three-year period, we will conduct a further evaluation of the qualification and experience of Ms. Zhu to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied, and we will demonstrate to and seek the Stock Exchange's confirmation that Ms. Zhu, having had the benefit of Ms. Lin's assistance for three years, has acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver would not be necessary. For more details of Ms. Lin and Ms. Zhu's biographies, please refer to the section headed "Directors and Senior Management".

ALLOCATION OF H SHARES TO EXISTING MINORITY SHAREHOLDERS AND THEIR CLOSE ASSOCIATES

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the following conditions in Rule 10.03 of the Listing Rules are fulfilled. It is provided in Rule 10.03(1) of the Listing Rules that no securities may be offered to existing shareholders on a preferential basis and no preferential treatment may be given to them in the allocation of the securities; and in Rule 10.03(2) of the Listing Rules that the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules must be achieved.

Paragraph 1C(2) of Appendix F1 to the Listing Rules provides that, without the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees, unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

Chapter 4.15 of the Guide for New Listing Applicants provides that the Stock Exchange will consider granting a waiver from Rule 10.04 of the Listing Rules and a consent, pursuant to paragraph 1C(2) of Appendix F1 to the Listing Rules, to allow a listing applicant's existing shareholders or their close associates to participate in its initial public offering if any actual or perceived preferential treatment arising from their ability to influence the listing applicant during the allocation process can be addressed.

Our A Shares have been listed on the ChiNext Market of Shenzhen Stock Exchange (stock code: 300476) since June 11, 2015. As such, our A Shares are widely held and actively traded, and it would be unduly burdensome for our Company to seek the prior consent of the Stock Exchange for each of the minority existing Shareholders or their close associates who subscribe for the H Shares in the Global Offering.

We have applied to the Stock Exchange for, and the Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 10.04 of, and a consent under Paragraph 1C(2) of Appendix F1 to, the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders who (i) hold less than 5% of the total number of A Shares in issue of our Company prior to the completion of the Global Offering; and (ii) are not and will not become (upon the completion of the Global Offering) core connected persons (as defined in the Listing Rules) of our Company or the close associates of any such core connected person (together, the "**Existing Minority Shareholders**," and each an "**Existing Minority Shareholder**") on the following conditions:

(i) each Existing Minority Shareholder to whom our Company may allocate the H Shares in the International Offering holds less than 5% of the total number of A Shares in issue of our Company prior to the completion of the Global Offering;

(ii) each Existing Minority Shareholder is not, and will not be, a core connected person of our Company or any close associate of any such core connected person immediately prior to or following the Global Offering;

(iii) none of the Existing Minority Shareholders has the right to appoint any Directors and/or any other special rights;

(iv) allocation to the Existing Minority Shareholders and/or their close associates will not affect our Company's ability to satisfy the public float requirement as prescribed under Rule 8.08 (as amended and replaced by Rule 19A.13A) of the Listing Rules;

(v) the Joint Sponsors confirm to the Stock Exchange in writing that based on (i) their discussions with our Company and the Overall Coordinators; and (ii) the confirmations provided to the Stock Exchange by our Company and the Overall Coordinators (confirmations (vi) and (vii) mentioned below), and to the best of their knowledge and belief, they have no reason to believe that any of the Existing Minority Shareholders or their close associates received any preferential treatment, or is in a position to exert influence on our Company to obtain actual or perceived preferential treatment in the allocation either as a cornerstone investor or as a placee by virtue of their relationship with our Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, and details of the allocation to the Existing Minority Shareholders holding more than 1% of the issued share capital of our Company immediately prior to the completion of the Global Offering will be disclosed in this prospectus and/or the allotment results announcement, as the case may be;

(vi) our Company confirms to the Stock Exchange in writing that:

a. in the case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company, other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants, nor is the Existing Minority Shareholder in a position to exert influence on our Company to obtain actual or perceived preferential treatment, and the Existing Minority Shareholders or their close associates' cornerstone investment agreements do not contain any material terms which are more favorable to the Existing Minority Shareholders or their close associates than those in other cornerstone investment agreements; or

b. in the case of participation as placees, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates, nor is the Existing Minority Shareholder in a position to exert influence on our Company to obtain actual or perceived preferential treatment, by virtue of their relationship with our Company in any allocation in the placing tranche; and

(vii) the Overall Coordinators confirm to the Stock Exchange that, to their best knowledge and belief, no preferential treatment has been, nor will be, given to the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company in any allocation in the placing tranche, other than the assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants.

WAIVER IN RESPECT OF ALLOCATIONS TO ELIGIBLE DIRECTOR PARTICIPANTS, EXISTING SHAREHOLDER EMPLOYEE PARTICIPANTS AND RESTRICTIONS ON DEALINGS IN SECURITIES BY CORE CONNECTED PERSONS DURING THE LISTING APPLICATION PROCESS

Rule 10.03 of the Listing Rules provides that directors of the listing applicant and their close associates may only subscribe for or purchase securities for which listing is sought which are being marketed by or on behalf of a new applicant if (1) no securities are offered to them on a preferential basis and no preferential treatment is given to them in the allocation of the securities and (2) the minimum prescribed percentage of the public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions set out in Rules 10.03(1) and (2) of the Listing Rules are fulfilled.

Rule 9.09(b) of the Listing Rules provides that in the case of a new applicant, there must be no dealing in the securities for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted.

Paragraph 1C(2) of Appendix F1 to the Listing Rules provides that, without the prior consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

We have applied for, and the Stock Exchange has granted, (i) a waiver from strict compliance with Rule 10.03 of and a consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules in relation to the subscription of the PRC Employee Reserved Shares by the Eligible Director Participants; (ii) a waiver from strict compliance with Rule 10.04 of and a consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules in relation to the subscription of the PRC Employee Reserved Shares by the Existing Shareholder Employee Participants; and (iii) a waiver from strict compliance with Rule 9.09(b) of the Listing Rules in relation to the subscription of the Employee Reserved Shares by Eligible Core Connected Person Participants, on the basis that, among other things, (i) the maximum subscription amount of the Offer Shares that any individual PRC Eligible Employee may indirectly apply for under the PRC Employee Preferential Offering will be limited to 1.44% of the Offer Shares available for subscription under the PRC Employee Preferential Offering; (ii) Eligible Core Connected Person Participants (including Eligible Director Participants) and Eligible Existing Shareholder Employee Participants are eligible for the Employee Preferential Offering by virtue of their capacity as employees and not core connected persons, directors or existing shareholders of the Company; (iii) there is no preferential treatment to Eligible Core Connected Person Participants (including Eligible Director Participants) compared to Eligible Employees; (iv) there is no preferential treatment to Existing Shareholder Employee Participants

compared to other Eligible Employees; (v) the Company is able to satisfy the public float requirement under the Listing Rules notwithstanding participation by the Eligible Core Connected Person Participants in the Employee Preferential Offering and (vi) the Eligible Core Connected Person Participants and Eligible Existing Shareholder Employee Participants will only participate in the Global Offering through the subscription of the Employee Reserved Shares under the Employee Preferential Offering and will not subscribe for the Company's H Shares in the Global Offering through any other channels.

For further information, see "Structure of the Global Offering — The Overseas Employee Preferential Offering" and "Structure of the Global Offering — The PRC Employee Preferential Offering" in this prospectus.

DISCLOSURE OF OFFER PRICE

Paragraph 15(2)(c) of Appendix D1A to the Listing Rules provides that the issue price or offer price of each security must be disclosed in the prospectus. Pursuant to Paragraph 12 of the Guide, the Stock Exchange also allows an indicative offer price range to be included in the prospectus, as an alternative to the disclosure of a fixed offer price.

We have applied to the Stock Exchange a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules so that the Company will only disclose the maximum Offer Price in this prospectus on the below basis:

(a) The Offer Price will be determined with reference to, among other factors, the closing price of the Company's A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date;

(b) Setting a fixed offer price or an offer price range with a low-end may adversely affect our ability to price our H Shares in the best interests of our Shareholders and the market price of the A Shares and the Hong Kong Offer Shares;

(c) Pursuant to paragraphs 9 and 10(b) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the amount payable on application and allotment on each share, and the price to be paid for shares subscribed for, shall be specified in the prospectus, respectively. Disclosure of a maximum Offer Price complies with the requirements prescribed under paragraphs 9 and 10(b) of Part A the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance by providing a clear indication of the maximum subscription consideration a potential investor shall pay for the Offer Shares; and

(d) A maximum Offer Price will be disclosed in this prospectus. This alternative disclosure approach would not prejudice the interests of the investing public in Hong Kong.

The Stock Exchange has granted to us a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules on the conditions that this prospectus will disclose:

(a) the maximum Offer Price;

(b) the time for the determination of the Offer Price and the form of its publication;

(c) the historical prices of the Company's A Shares and trading volume on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date;

(d) the determinants of the final Offer Price; and

(e) the source for investor to access the latest market price of the Company's A Shares.

See "*Structure of the Global Offering — Pricing and Allocation — Determining the Pricing of the Offer Shares*" in this prospectus for the historical prices of our A Shares and trading volume on the Shenzhen Stock Exchange.

WAIVER IN RESPECT OF POST-TRACK RECORD PERIOD ACQUISITIONS

Rules 4.04(2) and 4.04(4)(a) of the Listing Rules require that the new applicant include in its accountant's report the income statements and balance sheet, respectively, of any business or subsidiary acquired, agreed to be acquired or proposed to be acquired, since the date to which the latest audited financial statements of the issuer have been made up, in respect of each of the three financial years immediately preceding the issue of the listing document, or in respect of each of the financial years since commencement of such business or the incorporation or other establishment of such subsidiary (as the case may be) if this occurred less than three years prior to such issue or such shorter period as may be acceptable to the Stock Exchange. For the purpose of Rules 4.04(2) and 4.04(4) of the Listing Rules, "acquisition of business" includes acquisition of associates and any equity interest in another company.

Investment of Minority Interest in Han's CNC

After the Track Record Period, Hongxing International Technology Limited (宏興國際科技有限公司) ("**Hongxing International**"), our wholly-owned subsidiary, as a cornerstone investor in the global offering of Shenzhen Han's CNC Technology Co., Ltd. (深圳市大族數控科技股份有限公司) ("**Han's CNC**"), a joint stock company established in the PRC and whose H shares are listed on Main Board of the Hong Kong Stock Exchange (stock code: 3200), conducted a minority investment in Han's CNC. According to the cornerstone investment agreement entered into among, *inter alia*, Hongxing International and Han's CNC on January 27, 2026 and the allotment results announcement of Han's CNC published on February 5, 2026, we were allotted 4,884,200 offer shares of Han's CNC (representing approximately 1.03% of Han's CNC's total issued share capital upon the completion of its global offering) for a consideration of US$60,000,000. The consideration is based on the offer price of H shares of Han's CNC. The completion of global offering of Han's CNC took place on February 6, 2026 and the consideration was settled on the same date.

Han's CNC is a specialized printed circuit board equipment solution provider in China. We believe that the subscription of a minority interest in Han's CNC would enhance our strategic relationship with Han's CNC after its global offering on the Hong Kong Stock Exchange. Our Directors believe that the terms of the subscription of minority interests in Han's CNC are fair and reasonable and in the interests of the Shareholders as a whole.

According to the audited financial statements of Han's CNC, the total assets of Han's CNC amounted to RMB10,615.03 million as of December 31, 2025, and it recorded revenue of approximately RMB5,772.94 million as of December 31, 2025 and profit before tax of RMB931.34 million for the same year.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as of the Latest Practicable Date, the controlling shareholders of Han's CNC and their respective ultimate beneficial owners were independent third parties.

Investment of Minority Interest in Xi'an Taijin

We, as a placee in the initial public offering of Xi'an Taijin New Energy & Materials Sci-Tech Co., Ltd. (西安泰金新能科技股份有限公司) ("**Xi'an Taijin**") on the Shanghai Stock Exchange, committed to minority investment in Xi'an Taijin, a joint stock company established in the PRC, for a consideration of approximately RMB41.23 million, which is subject to potential adjustment based on the offering results of Xi'an Taijin. Pursuant to Xi'an Taijin, we were allotted 2,020,303 shares to be offered by Xi'an Taijin (representing approximately 1.26% of Xi'an Taijin's total issued share capital upon the completion of its initial public offering). The initial public offering of Xi'an Taijin was completed on March 31, 2026. The consideration was fully settled on the same date.

Xi'an Taijin is a high-tech enterprise specializing in cutting-edge production of industrial equipment and materials. Its products are widely applied in the fields of new energy, telecommunications and aviation, among others. We believe that the subscription of a minority interest in Xi'an Taijin would facilitate both parties in leveraging their respective platforms and resource advantages to achieve mutual benefit.

According to the unaudited financial statements of Xi'an Taijin, its total assets amounted to approximately RMB3,272.30 million as of December 31, 2025. According to its audited financial statements, it recorded revenue of approximately RMB2,394.89 million as of December 31, 2025 and profit before tax of RMB224.44 million for the same year.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as of the Latest Practicable Date, the controlling shareholder of Xi'an Taijin and its ultimate beneficial owners were independent third parties.

Investment of Minority Interest in Company H

After the Track Record Period, Hongxing International, our wholly-owned subsidiary, as a cornerstone investor in the global offering of Company H, a joint stock company established in the PRC and whose H shares are to be listed on Main Board of the Hong Kong Stock Exchange, conducted a minority investment in Company H. According to the cornerstone investment agreement to be entered into among, inter alia, Hongxing International and Company H in April 2026, we will be allotted no more than 0.2% of Company H's total issued share capital upon the completion of its global offering, subject to the final allotment results, for a consideration of US$10,000,000. Such consideration is determined by reference to the expected offer price of H Shares of Company H. Company H's global offering is expected to complete in April 2026, with the consideration to be settled on the same completion date.

Company H is a smart product platform which sells a diverse range of smart products, covering mobile terminals, computing and data center business, AIoT, and innovative business, to global technology companies. We believe that the subscription of a minority interest in Company H would enhance our strategic relationship with Company H after its global offering on the Hong Kong Stock Exchange. Our Directors believe that the terms of the subscription of minority interests in Company H are fair and reasonable and in the interests of the Shareholders as a whole.

According to the audited financial statements of Company H, the total assets of Company H amounted to RMB96,205.63 million as of December 31, 2025, and it recorded revenue of approximately RMB171,436.93 million as of December 31, 2025 and profit before tax of RMB4,475.93 million for the same year.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as of the Latest Practicable Date, the controlling shareholders of Company H and their respective ultimate beneficial owners were independent third parties.

Acquisition of Company X

After the end of Track Record Period, we propose to acquire the entire equity interest in Company X from its parent company for an estimated consideration expected to be approximately RMB240 million, which is expected to complete around May 2026. The basis of consideration will be determined after arm's length negotiations between the parties with reference to, among others, the audit and/or appraisal results of Company X, and the final bidding results of the acquisition. As of the Latest Practicable Date, no definitive equity purchase agreement has been entered into yet and the acquisition would be subject to completion of stipulated procedures in the PRC.

Company X is principally engaged in property leasing. Upon completion of the acquisition of Company X, the Company will integrate the properties owned by it into its existing operations. This integration will create greater production capacity for the Company. Our Directors believe that the terms of the acquisition of Company X are fair and reasonable and in the interests of the Shareholders as a whole.

According to the audited financial statements of Company X, the total assets of Company X amounted to RMB184.11 million as of October 31, 2025, and it recorded revenue of approximately RMB17.06 million as of December 31, 2024 and profit before tax of RMB3.10 million for the same year.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as of the Latest Practicable Date, the controlling shareholder of Company X and its ultimate beneficial owners were independent third parties.

Conditions to the waivers granted by the Stock Exchange

We have applied to the Hong Kong Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 4.04(2) and 4.04(4) of the Listing Rules in respect of the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X on the following grounds:

1. *The applicable percentage ratios of the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition Company X are each less than 5% on an individual basis and also less than 5% when aggregated by reference to the most recent financial year of the Company's Track Record Period*

The applicable percentage ratios for the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X are each less than 5% on an individual basis and also less than 5% when aggregated by reference to the most recent financial year of the Company's Track Record Period. Accordingly, we consider that the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X are immaterial and will not have any material effect on the financial condition of the Group.

2. *The historical financial information of Han's CNC, Xi'an Taijin, Company H and Company X is not available or would be unduly burdensome to obtain or prepare*

Upon the completion of the subscription of shares, the Company will only held approximately 1.03%, 1.26% and 0.2% of the equity interests in Han's CNC, Xi'an Taijin and Company H, respectively, which are not consolidated into the financials of the Company. Han's CNC, Xi'an Taijin and Company H have already publicly disclosed their financial information in their respective prospectus for the investors. We do not have control or influence over Han's CNC, Xi'an Taijin and Company H. Although we are acquiring entire equity interests of Company X, as of the Latest Practicable Date, we have not obtained control over Company X. Therefore, we are unable to compel Han's CNC, Xi'an Taijin, Company H and Company X to: (i) grant our reporting accountants full access to their historical financial information; (ii) provide sufficient opportunities for them to fully familiarize themselves with the respective management and accounting policies; or (iii) compile the necessary financial information and supporting documents for disclosure in our prospectus. As such, we believe that it would be impractical and unduly burdensome for us to disclose the audited financial information of Han's CNC, Xi'an Taijin, Company H and Company X in the prospectus as required under Rule 4.04(2) and Rule 4.04(4)(a) of the Listing Rules.

In addition, considering that the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X are immaterial and are not expected to have any material effect on the financial condition of the Group, it would not be meaningful and would be unduly burdensome for us to prepare and include the financial information of Han's CNC, Xi'an Taijin, Company H and Company X during the Track Record Period in our prospectus.

3. Alternative disclosure in this prospectus

We have provided alternative information in this prospectus in connection with the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X required for the announcement of a discloseable transaction under Rules 14.58 and 14.60 of the Listing Rules including, among other things, (i) reasons for subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X, (ii) details of the subscription and acquisition and the description of their respective principal businesses of Han's CNC, Xi'an Taijin, Company H and Company X, (iii) the recent financials of Han's CNC, Xi'an Taijin, Company H and Company X. Since the applicable percentage ratios for the subscription of minority interests in Han's CNC, Xi'an Taijin and Company H and the acquisition of Company X are significantly less than 5% by reference to the most recent financial year of the Company's Track Record Period, the Company believes that the current disclosure in the prospectus is adequate for potential investors to form an informed assessment of the Group.

For the avoidance of doubt, the identities of Company H and Company X are not disclosed in this prospectus because (i) given that we have not yet entered into a formal sale and purchase agreement with respect to subscription of minority interests in Company H and the acquisition of Company X as of the Latest Practicable Date, disclosure of the names of Company H and Company X in this prospectus is commercially sensitive and may jeopardize our ability to consummate the proposed investment (including, for example, as a result of our competitors approaching the target with alternative investment proposals after seeing its name disclosed in this prospectus) and we are subject to confidentiality obligations and we do not have consent from the other parties for such disclosure; (ii) given the competitive nature of the industry in which we operate, it is commercially sensitive to disclose the identities of Company H and Company X to avoid the competitors of us anticipating our plans of business growth; and (iii) we are not required to disclose any other information of subscription of minority interests in Company H and the acquisition of Company X at this stage under the CSRC rules and the rules of Shenzhen Stock Exchange.

CONSENT IN RESPECT OF THE PROPOSED SUBSCRIPTION OF H SHARES BY EVERBRIGHT WEALTH MANAGEMENT, LUHUA DAOSHENG AND HUIZHOU HUILIAN THROUGH GF SECURITIES AM

Paragraph 1C(1) of Appendix F1 to the Listing Rules provides that no allocations will be permitted to "connected clients" of the overall coordinator(s), any syndicate member(s) (other than the overall coordinator(s)) or any distributor(s) (other than syndicate member(s)), without the prior written consent of the Stock Exchange.

Paragraph 1B(7) of the Appendix F1 to the Listing Rules states that "connected client" in relation to an exchange participant means any client which is a member of the same group of companies as such exchange participant.

For the purpose of the cornerstone investments, (i) Everbright Wealth Management has engaged GF Securities AM, an asset manager that is a qualified domestic institutional investor as approved by the relevant PRC authority, in the name of GF Asset Management Guangshi

Selective Strategy No. 1 Collective Asset Management Plan (廣發資管光石精選策略1號集合資產管理計劃) to subscribe for and hold such Offer Shares on a non-discretionary basis on behalf of Everbright Wealth Management; (ii) Luhua Daosheng has engaged GF Securities AM, an asset manager that is a qualified domestic institutional investor as approved by the relevant PRC authority, in the name of GF Asset Management Hong Kong Equity Diversified Strategy No. 16 Single Asset Management Plan (廣發資管港股多元策略16號單一資產管理計劃) to subscribe for and hold such Offer Shares on a non-discretionary basis on behalf of Luhua Daosheng; and (iii) Huizhou Huilian has engaged GF Securities AM, an asset manager that is a qualified domestic institutional investor as approved by the relevant PRC authority, in the name of GF Asset Management Hong Kong Equity Diversified Strategy No. 9 Single Asset Management Plan (廣發資管港股多元策略9號單一資產管理計劃) to subscribe for and hold such Offer Shares on a non-discretionary basis on behalf of Huizhou Huilian. The full economic interests of the Offer Shares will be ultimately passed to each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian.

GF Securities (Hong Kong) Brokerage Limited ("**GF Securities (Hong Kong) Brokerage**") has been appointed as one of the Sponsor-Overall Coordinators, Overall Coordinators and Underwriters. GF Securities AM is a direct wholly-owned subsidiary of GF Securities Co., Ltd. (Stock Code: 1776) ("**GF Securities**") and GF Securities (Hong Kong) Brokerage is an indirect wholly-owned subsidiary of GF Securities. Each of GF Securities AM and GF Securities (Hong Kong) Brokerage is a member of the same group of companies. As a result, GF Securities AM is a connected client of GF Securities (Hong Kong) Brokerage for the purpose of paragraph 1B(7) of Appendix F1 to the Listing Rules.

We have applied for, and the Stock Exchange has granted, a consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to permit each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) to participate in the Global Offering as a cornerstone investor on the following basis and conditions as set out in Paragraph 6 of Chapter 4.15 of the Guide for New Listing Applicants:

(a) any Offer Shares to be allocated to each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) will be held on behalf of independent third parties;

(b) the cornerstone investment agreements with each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) do not contain any material term which is more favorable to Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) and GF Securities AM than those in other cornerstone investment agreements;

(c) no preferential treatment has been, nor will be, given to each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) by virtue of its relationship with GF Securities (Hong Kong) Brokerage in any allocation of Offer Shares in the International Offering other than the assured entitlement for the cornerstone investors;

(d) GF Securities (Hong Kong) Brokerage has not participated and will not participate in the decision-making process or relevant discussions relating to allocation of Offer Shares to each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager);

(e) GF Securities AM confirms that to the best of its knowledge and belief, each of Everbright Wealth Management, Luhua Daosheng and Huizhou Huilian (through GF Securities AM as the asset manager) has not received and will not receive preferential treatment in the allocation of Offer Shares in the Global Offering by virtue of its relationship with GF Securities (Hong Kong) Brokerage other than the assured entitlement for the cornerstone investors;

(f) each of the Company, the Overall Coordinators, GF Securities AM and GF Securities (Hong Kong) Brokerage has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide for New Listing Applicants; and

(g) details of the cornerstone investments and details of the allocations will be disclosed in this prospectus and the allotment results announcement of the Company.

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 the 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 FILINGS

We have filed the required documents with the CSRC, and we have received a filing notice from the CSRC dated March 6, 2026, confirming our completion of the filing procedures pursuant to the new filing regime introduced by the new regulations on filing for the Global Offering and the application for listing of the H Shares on the Hong Kong Stock Exchange.

INFORMATION ON THE 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 contains the terms and conditions of the Hong Kong Public Offering. The Global Offering comprises the Hong Kong Public Offering of initially 8,334,800 Offer Shares and the International Offering of initially 75,013,200 Offer Shares (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and subject, in each, to reallocation on the basis as set out in "Structure of the Global 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 in this prospectus. 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 in this prospectus must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of our or their affiliates or any of their respective directors, officers, employees, partners, representatives, advisers or agents or any other persons or parties involved in the Global Offering.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, constitute any implication that there has been no change in our affairs since the date of this prospectus or that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Sponsor-Overall Coordinators. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement, subject to agreement on the Offer Price between the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong 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, subject to agreement on the Offer Price.

See the section headed "*Underwriting*" in this prospectus for further information about the Underwriters and the underwriting arrangements.

PROCEDURE FOR APPLICATION FOR HONG KONG OFFER SHARES

The application procedures for the Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, and the arrangements relating to the Offer Size Adjustment Option and the Over-allotment Option and stabilization are set out in the sections headed "Underwriting" and "Structure of the Global Offering" in this prospectus.

SELLING RESTRICTIONS ON OFFERS AND SALE OF THE OFFER 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 the Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on offers and sales of the Hong Kong Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose 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 and sale 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 pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Hong Kong Offer Shares have not been publicly offered, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option). Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence on Tuesday, April 21, 2026. Except as otherwise disclosed in this prospectus, no part of our share or debt securities is listed on or dealt in on the Hong Kong Stock Exchange or any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

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 H Shares on the Hong Kong 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 the Company by or on behalf of the Hong Kong Stock Exchange.

The H Shares will be traded in board lot of 100 H Shares. The stock code of the H Shares is 2476.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares on the Hong Kong Stock Exchange and our compliance with the stock admission requirements of HKSCC, our H 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 our H Shares on the Hong Kong Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong 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 the HKSCC Operational Procedures in effect from time to time.

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

REGISTER OF MEMBERS AND STAMP DUTY

All of the H Shares issued pursuant to applications made in the Global Offering will be registered on our H Share register of members to be maintained in Hong Kong by our H Share Registrar, Computershare Hong Kong Investor Services Limited. Our principal register of members will be maintained by us at our headquarters in the PRC.

Dealings in the H Shares registered in our H Share register will be subject to Hong Kong stamp duty. For further details on Hong Kong stamp duty, please seek professional tax advice.

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of our H Shares will be paid to the Shareholders as recorded on the H Share register of the Company in Hong Kong and sent by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder of our Company.

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, purchasing, holding or disposing of, and dealing in, the H Shares or exercising any rights attached to them. It is emphasized that none of us, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of our or their affiliates or any of our or their respective directors, officers, employees, partners, representatives, advisers or agents or any other persons or parties involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding, disposal of or dealing in, the H Shares or exercising any rights attached to them.

LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, this prospectus shall prevail. For ease of reference, the names of the Chinese laws and regulations, government authorities, institutions, natural persons or other entities (including certain of our subsidiary) have been included in this prospectus in both the Chinese and English languages, and the Chinese version shall prevail in the event of any inconsistency.

ROUNDING

Certain amounts and percentage figures, such as share ownership and operating data, included in this prospectus may 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, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

CURRENCY TRANSLATIONS

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars.

Unless otherwise specified, this prospectus contains certain translations for the convenience purposes at the following rates: Renminbi into Hong Kong dollars at the rate of HK$1.00 to RMB0.87945, Renminbi into U.S. dollars at the rate of US$1.00 to RMB6.89290 and Hong Kong dollars into U.S. dollars at the rate of US$1.00 to HK$7.83774.

No representation is made that any amounts in Renminbi, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rate or any other rates or at all.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Chen Tao (陳濤)	T32, Block 3, T South, Chunshui'an Phase 5, No. 1 Xiangshan Middle Street, Nanshan District, Shenzhen, Guangdong Province, the PRC	Chinese
Mr. Zhao Qixiang (趙啟祥)	Room 103, Building 1222, No. 388 Huibo Avenue, Xiaojinkou Sub-district Office, Huicheng District, Huizhou, Guangdong Province, the PRC	Chinese
Mr. Chen Yong (陳勇)	No. 01, Building 18, Wanshang Garden, No. 28 Sanhuan South Road, Huicheng District, Huizhou, Guangdong Province, the PRC	Chinese
Ms. Wang Haiyan (王海燕)	Room 902, Building 16, No. 33 Pingsha Shengping Avenue East, Qianwu Town, Doumen District, Zhuhai, Guangdong Province, the PRC	Chinese
Non-Executive Director		
Ms. Liu Chunlan (劉春蘭)	T32, Block 3, T South, Chunshui'an Phase 5, No. 1 Xiangshan Middle Street, Nanshan District, Shenzhen, Guangdong Province, the PRC	Chinese
Independent Non-Executive Directors		
Mr. Xie Lanjun (謝蘭軍)	Room 22D, Building 3, Jiariwan Huating, No. 8 Shahe Chaozhou West Street, Nanshan District, Shenzhen, Guangdong Province, the PRC	Chinese

Name	Address	Nationality
Dr. Xie Lingmin (謝玲敏)	Room 820, Mingde Building (School of Economics), Lihu Campus, Shenzhen University, Shenzhen, Guangdong Province, the PRC	Chinese
Dr. Zhang Jihai (張繼海)	18D, Block 10, Sangtai Danhuayuan, Taoyuan Street, Nanshan District, Shenzhen, Guangdong Province, the PRC	Chinese
Mr. Wong Ting Chung (王庭聰) *BBS, JP*	Flat A, 15/F, Tower 2 Mayfair by the Sea I 23 Fo Chun Road Pak Shek Kok Tai Po New Territories, Hong Kong	Chinese

For further details, please refer to the section headed "Directors and Senior Management".

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**J.P. Morgan Securities (Far East) Limited** 28/F, Chater House, 8 Connaught Road Central, Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square, 8 Connaught Place Central, Hong Kong
	GF Capital (Hong Kong) Limited 27/F, GF Tower, 81 Lockhart Road, Wan Chai, Hong Kong
Sponsor-Overall Coordinators	**J.P. Morgan Securities (Asia Pacific) Limited** 28/F, Chater House, 8 Connaught Road Central, Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square, 8 Connaught Place Central, Hong Kong
	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower, 81 Lockhart Road, Wan Chai, Hong Kong
Overall Coordinators	**J.P. Morgan Securities (Asia Pacific) Limited** 28/F, Chater House, 8 Connaught Road Central, Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square, 8 Connaught Place Central, Hong Kong
	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower, 81 Lockhart Road, Wan Chai, Hong Kong

	ABCI Capital Limited 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	China International Capital Corporation Hong Kong Securities Limited 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries	**J.P. Morgan Securities (Asia Pacific) Limited** 28/F, Chater House, 8 Connaught Road Central, Hong Kong
	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square, 8 Connaught Place Central, Hong Kong
	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower, 81 Lockhart Road, Wan Chai, Hong Kong
	ABCI Capital Limited (acting as Joint Global Coordinator, Joint Bookrunner and Capital Market Intermediary) 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	ABCI Securities Company Limited (acting as Joint Lead Manager and Capital Market Intermediary) 10/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	China International Capital Corporation Hong Kong Securities Limited 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
	Huatai Financial Holdings (Hong Kong) Limited 62/F, The Center 99 Queen's Road Central Hong Kong

Legal Advisors to the Company

As to Hong Kong laws:

Jun He Law Offices
7/F, AIA Central
1 Connaught Road Central
Central
Hong Kong

As to PRC laws and PRC's data privacy and cybersecurity law:

JunHe LLP
25-28/F,
HKRI Centre One,
HKRI Taikoo Hui,
288 Shimen Road (No. 1),
Shanghai, PRC

As to U.S. laws:

Cleary Gottlieb Steen & Hamilton (Hong Kong)
37/F, Hysan Place
500 Hennessy Road
Causeway Bay
Hong Kong

As to Malaysian law:

Robin Lynn & Lee (in collaboration with DFDL)
B23-8, Level 23, Tower B
Vertical Business Suite
Jalan Kerinchi, Bangsar South
59200 Kuala Lumpur
Malaysia

As to Singaporean law:

CHP LAW LLC
16 Collyer Quay
#31-00
Collyer Quay Centre
Singapore 049318

As to laws of Thailand:

DFDL (Thailand) Limited
No. 3, Rajanakarn Building
AA Floor, South Sathorn Road
Yannawa Sub-District
Sathorn District
Bangkok 10120
Thailand

Legal Advisors to the Joint Sponsors and the Underwriters	*As to Hong Kong and U.S. laws:* **Freshfields** 55th Floor, One Island East Taikoo Place, Quarry Bay Hong Kong *As to PRC laws:* **Jingtian & Gongcheng** 34th Floor, Tower 3 China Central Place 77 Jianguo Road Chaoyang District Beijing, PRC
Auditor and Reporting Accountants	**BDO Limited** *Certified Public Accountants* 25th Floor Wing On Centre 111 Connaught Road Central Hong Kong
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 Nanjing West Road Shanghai, PRC
Receiving Banks	**Agricultural Bank of China Limited Hong Kong Branch** *(Incorporated in the People's Republic of China with limited liability)* 25/F., Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong **Bank of China (Hong Kong) Limited** 1 Garden Road Hong Kong **China CITIC Bank International Limited** 80 Floor, International Commerce Centre 1 Austin Road West, Kowloon Hong Kong **Industrial and Commercial Bank of China (Asia) Limited** 33/F, ICBC Tower 3 Garden Road Central, Hong Kong

Registered Office and Head Office	Hangcheng Technology Park, Xinqiao Village, Danshui Town, Huiyang District, Huizhou, Guangdong Province, PRC
Principal place of Business in Hong Kong Registered under Part 16 of the Companies Ordinance	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
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Authorized Representatives	**Mr. Zhao Qixiang (趙啟祥)** Room 103, Building 1222, No. 388 Huibo Avenue, Xiaojinkou Sub-district Office, Huicheng District, Huizhou, Guangdong Province, the PRC **Ms. Lin Sio Ngo (練少娥)** 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
Audit Committee	Dr. Xie Lingmin *(Chairperson)* Mr. Xie Lanjun Dr. Zhang Jihai
Nomination Committee	Mr. Xie Lanjun *(Chairperson)* Dr. Xie Lingmin Mr. Chen Tao
Remuneration and Appraisal Committee	Dr. Zhang Jihai *(Chairperson)* Mr. Xie Lanjun Mr. Zhao Qixiang

Strategy and Investment Committee	Mr. Chen Tao *(Chairperson)* Mr. Zhao Qixiang Dr. Zhang Jihai
Compliance Adviser	**China Securities (International) Corporate Finance Company Limited** 18/F, Two Exchange Square, 8 Connaught Place Central, Hong Kong
H Share Registrar	**Computershare Hong Kong Investor Services Limited** Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East Wan Chai, Hong Kong
Principal Bank	**Industrial Bank Co., Ltd, Huizhou Branch** Xingcheng Technology Park, Xinqiao Village, Shuizhen, Huiyang District, Huizhou, Guangdong Province, the PRC
Company's Website	**www.shpcb.com** (A copy of this prospectus is available on the Company's website. Except for the information contained in this prospectus, none of the other information contained on the Company's website forms part of this prospectus)

The information and statistics set out in this section and other sections of this prospectus were extracted from the F&S Report, which was commissioned by the Company, and from various official government publications and available resources from public market research. The Company engaged Frost & Sullivan to prepare the F&S Report in connection with the Global Offering. The information from official government sources has not been independently verified by any of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

OVERVIEW OF THE GLOBAL PCB MARKET

PCBs are circuit boards with predefined conductive pathways formed on insulating substrates, serving as foundational components that carry and interconnect electronic components in devices. The main function of the PCB is to enable a variety of electronic components to form a predetermined circuit connection, and play a relay transmission role. PCBs are irreplaceable in most electronic devices and products.

According to different product, PCBs can be categorized into single- and double-layer PCB, multilayer PCB, HDI PCB, FPC and package substrates. In particular, multilayer PCBs can be further categorized by layer count into: mid-low-layer-count MLPCBs (4-6 layers), and high-layer-count MLPCBs (8 layers and above).

PCB manufacturers are mainly provided with copper-clad laminates and copper foil by raw material suppliers, using which they in turn design, manufacture, assemble, and test PCBs. Finished PCBs will primarily be applied in AI and high-performance computing, telecommunications, consumer electronics, automotive electronics and medical devices and other applications.

Analysis of Major Applications in the Global PCB Market

- **AI and high-performance computing:** With the rapid growth of AI and emerging technologies, global demand for AI computing continues to rise, driving increased construction of data centers and server shipments. In 2024, the global shipments of AI servers were 2.0 million, and are expected to reach 5.4 million in 2029, representing a CAGR of 21.7% from 2024 to 2029. The sustained demand for data centers and high-performance computing equipment provides a long-term and stable growth driver for the PCB market. In addition, the need to process vast amounts of data in AI and high-performance computing applications is prompting significant technological advancements in PCBs, including improvements in signal transmission, signal integrity, and heat dissipation, thereby enhancing the value of each PCB used in these fields.

- **Telecommunications:** The rollout of 5G has significantly increased the demand for high-end PCBs that support high-frequency signals and high-speed data transmission. Telecommunication devices require low-power, high-density power supplies, as well as high-layer-count MLPCBs paired with high-speed chips to ensure efficient and stable performance.

- **Consumer electronics:** Traditional consumer electronics include home appliances, audio/video equipment, portable electronic devices, etc. With the widespread application of cutting-edge technologies such as AI, smart terminals — as a subset of consumer electronics — have gradually become the key driver for the innovation and development of the consumer electronics industry. Smart devices, including AI- powered smartphones

and PCs, AR/VR devices, and smart home appliances, require PCBs with enhanced performance, especially in terms of signal transmission speed, low latency, heat dissipation, and electromagnetic compatibility.

- **Automotive electronics:** The popularity of new energy vehicles has significantly increased the demand for high-end PCBs. On one hand, as the core of EVs, the three-electric system (battery, motor, and electronic control) requires PCBs to meet high-voltage and high-reliability demands to ensure the vehicle's power performance and safety. On the other hand, the development of intelligent driving technology necessitates the processing of massive amounts of data from cameras, radars, and lidars, requiring PCBs with high performance in signal transmission, high-frequency low-latency processing, and other aspects.

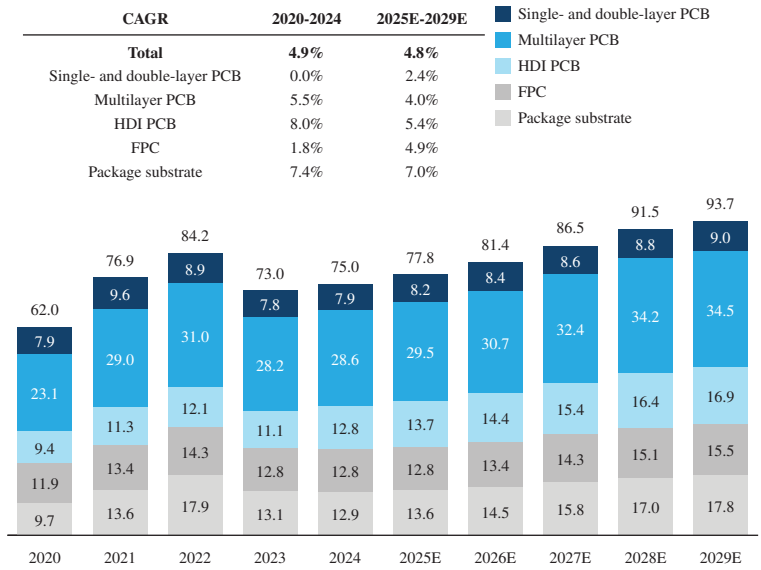
- **Others:** Beyond these core areas, PCBs are vital in the fields of medical devices, industrial control, and aerospace. In the medical field, PCBs are the basis for key components such as diagnostic imaging equipment, monitors, and implantable medical devices. In the industrial field, PCBs are essential for automation, humanoid robots, IoT, and smart factories. In aerospace and navigation, they support high-reliability control systems in aircraft and spacecraft.

Market Size of the Global PCB Market

In terms of sales revenue, the market size of the global PCB market has grown from US$62.0 billion in 2020 to US$75.0 billion in 2024, representing a CAGR of 4.9% from 2020 to 2024. It is expected that the global sales revenue of the PCB market will reach US$93.7 billion in 2029, with a CAGR of 4.8% from 2025 to 2029.

According to different products, the market size of the global single- and double-layer PCB, multilayer PCB, HDI PCB, FPC and package substrates market, in terms of sales revenue in 2024, has reached US$7.9 billion, US$28.6 billion, US$12.8 billion, US$12.8 billion and US$12.9 billion, respectively. In the future, with the rapid development and wide application of emerging technologies such as AI, 5G communications, and the Internet of Things, the global PCB market size will continue to expand. It is expected that the global sales revenue of single- and double-layer PCB, multilayer PCB, HDI PCB, FPC and package substrates will reach US$9.0 billion, US$34.5 billion, US$16.9 billion, US$15.5 billion and US$17.8 billion, respectively in 2029.

Market Size of the Global PCB Market, Categorized by Product (US$ billion, 2020-2029E)



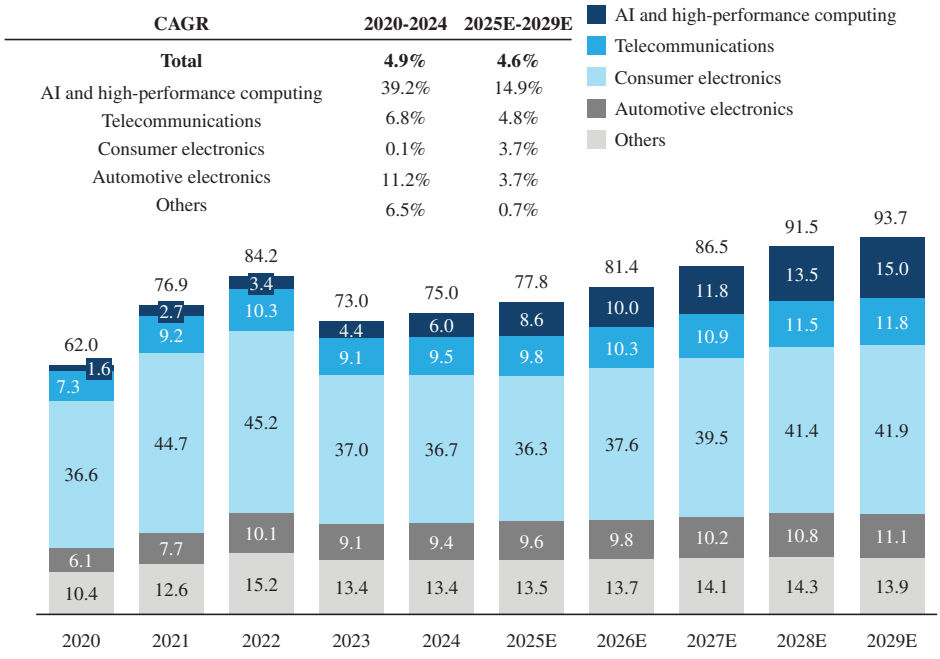
CAGR	2020-2024	2025E-2029E
Total	**4.9%**	**4.8%**
Single- and double-layer PCB	0.0%	2.4%
Multilayer PCB	5.5%	4.0%
HDI PCB	8.0%	5.4%
FPC	1.8%	4.9%
Package substrate	7.4%	7.0%

Source: Global Electronics Association, Prismark, desk research, expert interview, Frost & Sullivan

Categorized by application, in terms of sales revenue, the market size of the global PCB market under the fields of AI and high-performance computing, telecommunication, consumer electronics as well as automotive electronics in 2024 has reached US$6.0 billion, US$9.5 billion, US$36.7 billion and US$9.4 billion, respectively. In particular, the global sales revenue of PCB market under the field of smart devices has reached US$16.1 billion in 2024, with a CAGR of 2.5% from 2020 to 2024, and is expected to reach US$20.9 billion by 2029, with a CAGR of 6.4% from 2025 to 2029. With the rapid development of global cloud computing and AI technology and applications in recent years, the sustained expansion in demand for cloud infrastructure such as servers and data centers has driven a corresponding increase in the usage of PCBs in the field of AI and high-performance computing, resulting in a further increase in the market size of the global PCB market under the field of AI and high-performance computing to reach US$15.0 billion in 2029, representing a CAGR of 14.9% from 2025 to 2029.

The robust growth of the global PCB market in the AI and high-performance computing sector is primarily driven by North American cloud service providers who are continuously raising their capital expenditure to meet the explosive growth of AI computing. In 2024, global data center capital expenditure reached US$455 billion, with North American cloud service providers accounting for over 50% of the total global data center capital expenditures. In the second quarter of 2025, the capital expenditure from these providers saw an overall increase of over 30% compared to the first quarter of 2025. The large-scale capital investment by North American cloud service providers has accelerated the construction and upgrading of a new generation of AI servers and data centers, thereby significantly boosting the demand for high-end PCB products used for high-speed computing and high-density interconnects.

Market Size of the Global PCB Market, Categorized by Application (US$ billion, 2020-2029E)



CAGR	2020-2024	2025E-2029E
Total	**4.9%**	**4.6%**
AI and high-performance computing	39.2%	14.9%
Telecommunications	6.8%	4.8%
Consumer electronics	0.1%	3.7%
Automotive electronics	11.2%	3.7%
Others	6.5%	0.7%

Source: Global Electronics Association, Prismark, desk research, expert interview, Frost & Sullivan

Market Drivers and Development Trends of the Global PCB Market

- **Growing demand for high-end PCBs:** With the rapid development of AI, intelligent driving and 5G telecommunications, enterprise customers in various applications have a growing demand for high-end PCBs. High-end PCBs, such as high-build-up HDI PCBs and

high-layer-count MLPCBs, can provide critical support for the stable operation of complex electronic systems and efficient data processing due to their ability to support more complex functions, higher integration, and smaller sizes.

- **Technical upgrades and integration:** PCBs steadily advancing toward higher frequency, higher speed, and greater density. For instance, in the high-frequency communication sector, PCB manufacturers utilize specialized materials and designs to ensure the integrity of signal transmission. Furthermore, the technologies of different PCB structures are gradually converging. For example, combining high-density interconnect technology with high-layer-count MLPCB techniques allows products to support more functions in limited space and enables more complex circuit designs, which not only improves the overall performance of PCBs but also creates opportunities for new application scenarios.

- **Automation and intelligent manufacturing:** Traditional PCB production relied heavily on manual labor, which limited production efficiency, and restricted precision. A growing number of PCB manufacturers are focusing on upgrading their production through automation and smart manufacturing. The introduction of advanced automated equipment and production lines, along with the widespread application of industrial internet and artificial intelligence technologies, helps PCB companies significantly enhance production efficiency, monitor data in real-time, improve yield rates, shorten production cycles, and achieve more efficient resource management.

Competitive Landscape of the Global PCB Market

The global PCB market is intensely competitive and relatively concentrated. As of 2024, there were over 2,000 PCB manufacturers worldwide, with over 1,000+ manufacturers in Chinese mainland.

A comparison of the Group's primary PCB products offered and the main application scenarios against those of its peers is as follows:

Company	Primary PCB products offered	Main application scenarios
The Company	— High-layer-count MLPCB and high-build-up HDI PCB	— AI and high-performance computing
Company A	— High-layer-count MLPCB	— AI and high-performance computing and telecommunications
Company B	— High-layer-count MLPCB and HDI PCB	— AI and high-performance computing and telecommunications
Company C	— MLPCB and FPC	— Automotive electronics and telecommunications
Company D	— MLPCB and HDI PCB	— Aerospace and defense, automotive electronics and AI and high-performance computing
Company E	— FPC	— Smart devices such as smartphone and automotive electronics
Company F	— MLPCB and high-build-up HDI PCB	— Smart devices such as PC and telecommunications

Company	Primary PCB products offered	Main application scenarios
Company G	— Package substrates and HDI PCB	— Smart devices such as PC, telecommunications and AI and high-performance computing
Company H	— MLPCB	— AI and high-performance computing and telecommunications
Company I	— MLPCB	— Server, telecommunications and smart devices
Company J	— MLPCB and HDI PCB	— Smart devices and automotive electronics
Company K	— HDI PCB, FPC and package substrates	— Telecommunications and smart devices
Company L	— MLPCB	— Telecommunications and smart devices
Company M	— HDI PCB	— Smart devices such as smartphone, automotive electronics
Company N	— High-layer-count MLPCB	— Server and telecommunications
Company O	— Mid-low-layer-count MLPCB and HDI PCB	— Smart devices such as PC

In terms of sales revenue, the Company ranked fifth among the PCB providers in Chinese mainland in 2024 and ranked third in the first half of 2025. In terms of sales revenue of PCBs under the field of AI and high-performance computing in the first half of 2025, the Company ranked first in the global PCB market. The underlying reason for the Group's ascent from the seventh in 2024 to the top position in the six months ended June 30, 2025 within the global PCB market under the field of AI and high-performance computing is that the Group's PCB revenue within the AI and high-performance computing sector experienced substantial growth in the first half of 2025, with its year-on-year growth rate significantly exceeding the industry average of 43.3%. This growth is attributable to the Group's competitive strengths, including its position as one of the first companies globally to achieve mass production of 24-layer HDIs with a 6+12+6 build-up, as well as the technical capabilities for of 28-layer HDIs with an 8+12+8 build-up, and 16-layer any-layer interconnect HDIs.

Ranking of the Global PCB Providers, in terms of Sales Revenue of PCBs under the field of AI and High-performance Computing, in 2024 and Six Months Ended June 30, 2025

2024				Six Months Ended June 30, 2025			
Ranking	Company	Sales revenue	Market share	Ranking	Company	Sales revenue	Market share
		(RMB million)	*(%)*			*(RMB million)*	*(%)*
1	Company A[(1)]	2,975	7.1%	**1**	**The Company**	**3,894**	**13.8%**
2	Company B[(2)]	1,600	3.8%	2	Company A	1,511	5.3%
3	Company C[(3)]	1,438	3.4%	3	Company B	1,493	5.3%
4	Company D[(4)]	1,406	3.3%	4	Company C	1,297	4.6%
5	Company E[(5)]	1,240	3.0%	5	Company D	1,288	4.6%
6	Company F[(6)]	1,006	2.4%	6	Company E	1,005	3.6%
7	**The Company**	**707**	**1.7%**	7	Company F	683	2.4%
8	Company G[(7)]	684	1.6%	8	Company H	673	2.4%
9	Company H[(8)]	659	1.6%	9	Company G	533	1.9%
10	Company I[(9)]	390	0.9%	10	Company I	359	1.3%

Source: Public filings, websites of market players, expert interview, Frost & Sullivan

Notes:

(1) Company A is a public company founded in 1992 and listed on the Shenzhen Stock Exchange, headquartered in Jiangsu, China, committed to the research, development, production, and sale of various PCBs.

(2) Company B is a public company founded in 1984 and listed on the Shenzhen Stock Exchange, headquartered in Shenzhen, China, committed to providing PCBs electronic assembly services.

(3) Company C is a public company founded in 1993 and listed on the Shanghai Stock Exchange, headquartered in Shenzhen, China, committed to the research, development, production, and sales of PCBs and high-end electronic materials.

(4) Company D is a public company founded in 1978 and listed on the NASDAQ, headquartered in USA, committed to providing PCBs, RF and microwave/microelectronic component products, and system integration services.

(5) Company E is a public company founded in 1980 and listed on the Shenzhen Stock Exchange, headquartered in Jiangsu, China, It is mainly engaged in the R&D, production, and sales of electronic circuit products, precision components, touch display modules, LED display devices, and other products.

(6) Company F is a public company founded in 1973 and listed on Taiwan Stock Exchange, headquartered in Taiwan. It is mainly engaged in the design, manufacture, and sale of PCBs.

(7) Company G is a public company founded in 1990 and listed on Taiwan Stock Exchange, headquartered in Taiwan. It primarily engages in the manufacturing and sales of various PCBs, including HDI PCB, FPC, and package substrate.

(8) Company H is a public company founded in 1985 and listed on Shanghai Stock Exchange, headquartered in China. Its primary business involves the research, development, production, and sales of a variety of PCBs.

(9) Company I is a public company founded in 1981 and listed on the Taiwan Stock Exchange, headquartered in Taiwan. It is mainly engaged in the manufacture and sale of PCBs, computers, electronics, communications products and related equipment, and electronic components.

Key Success Factors and Entry Barriers of the Global PCB Market

- **Customer certification:** Major customers, especially in the field of AI and high-performance computing and automotive, require lengthy, rigorous certification processes that include technical audits, on-site inspections and extended product testing. They favor long-term, certified suppliers, which provides stable order flows and deep trust. New entrants face large time and resource costs to pass certifications and still must prove reliability and build relationships, making it difficult to win significant volumes or brand recognition quickly.

- **Technology and R&D:** As PCBs continue to develop towards higher precision and density, leading manufacturers provide customized designs and solutions tailored to specific industry needs, such as high signal transmission speed and automotive reliability. They also excel in achieving high production accuracy, controlling micro-traces, ultra-small apertures, and multi-layer alignment. Additionally, they master specialized materials like high-frequency substrates and advanced thermal dissipation materials to meet strict performance demands. New entrants lack the long-term R&D investment and expertise, resulting in significant gaps in technical performance and product stability.

- **Manufacturing:** High-end PCB production involves hundreds of interconnected processes, requiring advanced automation and strict quality control. Leading firms possess mature, automated, and intelligent manufacturing systems, utilizing cutting-edge equipment like laser imaging and high-precision drilling. Early-stage entrants often experience higher scrap rates, longer cycles, and higher costs, making it tough to meet the demand for quality and capacity from clients.

Cost Analysis of the Global PCB Market

The main raw material costs for PCB include copper clad laminate, copper foil and copper ball. Copper material costs account for 60% to 70% of the total raw material costs of PCBs, therefore, the cost of PCBs is highly correlated with copper prices.

Copper prices are directly influenced by fluctuations in international copper prices, which are typically closely related to the global macroeconomic situation, industrial production demand, and the development of emerging industries like new energy. The global average copper settlement price has increased from US$5,947 per ton in 2020 to US$8,997 per ton in 2021 and experienced a decrease to US$8,767 per ton in 2024. Looking ahead, with the ongoing global push for industrial upgrading and the increasing momentum for renewable energy and infrastructure development, copper prices are expected to remain relatively stable within a high-level range.

OVERVIEW OF THE GLOBAL HIGH-LAYER-COUNT MLPCB MARKET

MLPCB can be categorized by layer count into mid-low-layer-count MLPCB (four to six layers), and high-layer-count MLPCB (eight layers and above). Multilayer PCBs can accommodate more complex circuit designs and higher-density component layouts, thereby enabling more functions within a limited space.

High-layer-count MLPCBs refer to a type of multilayer PCB with more than 8 layers, higher wiring density, and superior signal transmission performance. High-layer-count MLPCBs require more precise lamination for layer alignment, advanced drilling techniques for smaller vias and higher aspect ratios, and superior materials to meet high-frequency and high-speed signal requirements.

Due to increasingly stringent demands on signal integrity and thermal performance from applications such as AI and high-performance computing, high-end communication equipment, and intelligent driving, the demand for high-layer-count MLPCB with 14 layers and above is growing. Higher layer counts enable PCBs to accommodate more circuits, significantly increasing wiring density and enabling more complex functions within a limited space.

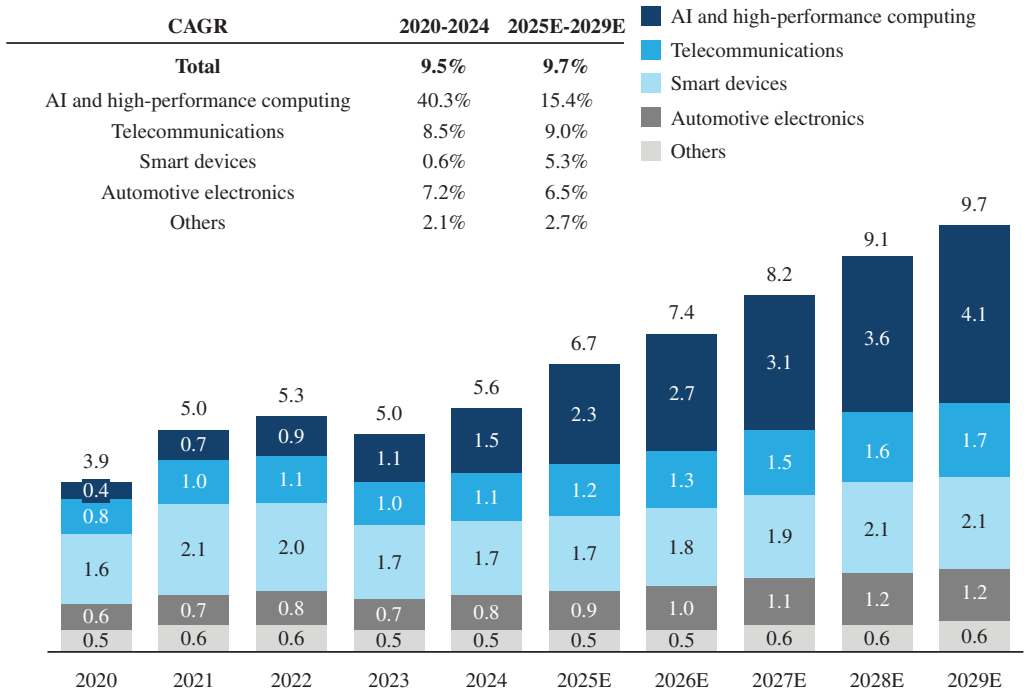
Market Size of the Global High-layer-count MLPCB Market

The number of layers of high-layer-count MLPCBs is typically divided into even numbers. Even-numbered layer designs can ensure uniform material distribution during the hot-press manufacturing process, thereby preventing warping and deformation of the PCB and enhancing product reliability. It is common for many industry participants to adopt a classification criterion where high-layer-count MLPCBs are categorized into “8 to 12 layers” and “14 layers and above”, though there is currently no definitive and universally accepted official standard to categorize high-layer-count MLPCBs based on the counts of layers given the stark differences in product applications and market positioning among the industry participants. However, categorizing high-layer-count MLPCBs into “8 to 12 layers” and “14 layers and above” is reasonable and helpful to reflect the downstream applications of high-layer-count MLPCBs: those with 8 to 12 layers are widely applied in high-end smart devices and communication equipment, such as network switches, medical imaging devices, and high-end laptops due to their ability to achieve high-density wiring and good signal integrity; those with 14 layers and above have a higher technical barrier because they can handle more complex wiring and power management challenges and are therefore primarily used in fields with stricter PCB performance and more sophisticated fabrication process requirements, especially AI and high-performance computing. In these applications, the higher layer count is necessary to meet complex wiring challenges from high-density chip packaging, optimize power management, and ensure stable transmission of high-speed signals for long-term, efficient system operation.

In terms of sales revenue, the global market size of high-layer-count MLPCB market has grown from US$9.3 billion in 2020 to US$12.5 billion in 2024, with a CAGR of 7.7% from 2020 to 2024. It is projected that the global sales revenue of high-layer-count MLPCB market will reach US$17.1 billion by 2029, with a CAGR of 5.7% from 2025 to 2029. Categorized by layer count, the global sales revenue of high-layer-count MLPCB with 8-12 layers has reached US$6.9 billion in 2024, while the global market size for high-layer-count MLPCB with 14 layers and above has reached US$5.6 billion in 2024, representing a CAGR of 6.3% and 9.5% from 2020 to 2024, respectively.

Categorized by application, in terms of sales revenue, the global market size for high-layer-count MLPCB with 14 layers and above in 2024 has reached US$1.5 billion in the field of AI and high-performance computing, US$1.1 billion in telecommunication, US$1.7 billion in smart devices, and US$0.8 billion in automotive electronics.

Global Market Size for High-layer-count MLPCB with 14 Layers and Above, Categorized by Application (US$ billion, 2020-2029E)



Source: Global Electronics Association, Prismark, desk research, expert interview, Frost & Sullivan

Competitive Landscape of the Global High-layer-count MLPCB with 14 Layers and Above Market

The global high-layer-count MLPCB with 14 layers and above markets are relatively concentrated, with a large number of participants in the market. In terms of sales revenue in 2024, the Company ranked tenth in the global market for high-layer-count MLPCB with 14 layers and above and ranked fourth among the PCB providers in Chinese mainland. In terms of sales revenue in the first half of 2025, the Company ranked first in the global market for high-layer-count MLPCB with 14 layers and above.

In terms of sales revenue of high-layer-count MLPCB with 14 layers and above under the field of AI and high-performance computing, the Company ranked fifth in 2024 and ranked first in the first half of 2025 in the global market for high-layer-count MLPCB with 14 layers and above.

Ranking of Global Providers of High-layer-count MLPCB with 14 Layers and Above, in terms of Sales Revenue*, in 2024 and Six Months Ended June 30, 2025

2024				Six Months Ended June 30, 2025			
Ranking	Company	Sales revenue	Market share	Ranking	Company	Sales revenue	Market share
		(RMB million)	*(%)*			*(RMB million)*	*(%)*
1	Company A	2,800	7.1%	**1**	**The Company**	**3,567**	**16.2%**
2	Company B	2,456	6.3%	2	Company A	2,100	9.5%

2024				Six Months Ended June 30, 2025			
Ranking	Company	Sales revenue	Market share	Ranking	Company	Sales revenue	Market share
		(RMB million)	*(%)*			*(RMB million)*	*(%)*
3	Company D	2,021	5.2%	3	Company B	1,440	6.5%
4	Company J(1)	1,572	4.0%	4	Company D	1,158	5.3%
5	Company C	1,198	3.1%	5	Company J	838	3.8%
6	Company K(2)	900	2.3%	6	Company C	710	3.2%
7	Company L(3)	863	2.2%	7	Company L	687	3.1%
8	Company M(4)	748	1.9%	8	Company N(5)	450	2.0%
9	Company F	672	1.7%	9	Company K	410	1.9%
10	**The Company**	**603**	**1.5%**	10	Company I	394	1.8%

Source: Public filings, websites of market players, expert interview, Frost & Sullivan

Notes:

Sales revenue*: The sales revenue of high-layer-count MLPCB with 14 layers and above for ranking includes the sales revenue of HDI PCBs with 14 layers and above that also apply the HDI process, as HDI is one of the processes that can be applied to PCBs with different counts of layers. For example, in addition to the HDI process, which is the most commonly applied method, traditional mechanical drilling can also be applied to manufacture high-layer-count MLPCBs with 14 layers and above. The ranking provided in the table above includes market players who manufacture such products with various processes, including the HDI process and others.

(1) Company J is a public company founded in 1991 and listed on the Taiwan Stock Exchange, headquartered in Taiwan. It is mainly engaged in the production and sales of PCBs such as MLPCB and HDI PCB.

(2) Company K is a public company founded in 2006 and listed on the Taiwan Stock Exchange, headquartered in Taiwan. It is mainly engaged in the R&D, production, and sales of various PCB products and module products.

(3) Company L is a public company founded in 1988 and listed on the Hong Kong Stock Exchange, headquartered in Hong Kong, committed to the manufacturing and sales of copper clad laminates, PCB, chemical products and others.

(4) Company M is a public company founded in 1987 and listed on the Vienna Stock Exchange, headquartered in Austria. It is mainly engaged in the design and manufacture of high-end PCBs and semiconductor substrates.

(5) Company N is a public company founded in 2002 and listed on the Shenzhen Stock Exchange, headquartered in China. It is mainly engaged in the design and manufacture of MLPCB.

OVERVIEW OF THE GLOBAL HIGH-BUILD-UP HDI PCB MARKET

HDI PCB refers to PCB products that use high-density printed circuit board technology with fine lines, micro-holes, and thin dielectric layers. By precisely placing buried holes and blind holes, HDI PCB can reduce the number of through-holes, save wiring area on the board, and increase wiring density, thus accommodating more components in a limited space and greatly improving component density.

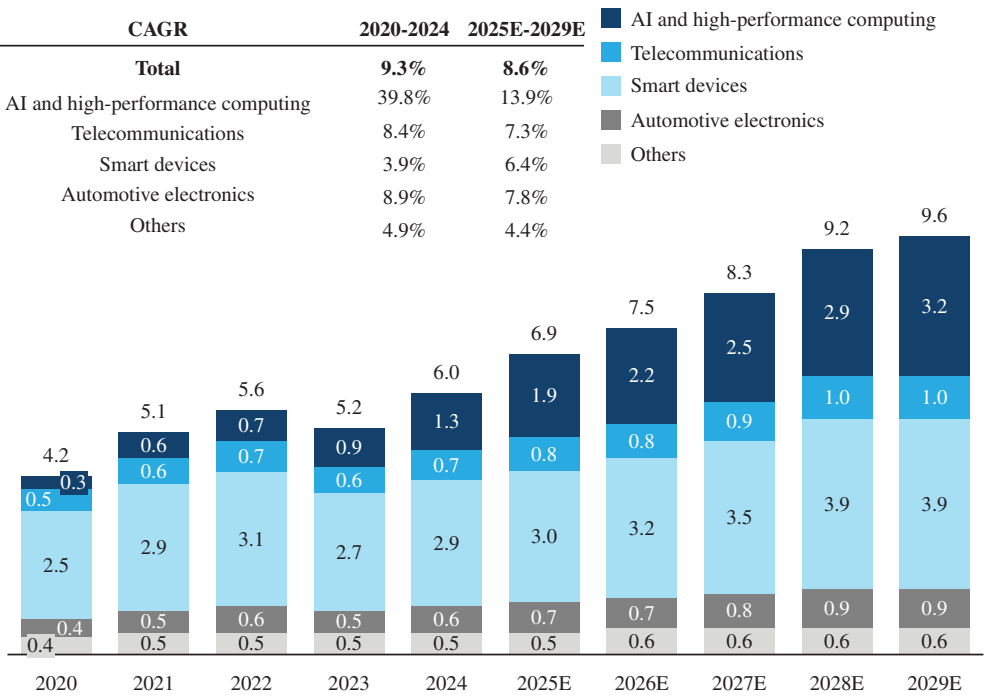
HDI PCBs are categorized into low-build-up HDI PCB and high-build-up HDI PCB, depending on their build-up layers and process complexity. Low-build-up HDI PCB includes 1+HDI ("1+N+1" structure, comprising one additional build-up layer on each side of a standard PCB) and 2+HDI ("2+N+2" structure, comprising two additional build-up layers on each side of a standard PCB), while high-build-up HDI PCB refers to 3+HDI and above ("3+N+3" or above structure, comprising three or more additional build-up layers on each side of a standard PCB). The letter "N" denotes the layer count of the standard through-hole PCB, and the prefix numbers (1/2/3) indicate the additional build-up layers. High-build-up HDI PCBs possess performance advantages such as high density, high frequency, and superior signal processing and speed. This makes them crucial for applications in fields demanding extreme miniaturization and signal integrity, including servers, high-end telecommunication, and automotive electronics.

Market Size of the Global High-build-up HDI PCB Market

In terms of sales revenue, the market size of the global HDI PCB market has grown from US$9.4 billion in 2020 to US$12.8 billion in 2024, with a CAGR of 8.0% from 2020 to 2024 and is projected to reach US$16.9 billion by 2029, with a CAGR of 5.4% from 2025 to 2029. Categorized by build-up layers, in terms of sales revenue, the global market size of the low-build-up HDI PCB market was US$6.8 billion in 2024, while the global market size of the high-build-up HDI PCB market was US$6.0 billion in 2024, with CAGR of 6.9% and 9.3% from 2020 to 2024, respectively.

Categorized by application, in terms of sales revenue, the market size of the global high-build-up HDI PCB market has reached US$1.3 billion in AI and high-performance computing, US$0.7 billion in telecommunication, US$2.9 billion in smart devices and US$0.6 billion in automotive electronics in 2024. Of which, the field of AI and high-performance computing has shown high growth rate, with CAGR of 39.8% from 2020 to 2024. Looking ahead, the market size of the global high-build-up HDI PCB market, in terms of sales revenue, is projected to reach US$3.2 billion in the field of AI and high-performance computing in 2029, representing a CAGR of 13.9% from 2025 to 2029.

Market Size of the Global High-build-up HDI PCB Market, Categorized by Application (US$ billion, 2020-2029E)



CAGR	2020-2024	2025E-2029E
Total	**9.3%**	**8.6%**
AI and high-performance computing	39.8%	13.9%
Telecommunications	8.4%	7.3%
Smart devices	3.9%	6.4%
Automotive electronics	8.9%	7.8%
Others	4.9%	4.4%

Source: Global Electronics Association, Prismark, desk research, expert interview, Frost & Sullivan

Competitive Landscape of the Global High-build-up HDI PCB Market

The global high-build-up HDI PCB markets are relatively concentrated, with a large number of participants in the market. In terms of sales revenue in 2024, the Company ranked fourth among the PCB providers in Chinese mainland for high-build-up HDI PCB market. In terms of sales revenue in the first half of 2025, the Company ranked first in the global high-build-up HDI PCB market.

In terms of sales revenue of high-build-up HDI PCBs under the field of AI and high-performance computing, the Company ranked third in 2024 and ranked first in the first half of 2025 in the global high-end HDI PCB market.

Ranking of Global High-build-up HDI PCB Providers, in terms of Sales Revenue of High-build-up HDI PCB under the Field of AI and High-performance Computing, in 2024 and Six Months Ended June 30, 2025

2024				Six Months Ended June 30, 2025			
Ranking	Company	Sales revenue	Market share	Ranking	Company	Sales revenue	Market share
		(RMB million)	*(%)*			*(RMB million)*	*(%)*
1	Company D	472	5.3%	**1**	**The Company**	**2,780**	**44.6%**
2	Company F	315	3.6%	2	Company D	270	4.3%
3	**The Company**	**162**	**1.8%**	3	Company F	152	2.4%
4	Company B	102	1.2%	4	Company B	59	1.0%
5	Company J	59	0.7%	5	Company J	31	0.5%
6	Company M	41	0.5%	6	Company H	27	0.4%
7	Company G	34	0.4%	7	Company M	21	0.3%
8	Company H	34	0.4%	8	Company G	19	0.3%
9	Company O[(1)]	25	0.3%	9	Company O	16	0.3%
10	Company A	18	0.2%	10	Company A	14	0.2%

Source: Public filings, websites of market players, expert interview, Frost & Sullivan

Note:

(1) Company O is a public company founded in 1989 and listed on the Taiwan Stock Exchange, headquartered in Taiwan. Its primary business involves the research, development, production, and sale of PCBs.

OVERVIEW OF THE GLOBAL FPC MARKET

FPC refers to a type of PCB product made of flexible copper clad laminates as the basic material. FPC, with its flexible, lightweight, and high-performance characteristics, is widely used in increasingly miniaturized and lightweight electronic products. The primary application areas for FPCs include smart devices, automotive electronics, industrial control, medical devices, and other fields, and are gradually expanding into emerging technology products such as AR/VR devices, smart home appliances, and drones.

In terms of sales revenue, the market size of the global FPC market has grown from US$11.9 billion in 2020 to US$12.8 billion in 2024. In the future, the progress of intelligent technologies and the development trends toward integration and lightweight design of products will drive the continued growth of FPCs, which feature thinness, flexibility, and high-density wiring capabilities. It is expected that the global FPC market size will reach US$15.5 billion in 2029, with a CAGR of 4.9% from 2025 to 2029.

Market Drivers and Development Trends of the Global FPC Market

- **Integrating more functions into thinner, lighter smart devices:** As smart devices continue to evolve toward being thinner, lighter, and more compact while integrating more complex functions, the demand for FPCs continues to grow. The unique flexibility and high-density routing capability of FPCs make them an ideal choice for connecting various modules and implementing precision circuits in limited spaces, effectively meeting the stringent requirements of end products for miniaturization and functional integration.

- **Expanded applications in emerging technology fields:** Beyond traditional applications, FPCs demonstrate significant potential in emerging technology fields such as AR/VR devices, foldable screen technology, medical wearable devices, and humanoid robots. These cutting-edge products often have special requirements for internal space utilization, dynamic bending, and signal transmission stability. The flexible characteristics of FPCs make them a key component for achieving these innovative functions, bringing new growth opportunities and development prospects to the FPC market.

SOURCE OF INFORMATION

We commissioned Frost & Sullivan, an independent global consulting firm that offers industry research and market strategies and provides growth consulting and corporate training to conduct a detailed research on and analysis of the global PCB market, the global high-layer-count MLPCB market, the global high-build-up HDI PCB market and the global FPC market. We have agreed to pay a fee of RMB400,000 to Frost & Sullivan in connection with the preparation of the Frost & Sullivan Report. We have extracted certain information from the Frost & Sullivan Report in this section, as well as in "Summary," "Business," "Financial Information," and elsewhere in this document to provide our potential investors with a more comprehensive presentation of the industries where we operate. During the preparation of the Frost & Sullivan Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information, and industry insights on the industry trends of the target research markets. Primary research involved discussing the status of the market with leading industry participants and industry experts. Secondary research involved reviewing company reports, independent research reports and data based on Frost & Sullivan's own database. Frost & Sullivan has independently verified the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of assumptions used and the choice of primary and secondary sources.

The Frost & Sullivan Report was compiled based on the following assumptions: (i) the economy of Chinese mainland and the global economy are likely to maintain steady growth in the near future; and (ii) the social, economic, and political environment of Chinese mainland and the world is likely to remain stable from 2024 to 2029.

Our Directors confirm that, after making reasonable enquiries, there is no adverse change in the market information since the date of the Frost & Sullivan Report that may qualify, contradict or have a material impact on the information.

APPLICABLE LAWS AND REGULATIONS TO OUR BUSINESS IN THE PRC

Regulations and Policies Related to the Printed Circuit Board Industry

The Standard Conditions for the Printed Circuit Board Industry (《印製電路板行業規範條件》) and the Interim Measures for the Administration of Industry Standard Announcements in the Printed Circuit Board Industry (《印製電路板行業規範公告管理暫行辦法》) promulgated by the MIIT and became effective on February 1, 2019, establish a quantified standard system for Printed Circuit Board enterprises and projects across multiple dimensions, including capacity layout and project construction, production scale and process technology, intelligent manufacturing, green manufacturing, workplace safety, social responsibility, and other dimensions.

According to the Guidance Catalogue for Industrial Structure Adjustment (2024 Edition) (《產業結構調整指導目錄(2024年本)》) promulgated by the NDRC on December 27, 2023 and became effective on February 1, 2024, the printed circuit boards manufactured by the Company fall under the encouraged industries category.

Regulations Relating to Corporation and Foreign Investment

The establishment, operation and management of corporate entities in the PRC is governed by the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the National People's Congress of the PRC (the "**SCNPC**") on December 29, 1993 and became effective on July 1, 1994, and was last amended on December 29, 2023 and became effective on July 1, 2024. The Company Law of the PRC generally governs two types of companies, namely limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of shareholders of a limited liability company or a joint stock limited company is limited to the amount of registered capital they have contributed. The Company Law of the PRC shall also apply to foreign invested companies in form of limited liability company or joint stock limited company. Where laws on foreign investment have other stipulations, such stipulations shall apply.

On January 1, 2020, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**") and the Regulations on 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》) became effective. The FIL sets out the definition of foreign investment and the framework for promotion, protection and administration of foreign investment activities. On December 30, 2019, the MOFCOM and the State Administration for Market Regulation (the "**SAMR**") jointly promulgated the Measures for Reporting of Information on Foreign Investment (《外商投資信息報告辦法》), which became effective on January 1, 2020 and pursuant to which, the establishment of the foreign invested enterprises by foreign investors and establishment through purchasing the equities of a non-foreign invested enterprise and its subsequent changes are required to submit an initial or change report through the Enterprise Registration System.

Pursuant to the FIL, China has adopted a system of national treatment which includes a negative list with respect to foreign investment administration. The negative list will be promulgated by, amended or released upon approval by the State Council, from time to time. The negative list will set forth industries in which foreign investments are prohibited and industries in which foreign investments are restricted. Foreign investment in prohibited industries is not allowed, while foreign investment in restricted industries must satisfy certain conditions stipulated in the negative list. Foreign investments and domestic investments in industries outside the scope of the prohibited industries and restricted industries stipulated in the negative list will be treated equally. The Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**"), which were promulgated by the NDRC and the MOFCOM on September 6, 2024 and became effective on November 1, 2024 and the Catalogue of Encouraged Industries for Foreign Investment (2025 Edition) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraging Catalog**"), which was

promulgated by the NDRC and the MOFCOM on December 15, 2025 and became effective on February 1, 2026, listed the categories of encouraged, restricted, and prohibited industries. Any industry not included in the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment. According to the Negative List and the Encouraging Catalog, as of the Latest Practicable Date, our business does not fall within the scope of the Negative List and is not subject to special management measures.

Regulations Relating to Customs Declaration

The Customs Law of the PRC (《中華人民共和國海關法》) was promulgated by the SCNPC on January 22, 1987 and became effective on July 1, 1987, and last amended and became effective on April 29, 2021, stipulate that the customs of the PRC is a governmental organization responsible for supervision and control over all arrivals in and departures from the customs territory. All the transports, goods and articles shall enter into or exit from the territory of the PRC at a place where a customs office is established. The customs declaration and duty payment formalities may be undergone by the consignees or consignors of imported and exported goods, or by the customs clearing enterprises entrusted by such consignees or consignors. The consignees or consignors of imported and exported goods and the customs clearing enterprises shall file records with the customs when undergoing customs declaration formalities, otherwise may be imposed fines by the customs.

According to the Administrative Provisions of the Customs of the PRC on Record-Filing of Customs Declaration Entities (《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 of the PRC (the "**GACC**") on November 19, 2021 and became effective on January 1, 2022, the consignees or consignors of imported and exported goods and the customs clearing enterprise that apply for the filing of records with the customs shall obtain the status of a market entity; where the consignees or consignors of imported and exported goods apply for the filing of records with the customs, the filing of foreign trade dealers shall also be completed. According to the Announcement on Fully Including the Filing of Customs Declaration Entities in the Reform of "Integrating Multiple Certificates into One" (《關於報關單位備案全面納入"多證合一"改革的公告》) jointly promulgated by the GACC and the SAMR on December 20, 2021 and became effective on January 1, 2022, where an applicant intends to be filed as a customs declaration entity when undergoing the registration formalities as a market entity with the market regulation authorities, it shall tick the box of filing as a customs declaration entity as required and fill in the relevant information for filing. The market regulation authorities will then complete the registration pursuant to procedures of "Integrating Multiple Certificates into One" and share the relevant information with the GACC on the SAMR level. Such applicants are no longer required to submit applications for filing as a customs declaration entity to the customs.

In addition, the Decision of the SCNPC on revising the Foreign Trade Law of the PRC (全國人民代表大會常務委員會關於修改《中華人民共和國對外貿易法》的決定) promulgated by the SCNPC on December 30, 2022, and became effective on the same date, deleted the requirements on the foreign trade dealers engaged in the import and export of goods or technologies to be registered with the competent administrative departments of foreign trade of the State Council or any institutions authorized thereby, namely the filing of foreign trade dealers.

Pursuant to the Regulations of the PRC on the Administration of Import and Export of Goods (《中華人民共和國貨物進出口管理條例》) (the "**Regulations on the Administration of Import and Export of Goods**") promulgated by the State Council on December 10, 2001 and last amended on March 10, 2024, and became effective on May 1, 2024, enterprises engaged in the trade activities of importing goods into the territory of the PRC or exporting goods outside of China must comply with the Regulations on the Administration of Import and Export of Goods. Goods whose import or export is prohibited shall not be imported or exported; goods whose import or export is restricted shall be subject to a licensing or quota system; and goods whose import or export is free shall not

be subject to restriction. The consignee of imported goods or the consignor of exported goods shall submit an automatic import and export license, an import and export license or a quota certificate to the customs for customs clearance.

We have completed the Customs Consignees and Consignors of Imported and Exported Goods Filing (海關進出口貨物收發貨人備案) in compliance with the legal requirements.

Regulations on Production Safety and Fire Safety

Regulations on Production Safety

Pursuant to the Production Safety Law of the PRC (《中華人民共和國安全生產法》), or the Production Safety Law, which was last amended on June 10, 2021 by the SCNPC and became effective on September 1, 2021, entities engaged in production and business activities in Chinese Mainland shall comply with the Production Safety Law and other laws and regulations related to production safety. Entities shall strengthen the management, establish and improve responsibility systems and polices, improve conditions, strengthen the standardized and information technology development of work safety, and improve the production level to ensure their production safety. The primary persons in charge of the production and operation entities are fully responsible for the production safety of their entities. Violation of the Production Safety Law may result in imposition of fines and penalties, suspension of operation, an order to cease operation, or even criminal liability in severe cases.

In accordance with the Regulations on the Safety Facilities of Construction Projects "Three Simultaneities" Supervision and Management (《建設項目安全設施"三同時"監督管理辦法》), promulgated by the former State Administration of Work Safety on April 2, 2015, and became effective on May 1, 2015, safety facilities of new construction, reconstruction and expansion projects must be designed, constructed and put into operation and use simultaneously with the main project. Enterprises are required to conduct safety pre-evaluations for construction projects, entrust preliminarily designed entities with the corresponding qualifications to design the safety facilities simultaneously, prepare safety facility designs, submit them to relevant production safety supervision and management departments for review applications and apply for the acceptance inspection of safety facilities upon completion.

Regulations on Fire Safety

The Fire Protection Law of the PRC (《中華人民共和國消防法》) was promulgated by the SCNPC on April 29, 1998, and became effective on September 1, 1998, and was last amended on April 29, 2021, and became effective on the same date. The Interim Regulations on Fire Protection Design Review and Acceptance Management of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) were first promulgated by the Ministry of Housing and Urban-Rural Development of the PRC ("**MOHURD**") on April 1, 2020, and were last amended on August 21, 2023, and became effective on October 30, 2023. In accordance with the aforementioned laws and regulations, for construction projects that are required to undergo fire safety acceptance inspections as stipulated by the State Council's housing and urban-rural development authorities, the construction entity must apply for a fire safety acceptance inspection with the housing and urban-rural development authorities. For other construction projects not specified in the previous provision, the construction entity must report to the housing and urban-rural development authorities for filing after the acceptance inspection. Construction projects that are legally required to undergo a fire safety acceptance inspection must not be put into use if they have not undergone such an inspection or if they fail the inspection.

Regulations on Product Quality

As per the Product Quality Law of the PRC (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993, and was last amended on December 29, 2018, and became effective on the same date, producers shall be responsible for the quality of their products. The

product quality shall meet the following requirements: (i) no unreasonable dangers endangering the safety of persons and property; where there are national or industry standards ensuring the health and safety of persons and property, such standards must be complied with; (ii) the product shall possess the properties it is supposed to possess, except where the product's flaws in their properties are explicitly stated; and (iii) the product shall comply with the product standards stated on the product or its packaging, and meet the quality conditions as represented in product descriptions, physical samples, etc.

Regulations on Environmental Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) was promulgated by the SCNPC on September 13, 1979, became effective on the same date, and was last amended on April 24, 2014, and became effective on January 1, 2015.

According to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), which was last amended by the SCNPC on December 29, 2018 and became effective on the same date, the Regulation on the Administration of Environmental Protection of Construction Projects (《建設項目環境保護管理條例》), which was last amended by the State Council on July 16, 2017 and became effective on October 1, 2017, and the Interim Measures for Environmental Protection Acceptance Inspection Upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), which was promulgated by the former Ministry of Environmental Protection on November 20, 2017 and became effective on the same date, the PRC implements a system to assess the environmental impact of construction projects. The construction entity shall submit an environmental impact report or an environmental impact statement for approval prior to the commencement of the construction project, or an environmental impact registration form as required by the environmental protection competent administrative department of the State Council for record. In addition, after the completion of a construction project for which an environmental impact report or an environmental impact statement has been prepared, the construction entity shall, in accordance with the standards and procedures prescribed by the competent administrative department of environmental protection under the State Council, conduct acceptance inspection on the supporting environmental protection facilities and prepare an acceptance report. For construction projects that are constructed in phases or put into production or used in phases, the corresponding environmental protection facilities shall be inspected and accepted in phases. The construction projects can only be put into production or use after the completed supporting environmental protection facilities have passed the acceptance inspection. Facilities that have not been carried out or have not passed the acceptance inspection shall not be put into production or use.

Regulations on Atmospheric Pollution

According to the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), which was last amended by the SCNPC on October 26, 2018 and became effective on the same date, enterprises, institutions and other production and operation units shall, in accordance with the relevant national regulations and monitoring standards, monitor their emissions of industrial waste gases or toxic and hazardous air pollutants listed in the catalogue published according to Article 78 of the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), and keep the original monitoring records. Enterprises and institutions that emit industrial waste gas or toxic and hazardous air pollutants listed in the above-mentioned catalogue, as well as other units that implement administration of pollution discharge permits in accordance with the law, shall obtain a pollutant discharging permit. In addition, enterprises, institutions and other production and operation units constructing projects that have an impact on the atmospheric environment shall carry out environmental impact assessment and make environmental impact assessment documents public in accordance with the law; the units that emit pollutants into the atmosphere must comply with the discharging standard for atmospheric pollutants as well as the requirements on control of the total discharging amount of key atmospheric pollutants.

Regulations on Solid Wastes

According to the Law of the PRC on Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), which was last amended on April 29, 2020 by the SCNPC and became effective on September 1, 2020, any entity or individual that generates, collects, stores, transports, utilizes or disposes of solid waste shall take measures to prevent or reduce the pollution of solid waste to the environment, and shall be responsible for the environmental pollution caused in accordance with the law. Where hazardous waste exists in solid waste, it shall be managed in accordance with hazardous waste management.

Regulations on Water Pollution

According to the Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》) which was last amended on June 27, 2017 by the SCNPC and became effective on January 1, 2018, an enterprise or public institution or other business entity which directly or indirectly discharges industrial waste water or medical sewage to waters or waste water or sewage that may be discharged after a pollutant discharge license has been obtained as required shall obtain a pollutant discharge license.

Regulations on Pollutant Discharge

According to the Regulations on the Management of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, and the Catalogue for the Classified Management of Fixed Pollution Source Discharge Permits (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》) promulgated by the Ministry of Ecology and Environment on December 20, 2019 and became effective on the same date, enterprises, institutions and other manufacturers subject to pollutant discharge permit management as stipulated by law must apply for and obtain a pollutant discharge permit. Without this permit, discharging pollutants is prohibited. Pollutant discharging entities with a significant volume of pollutant generation, emissions or environmental impact are subject to key management of pollutant discharge permits. Those with a smaller volume of pollutant generation, emissions and environmental impact are subject to simplified management. Entities with minimal pollutant generation, emissions and environmental impact are subject to pollutant discharge registration management.

Regulations on Real Estate

The Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") was promulgated by the National People's Congress of the PRC on May 28, 2020, and became effective on January 1, 2021. According to the Civil Code, the establishment, modification, assignment and extinguishment of real estate property rights are effective upon registration in accordance with the law; unless the law stipulates otherwise, such establishment, modification, assignment and extinguishment shall be ineffective without registration. Real estate registration shall be handled by the registration authority at the location of the property.

The Land Administration Law of the PRC (《中華人民共和國土地管理法》) was last amended by the SCNPC on August 26, 2019, and became effective on January 1, 2020. Pursuant to the Land Administration Law, construction entities that have obtained state-owned land use rights through paid leasing must pay the land use right leasing fees and other fees and expenses in accordance with the standards and methods prescribed by the State Council before they can use the land. Construction entities using state-owned land must use the land in accordance with the provisions of the contract for paid use of leased land use right or according to the provisions of the documents of approval concerning the allocation of land use right. If it is necessary to change the purpose of the land use, approval must be obtained from the competent natural resources department

of the relevant people's government and from the people's government that originally approved the land use. For urban planned areas, changing land use requires prior consent from the relevant urban planning administrative department before seeking approval.

The Interim Regulations on Real Estate Registration (《不動產登記暫行條例》) which was last amended by the State Council on March 10, 2024 and became effective on May 1, 2024, and the Implementing Rules of the Interim Regulations on Real Estate Registration (《不動產登記暫行條例實施細則》) which was last amended by the Ministry of Land and Resources on May 9, 2024 and became effective on the same date, provide that, among other things, the State implements a uniform real estate registration system and real estate registration shall follow the principles of strict administration, stability, continuity, and convenience for the masses.

The Interim Regulations on the Granting and Assignment of Urban State-Owned Land Use Rights of the PRC (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》) were first promulgated by the State Council on May 19, 1990, and was last amended on November 29, 2020, and became effective on the same date. According to these regulations, the assignment of land use rights refers to the act of the state, in its capacity as the landowner, assigns the land use right for a certain period to land users, who in turn pay fees for the assignment thereof to the state. An assignment contract must be signed for assigning the land use rights. Land users shall develop, utilize and manage the land in accordance with the provisions of the contract for the assignment of land use right and the requirements of urban planning. If the land is not developed and used within the period and conditions as stipulated in the contract, the land administration departments under the people's governments at the municipal and county levels shall rectify the purpose of the situation and may impose penalties, including warnings, fines or the uncompensated reclamation of land use rights, depending on the circumstances. If a land user needs to change the land use as stipulated in the contract for the assignment of land use right, it shall obtain the consent of the grantor and the approval of the land administration department and urban planning department, sign a new contract for the assignment of land use right, adjust the amount of the assignment fee, and complete the registration.

The Administrative Measures for Construction Permits of Building Engineering (《建築工程施工許可管理辦法》) were first promulgated by the former Ministry of Construction of the PRC in 1999, and were last amended by MOHURD on March 30, 2021, and became effective on the same date. According to these measures, construction entities engaging in the construction and renovation of various types of buildings and their ancillary facilities, as well as the installation of corresponding lines, pipelines, and equipment and the construction of urban municipal infrastructure projects within the territory of the PRC, shall apply for a construction permit from the competent housing and urban-rural construction department of the local people's government at or above the county level where the project is located before commencing work. Building projects with an investment of less than RMB300,000 or a construction area of less than 300 sq m may be exempt from applying for a construction permit. The department in charge of housing and urban-rural development under the people's government of provinces autonomous regions and municipalities directly under the central government may adjust the threshold according to local conditions and report to the Ministry of Housing and Urban-Rural Development of the State Council for record. Construction projects approved for commencement in accordance with the authority and procedures prescribed by the State Council are exempt from obtaining a construction permit.

The Administrative Measures for the Record-filing of Completion Acceptance of Building Construction 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》) were promulgated by the MOHURD on October 19, 2009, and became effective on the same date. According to these measures, construction entities shall file with the construction department of the local people's government at or above the county level where the project is located (hereinafter referred to as the filing authority) within 15 days from the date of completion and qualified acceptance of the project, in accordance with these measures. The filing authority,

upon receiving the record-filing documents of completion and acceptance submitted by the construction entity and verifying the completeness of the documents, shall sign for receipt on the record-filing form of completion and acceptance of the project.

The Regulations on Completion Acceptance of Housing Construction and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收規定》) were promulgated by the MOHURD on December 2, 2013, and became effective on the same date. Under these regulations, the construction entity is responsible for organizing and implementing the completion and acceptance of a project.

Regulations on the Management of Lease Housing

Pursuant to (i) the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994 and was last amended on August 26, 2019 and became effective on January 1, 2020, and (ii) the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), promulgated by the MOHURD on December 1, 2010 and became effective on February 1, 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located. If the lessor and lessee fail to go through the registration and filing procedures, both lessor and lessee may be subject to fines.

PRC Laws and Regulations on Intellectual Property Rights

Patent

The Patent Law of the PRC (《中華人民共和國專利法》) was promulgated by the SCNPC on March 12, 1984, and was last amended on October 17, 2020, and became effective on June 1, 2021. The Detailed Rules for the Implementation of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) were promulgated by the State Council on June 15, 2001, became effective on July 1, 2001, and was last amended on December 11, 2023, and became effective on January 20, 2024. According to these laws, regulations and detailed rules, patents in China are categorized into three types: invention patents, utility model patents and design patents. The term of an invention patent right is 20 years, the term of a utility model patent is 10 years, and the term of a design patent is 15 years, all of which are calculated from the filing date. Any entity or individual that exploits another's patent must conclude a licensing agreement with the patent holder and pay royalties. Exploiting a patent without the permission of the patent holder constitutes an infringement of their patent rights.

Trademark

The Trademark Law of the PRC (《中華人民共和國商標法》) was promulgated by the SCNPC on August 23, 1982, became effective on March 1, 1983, and was last amended on April 23, 2019, and became effective on November 1, 2019. The Regulations for the Implementation of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) were promulgated by the State Council on August 3, 2002, became effective on September 15, 2002, and was last amended on April 29, 2014, and became effective on May 1, 2014. According to these laws and regulations, the validity period of a registered trademark is 10 years from the date of approval. To continue using a trademark upon the expiry of its validity, renewal procedures must be completed in accordance with the provisions within the 12 months preceding expiration. If renewal procedures are not completed within this period, a six-month extension is allowed. Each renewal extends the validity period for 10 years, starting from the day following the expiration of the last validity period. Trademark registrants may authorize others to use their registered trademarks by signing trademark licensing agreements.

Domain Name

The Internet Domain Name Management Measures (《互聯網域名管理辦法》) were promulgated by the MIIT on August 24, 2017, and became effective on November 1, 2017. According to these management measures, the MIIT is the primary regulatory authority for the management of Internet domain names in China. Domain name registration is processed through domain name root servers and their operating institutions, domain name registration management institutions and domain name registration service institutions established in accordance with the relevant regulations.

Computers Software Copyright

The Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》), which was promulgated by the National Copyright Administration on February 20, 2002, and became effective on the same date, regulates the registration of software copyright, the exclusive licensing contract and assignment contracts of software copyright. The National Copyright Administration is mainly responsible for the registration and management of national software copyright and designates the China Copyright Protection Center as the agency for software registration. The China Copyright Protection Center will grant certificates of registration to computer software copyright applicants.

Regulations on Employment and Social Welfare

Employment

The major PRC laws and regulations that govern employment relationship are the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) and its implementation, which impose stringent requirements on the employers in relation to entering into fixed-term employment contracts, hiring of part-time employees and dismissal of employees.

The Labor Law of the PRC (《中華人民共和國勞動法》) was promulgated by the SCNPC on July 5, 1994, and became effective on January 1, 1995, and was last amended on December 29, 2018 and became effective on the same date. The Labor Law of the PRC stipulates matters related to promoting employment, labor contracts, working hours, rest and leave, wages, labor safety and hygiene, special protection for female and minor workers, vocational training, social insurance and welfare, labor disputes, supervision and inspection, as well as legal liabilities.

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) was promulgated by the SCNPC on June 29, 2007, and became effective on January 1, 2008, and was last amended on December 28, 2012, and became effective on July 1, 2013. The Implementation Regulation of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) was promulgated by the State Council on September 18, 2008, and became effective on the same date. According to the aforementioned law and regulation, a written labor contract shall be established when forming a labor relationship. Employers shall not force employees to work overtime and must pay overtime wages according to national regulations if overtime is arranged. Wages must not be lower than the local minimum wage standard and must be paid to employees promptly.

Social Insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the "**Social Insurance Law**"), which was last amended by the SCNPC on December 29, 2018, and became effective on the same date, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the

Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999, and was last amended on March 24, 2019 and became effective on the same date, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

On July 31, 2025, the PRC Supreme People's Court promulgated the Interpretation II by the Supreme People 's Court of the PRC on Legal 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 "**New Judicial Interpretation**"), which took effect on September 1, 2025. Article 19(1) thereof stipulates that if an employer and an employee agree or the employee undertakes that social insurance contributions need not to be paid, the People's Court shall deem such agreement or undertaking invalid. Furthermore, where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the Labor Contract Law of the PRC, the People's Court shall support such claims in accordance with the law, which clarifies that employees are entitled to request termination of their labor contracts and receive corresponding economic compensation under the Labor Contract Law of the PRC if the employer fails to make social insurance contributions in accordance with the law.

Housing Provident Fund

Pursuant to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》), which was promulgated by the State Council on April 3, 1999, and was last amended on March 24, 2019, and became effective on the same date, employers in Chinese Mainland shall provide their employees with housing provident fund. Employers who fail to contribute to the above housing provident funds may be ordered to make full payment within a prescribed time period by the housing provident fund management center. If an employing entity fails to make the payment towards the housing provident funds within a prescribed time limit, an application may be made to a people's court for enforcement.

Regulations Relating to Overseas Investment

According to the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017 and became effective on March 1, 2018, an investor shall, in overseas investment, undergo the formalities for the confirmation or recordation, among others, of an overseas investment project, report the relevant information, and cooperate in supervisory inspection.

Pursuant to the Measures for the Administration of Overseas Investment (《境外投資管理辦法》) promulgated by the MOFCOM on March 16, 2009, lastly amended on September 6, 2014 and became effective on October 6, 2014, "overseas investment" means the acts of an enterprise legally formed in China to own a non-financial enterprise or obtain the ownership, control, or right of business management of or any other interest in an existing non-financial enterprise outside of China by formation, acquisition or merger, or other means. The MOFCOM and the provincial counterparts promulgate regulations providing that overseas investment of enterprises to be subject to recordation or confirmation management, depending on the actual circumstances of investment. Overseas investment involving any sensitive country or region or any sensitive industry shall be subject to confirmation management. Overseas investment under other circumstances shall be subject to recordation management. When an overseas enterprise invested by an enterprise conducts overseas reinvestment, the enterprise shall report to the commerce departments after completing the overseas legal procedures.

Pursuant to the Provisions on the Foreign Exchange Administration of the Overseas Direct Investment of Domestic Institutions (《境內機構境外直接投資外匯管理規定》) promulgated by the State Administration of Foreign Exchange (the "**SAFE**") on July 13, 2009 and became effective on August 1, 2009 and the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of 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》) promulgated by the SAFE on February 13, 2015, became effective on June 1, 2015 and was partially repealed on December 30, 2019, stipulates that, upon obtaining the approval for overseas investment, the overseas direct investment of PRC enterprises shall apply for foreign exchange registration to the banks at their places of registration.

Regulations on Foreign Exchange

According to the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Overseas Listing (《關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE on December 26, 2014, and became effective on the same date, a domestic company shall, within 15 working days after the completion of its overseas listing, go through the registration of overseas listing with the foreign exchange bureau at its place of registration. A domestic issuer may transfer the capital raised through overseas listing to its local bank account or deposit at its overseas account. The use of proceeds shall be consistent with the purposes disclosed in this document or other public documents.

According to the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by SAFE on June 9, 2016 and became effective on the same date, and the Notice of the State Administration of Foreign Exchange on Further Deepening Reform to Promote Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) promulgated by SAFE on December 4, 2023, and became effective on the same date, the foreign exchange receipts under capital accounts of domestic institutions are subject to discretionary settlement policies. The foreign exchange receipts under capital accounts (including foreign exchange capital, foreign debts, and repatriated funds raised through overseas listing) subject to discretionary settlement as expressly prescribed in the relevant policies may be settled with banks according to the actual need of the domestic institutions for business operation. Domestic institutions may, at their discretion, settle up to 100% of foreign exchange receipts under capital accounts for the time being. SAFE may adjust the above proportion in due time according to the balance of payments. While eligible for the discretionary settlement of foreign exchange receipts under capital accounts, domestic institutions may also opt to use their foreign exchange receipts according to the payment-based settlement system. A bank shall, in handling each transaction of foreign exchange settlement for a domestic institution according to the principle of payment-based settlement, review the authenticity and compliance of the use of the funds settled in the previous foreign exchange settlement (including discretionary settlement and payment-based settlement) of such domestic institution. Domestic institutions' foreign exchange receipts under the capital account and the Renminbi funds obtained from the settlement thereof shall not, directly or indirectly, be used for expenditure beyond the enterprise's business scope or expenditure prohibited by laws and regulations of the state. Unless otherwise specified, the funds shall not, directly or indirectly, be used for investments in securities or other investments or wealth management other than banks' principal-secured products. The funds shall not be used for the granting of loans to non-affiliated enterprises, except where it is expressly permitted in the business scope. The funds shall not be used for the construction or purchase of real estate for purposes other than self-use (except for real estate enterprises).

Regulations on Taxation

Enterprise Income Tax

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**") which was promulgated by the SCNPC on March 16, 2007 and last amended on December 29, 2018, and became effective on the same date, a unified income tax rate of 25% will

be applied towards foreign investment and foreign enterprises which have set up institutions or facilities in the PRC as well as PRC enterprises. Under the EIT Law, enterprises established outside of China whose "de facto management bodies" are located in China are considered "resident enterprises" and will generally be subject to the unified 25% enterprise income tax rate as to their global income.

Enterprises that are recognized as high and new technology enterprises in accordance with the Administrative Measures for the Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》) promulgated by the Ministry of Science and Technology, the MOF and the SAT on April 10, 2020, and became effective on the same date, are entitled to enjoy a preferential enterprise income tax rate of 15%, under which the validity period of the high and new technology enterprise qualification shall be three years from the date of issuance of the certificate. An enterprise can re-apply for such recognition as a high and new technology enterprise before or after the previous certificate expires.

Tax on Dividends

For Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) (the "**Individual Income Tax Law**"), which was last amended by the SCNPC on August 31, 2018 and became effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》) (the "**Implementation Rules of the Individual Income Tax Law**"), which was last amended by the State Council on December 18, 2018 and became effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) promulgated by the MOF, the SAT and the CSRC on September 7, 2015 and became effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), became effective on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷稅漏稅的安排》第五議定書) (the "**Fifth Protocol**"), promulgated by the SAT and became effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

For Enterprise Investors

Pursuant to the EIT Law and the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》), which was last amended by the State Council on December 6, 2024, and became effective on January 20, 2025, a non-resident enterprise is subject to a reduced rate of 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders which are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) promulgated by the SAT on November 6, 2008, and became effective on the same date, a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares which are derived out of profit generated since 2008.

According to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關于對所得避免雙重徵稅和防止偷漏稅的安排》), the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including Hong Kong Securities Clearing Company Nominees Limited). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' verification.

Tax related to equity transfer income

For Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》), which was promulgated by the MOF and the SAT on 30 March 1998, and became effective on the same date, from 1 January 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. The SAT does not specify whether to continue to exempt individuals from personal income tax on the income from the transfer of shares in listed company in the newly revised Individual Income Tax Law and Implementation Rules of the Individual Income Tax Law.

For Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in the PRC or has an establishment or premises in the PRC but the PRC-sourced income is not actually connected with such establishment or premises in the PRC. The aforementioned income tax payable by non- PRC resident enterprises is subject to source withholding, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under applicable tax treaties or arrangements.

Regulations on Securities and Overseas Listing

Securities Laws and Regulations

The Securities Law of the PRC (《中華人民共和國證券法》) (the "**Securities Law**"), which was promulgated by the SCNPC on December 29, 1998, and was last amended on December 28, 2019 and became effective on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

Overseas Listings

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**") and relevant five guidelines, which became effective March 31, 2023. According to the Overseas Listing Trial Measures, PRC domestic enterprises that seek to offer and list securities in overseas markets, either in direct or indirect means (the "**Overseas Offering and Listing**"), are required to fulfill the filing procedure with the CSRC and submit filing reports, legal opinions, and other relevant documents. Subject to specific circumstances, the Overseas Listing Trial Measures require that, among other things, (i) initial public offerings or listings on overseas markets shall be filed with the CSRC within three working days after the relevant application is submitted overseas, (ii) subsequent securities offerings of an issuer on the same overseas market where it has previously offered and listed securities shall be filed with the CSRC within three working days after the offering is completed, and (iii) subsequent securities offerings or listings of an issuer on other overseas markets other than where it has offered and listed securities shall be filed with the CSRC within three working days after the relevant application is submitted overseas. If a PRC company fails to complete the filing procedure or the filing documents submitted by a PRC company contain misrepresentation, misleading statement or material omission, such PRC company may be subject to order to rectify, warnings and fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly responsible persons may also be subject to fines.

In addition, the Overseas Listing Trial Measures also provides the circumstances where the Overseas Offering and Listing is explicitly prohibited, including: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the Overseas Offering and Listing may endanger national security as reviewed and

determined by competent authorities under the State Council in accordance with law; (iii) the PRC domestic enterprise, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the PRC domestic enterprise is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller.

As advised by our PRC Legal Adviser, we have complied with the Overseas Listing Trial Measures and the relevant guidelines.

RELEVANT LAWS AND REGULATIONS IN MALAYSIA

Customs Act 1967

The Customs Act 1967 ("**CA 1967**") regulates the customs laws of Malaysia.

Under the CA 1967, the Minister of Finance of Malaysia ("**MOF**") may from time to time fix the custom duties to be levied on any goods imported into or exported from Malaysia and any customs duty payable under CA 1967 may be recovered as a civil debt due to the Government of Malaysia. The MOF also has the power to prohibit the importation and exportation of certain goods absolutely or except under an import or export licence issued by the Director General of Customs and Excise or the proper officer of customs appointed by the Director General of Customs and Excise to act on his behalf at the ministry, department or statutory body as specified in the Customs (Prohibition of Imports) Order 2023 or Customs (Prohibition of Exports) Order 2023.

Section 14(2) of the CA 1967 provides the MOF may, in any particular case, (a) exempt any person from the payment of the whole or any part of the customs duties or any other prescribed fees or charges which may be payable by such person on any goods; or (b) direct the refund to any person of the whole or any part of the customs duties or any other prescribed fees or charges which have been paid by such person on any goods. Such exemptions are generally subject to specific terms and conditions imposed by the MOF.

Income Tax Act 1967

The Income Tax Act 1967 ("**ITA 1967**") imposes income tax which is charged for each year of assessment upon the income of any person accruing in or derived from Malaysia or received in Malaysia from outside Malaysia. A company will be a tax resident in Malaysia if its management and control of its business or any one of its businesses, is exercised in Malaysia.

Resident companies with a paid-up capital of more than RM2,500,000 and non-resident companies are subject to a tax rate of 24% during the year of assessment 2023-2024. In cases of resident companies with a paid-up capital of less than RM2,500,000 and gross business income of not more than RM50,000,000, are subject to a tax rate of 15% for the first RM150,000, 17% on the next RM450,000, and subsequently 24% in excess of RM600,000. Pursuant to the Income Tax (Deduction from Remuneration) Rules 1994, every employer shall deduct in each month or the relevant month the monthly deduction in accordance with the Schedule of the ITA 1967 in respect of income on account of tax from the remuneration of each of his employees, unless otherwise directed in writing by the Director General of Inland Revenue. The employer shall then pay to the Director General of Inland Revenue, not later than the 15th day of every calendar month, the total amount of tax deducted or that should have been deducted by him from the remuneration of employees during the preceding calendar month.

Every employer shall, for each year, furnish to the Director General of Inland Revenue a return in the prescribed form not later than 31 March in the year immediately following the first-mentioned year containing the details specified in Section 83(1) of the ITA 1967. Any person who without reasonable excuse fails to furnish a return in accordance with Section 83(1) of the ITA 1967 shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM200 and not more than RM20,000 or to imprisonment for a term not exceeding six months or to both.

Industrial Co-Ordination Act 1975

The Industrial Co-Ordination Act 1975 ("**ICA**") which applies throughout Malaysia, amongst others, provide for the co-ordination and orderly development of manufacturing activities in Malaysia.

Pursuant to the ICA and the Industrial Co-Ordination (Exemption) Order 1976, a person engaged in a manufacturing activity with shareholders' fund of RM2,500,000 and above and/or which engages 75 or more full-time paid employees must acquire a manufacturing license issued by the Ministry of Investment, Trade and Industry of Malaysia.

The ICA provides that any person who fails to obtain a valid license is guilty of an offence and is liable on conviction to a fine not exceeding RM2,000 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000 for every day during which such default continues.

Employment Act 1955

The Employment Act 1955 ("**EA 1955**") regulates all labour relations in Peninsular Malaysia and the Federal Territory of Labuan, including contracts of service, payment of wages, rest days, hours of work, termination, lay-off and retirement benefits.

Any person who commits any offence under, or contravenes any provision of EA 1955, or any regulations, order or other subsidiary legislation whatsoever made thereunder, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

Occupational Safety and Health Act 1994

The Occupational Safety and Health Act 1994 ("**OSHA 1994**") is an act to make provisions for, amongst others, securing the safety, health and welfare of persons at work and for protecting others against risks to safety or health in connection with the activities of persons at work. By virtue of the OSHA 1994, every employer is under an obligation to ensure, so far as is practicable, the safety, health, and welfare to work of all his employees excluding domestic employment, armed forces and work on board ships. Any person who contravenes the foregoing provisions under the OSHA 1994 is guilty of an offence and is liable on conviction to a fine not exceeding RM500,000 or to imprisonment not exceeding two years or to both.

Section 27C of the OSHA 1994 provided that no person shall install or caused to be installed any prescribed plant unless the person ensures that the plant has fulfilled all the requirements prescribed and has obtained the written approval from the Director General of Occupational Safety and Health. Any person who contravenes the foregoing shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment not exceeding one year or to both. Pursuant to section 27D of the OSHA 1994, no person shall operate or cause or permit to be operated any plant that has been installed under section 27C of the OSHA 1994 unless the plant has been issued a certificate of fitness. A person who contravenes this requirement shall be guilty an offence and shall, on conviction, be liable to a fine not exceeding RM100,000 or to imprisonment for a term not exceeding one year or to both.

The Local Government Act 1976 and Trade By-laws

In Malaysia, a private limited company may commence business operations upon registration for incorporation under the Companies Act 2016 ("**CA 2016**").

Following its registration for incorporation, the company shall obtain a business premise license for each operating premise from the relevant local authority which was empowered under the Local Government Act 1976 ("**LGA 1976**"). LGA 1976 confers the power to the local authority to make by-laws which provide that no person shall use any premise within the jurisdiction of respective Municipal Council without a license issued by respective Municipal Council.

It is provided under LGA 1976 that any person who fails to exhibit or to produce such license shall be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding six months or to both.

The Sale of Goods Act 1957

Sale of Goods Act 1957 ("**SOGA 1957**") governs the law on the sale of goods in Malaysia.

SOGA 1957 provides that a stipulation in a contract of sale with reference to goods which are the subject thereof may be a condition or warranty. A condition is a stipulation essential to the main purpose of the contract, the breach of which gives rise to a right to treat the contract as repudiated. A warranty is a stipulation collateral to the main purpose of the contract, the breach of which gives rise to a claim for damages but not to a right to reject the goods and treat the contract as repudiated. Whether a stipulation in a contract of sale is a condition or a warranty depends in each case on the construction of the contract.

In a contract of sale, unless the circumstances of the contract are such as to show a different intention, there is an implied condition on the part of the seller, that, in the case of a sale, he has a right to sell the goods, and that, in the case of an agreement to sell, he will have a right to sell the goods at the time when the property is to pass; an implied warranty that the buyer shall have and enjoy quiet possession of the goods; and an implied warranty that the goods shall be free from any charge or encumbrance in favour of any third party not declared or known to the buyer before or at the time when the contract is made.

Where there is a breach of warranty by the seller, or where the buyer elects or is compelled to treat any breach of a condition on the part of the seller as a breach of warranty, the buyer is not by reason only of such breach of warranty entitled to reject the goods; but he may set up against the seller the breach of warranty in diminution or extinction of the price or sue the seller for damages for breach of warranty. Pursuant to SOGA 1957, it is the duty of the seller to deliver the goods and of the buyer to accept and pay for them in accordance with the terms of the contract of sale.

RELEVANT LAWS AND REGULATIONS IN SINGAPORE

Companies Act

Pursuant to section 23(1) of the Companies Act, a company has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction and full rights, powers and privileges for such purpose, save as provided otherwise under the Companies Act, any other written law or a company's constitution. In this connection, the Constitution does not contain provisions restricting the Company's capacity, rights, powers or privileges under section 23(1) of the Companies Act.

Regulation of Imports and Exports Act

Under the Regulation of Imports and Exports Act 1995 of Singapore ("**RIEA**"), the Minister for Trade and Industry, may regulate the registration, control, and movement of goods imported into, exported from, transhipped in, or transiting through Singapore, with the Regulation of Imports and Exports Regulations 1999 (**RIER**) requiring permits for certain controlled goods. While no specific licences or approvals are known to be required for the company's principal activities, certain products may still be subject to registration requirements imposed by relevant authorities.

Under regulation 23(1) of the RIER, either the Singapore Customs or an authorised issuing authority may issue a certificate of origin ("**CO**") pursuant to the rules of origin in the free trade agreement or scheme of preference under which a certificate of origin was applied for (for preferential certificates of origin) or the Singapore Customs' "Handbook on the Rules of Origin for Ordinary Certificate of Origin" (for ordinary certificates of origin), which was last revised on February 2016.

Certificates of processing, on the other hand, are not provided for in the RIER or the RIEA but may be issued by the Singapore Customs for goods "which underwent substantial processing in Singapore but are unable to fulfil the rules of origin administered under the ordinary Certificate of Origin scheme", as indicated by the Singapore Customs in its "Application Procedures for a Certificate of Origin via TradeNet and Related Administrative Matters" (last revised December 2021) ("**Application Procedures**"). Such "substantial processing" appears to be for the Singapore Customs to determine, as neither certificates of processing nor the definition of "substantial processing" is provided for in the RIER or RIEA. On the basis of the Application Procedures, the shipments which have obtained the certificates of processing have, based on the Singapore Customs' determination, undergone substantial processing in Singapore. In this regard, the quantity or percentage requirements for the issuance of a certificate of processing are not provided in the RIER or RIEA.

Both COs and certificates of processing serve as references for determining the origin of goods for importing countries' customs requirements, including duties, tariffs, or taxes. Singapore law does not require exported goods with a CO to be labelled "Made in Singapore," although such labelling is permitted subject to the importing country's laws.

Under the RIEA, any person who imports, exports or tranships any goods and either (i) applies or causes to be applied to the goods an incorrect trade description, or (ii) has in his possession for sale or for any purpose of trade any goods to which an incorrect trade description has been applied, shall be guilty of an offence and shall be liable on conviction to a fine and/or imprisonment. Trade descriptions mean any description, statement or indication which, directly or indirectly and by whatever means given, relates to the place of origin, manufacture or production of the goods.

Sale of Goods Act

The Sale of Goods Act 1979 of Singapore ("**SOGA**") is the main governing law in Singapore in relation to the sale of goods. The SOGA applies to any contract for the sale of goods where the seller transfers or agrees to transfer goods to the buyer for a monetary consideration. Section 13 of the SOGA provides that where there is a contract for the sale of goods by description, there is an implied condition that the goods will correspond with the description. Section 14 of the SOGA provides that for goods sold in the course of business, there is an implied condition that the goods must be of satisfactory quality. However, this condition does not apply to any defect which is specifically drawn to the buyer's attention before the contract is made, nor if the buyer examines the goods before the contract, to any defect which that examination ought to have revealed.

Income Tax Act

Under the Income Tax Act 1947 of Singapore (the "**ITA**"), the prevailing corporate income tax rate is 17%, and a company's statutory income (for the purposes of determining assessable and chargeable income) is based on the full amount of its income for the year preceding the year of assessment (the "**YA**"). For the avoidance of doubt, a "year of assessment" refers to a period of twelve (12) months between 1 January and 31 December of a given year.

Pursuant to section 65 of the ITA, the Comptroller may give notice to a person requiring such person to complete and return to the Comptroller a return specified in the notice for the purposes of obtaining full information in respect of the person's income, within not less than thirty (30) days from the date of service of the notice on the person. Further, section 64 of the ITA also provides the Comptroller with the authority to, by written notice, require a person to furnish within a reasonable time limited by such notice fuller and further returns respecting any matter as to which a return is required under the ITA.

Section 62(1)(a) of the ITA provides that "*The Comptroller may, by notice in the Gazette, require every person to furnish to the Comptroller in such form and manner as the Comptroller may determine, within a reasonable time specified in the notice or such extended time as the Comptroller may allow, a return of income for the year of assessment specified in the notice and such particulars as may be required for the purpose of ascertaining the income (if any) for which the person is chargeable under this Act*". Further, section 63 of the ITA also provides that, any person (not being an individual), who has not made a return required under section 62 of the ITA for any YA must "*within 3 months after the end of the accounting period relating to that year of assessment, furnish to the Comptroller an estimate of the person's chargeable income*" unless otherwise exempted.

Pursuant to section 85(1) of the ITA, tax for any YA levied in accordance with the provisions of the ITA is (notwithstanding any objections or appeals against the assessment) payable at the place stated in a notice served by the Comptroller (within which the amount of tax payable will be stated, or if no tax is payable, a notice to that effect) (NOA) within one (1) month after the service of the notice. In this regard, in lieu of the Covid-19 pandemic in Singapore, under the Resilience Budget of Singapore announced on 26 March 2020, all companies with corporate income tax payments due in the months of April, May and June 2020 were granted an automatic three (3) month deferment of the payments (i.e., payment was deferred to July, August and September 2020 respectively).

Based on the Directors' Confirmations and to the extent that such matters have been disclosed or set out in the documents referred to hereunder, the Company has, during the Relevant Period, made, declared or given all tax returns, filings, notices and information (including any filings in respect of estimated chargeable income, if required) in respect of corporate income tax which is required by IRAS to IRAS, and that the Company has not incurred any penalties in respect of any late tax notification or payment.

Goods and Services Tax

Under section 8(1) of the Goods and Services Tax ("**GST**") Act 1993 of Singapore ("**GST Act**"), a person who is or is required to be registered under section 9 of the GST Act is required:

(a) to charge GST of 7% from 1 July 2007 to 31 December 2022 (both dates inclusive);

(b) to charge GST of 8% from 1 January 2023 to 31 December 2023 (both dates inclusive); and

(c) to charge GST of 9% from 1 January 2024 to 31 December 2024 (both dates inclusive),

on:

(a) the supply of goods or services (including a reverse charge supply), by reference to the value of the supply as determined under the GST Act; and

(b) the importation of goods, by reference to the value of the goods as determined under the GST Act.

(section 16 of the GST Act).

A person is liable to be registered under section 8(2), read together with section 9 and paragraph 1 of the First Schedule of the GST Act either:

(a) at the end of any quarter the last day of which is a day before 1 January 2019 in which the total value of all its taxable supplies made in Singapore for that quarter and immediately preceding three quarters or calendar year respectively has exceeded S$1 million; or

(b) at the end of the year 2019 or a subsequent calendar year, the total value of all of the following in that calendar year has exceeded S$1 million:

    (i) the taxable supplies made in Singapore;

    (ii) if the subsequent calendar year is 2022 or later, the taxable supplies in Singapore under paragraph 3(2)(b)(ii) and (3A) of the Seventh Schedule of the GST Act; or

(c) if at any time there are reasonable grounds for it to believe that the total value of all of (A) the taxable supplies made in Singapore; and (B) the taxable supplies under paragraph 3(2)(b)(ii) and (3A) of the Seventh Schedule of the GST Act, in the period the next twelve (12) months will exceed S$1 million.

Paragraph 3(2)(b)(ii) of the Seventh Schedule of the GST Act refers to taxable supplies made to a customer who belongs in Singapore from an operator of an electronic marketplace making the supply instead of an overseas underlying supplier, unless such operator provides to the overseas underlying supplier the registration number allocated by the Comptroller.

Paragraph (3A) of the Seventh Schedule of the GST Act refers to a supply of distantly taxable goods, including:

(a) where the supply is made to a customer and the delivery of the goods is made to a place in the customs territory (including the arrangement or assistance of such delivery); and

RELEVANT LAWS AND REGULATIONS IN THAILAND

Foreign Business Act ("FBA")

Thai law imposes restrictions on foreigners engaging in certain business activities. The principal law with respect to foreign participation in various business activities is the FBA. The FBA defines the definition of "foreigner" to be (i) a non-Thai natural person; (ii) a legal entity not incorporated in Thailand; (iii) a juristic entity incorporated in Thailand with at least 50% (fifty percent) of share capital owned by foreign individuals or entities; and (iv) a limited partnership or a registered ordinary partnership having a non-Thai natural person as the managing partner or manager. Foreigners therefore are generally allowed to participate and own less than 50% of shares capital unless otherwise particularly prescribed in specific law, in case the company intends to engage in any restricted businesses.

Investment Promotion Act (the "Investment Act")

The BOI was set up under the Investment Act for the purpose of encouraging investment in Thailand through several eligible business activities. Thai government has granted full foreign ownership rights to foreign nationals who promise to make major investments and transfer technology to Thailand. Generally, the BOI privileges are granted for manufacturing activities as well as certain non-manufacturing activities which fall within the eligible activities as listed by the BOI. However, to qualify for the BOI privileges, the foreign nationals are obligated to transfer into Thailand the specified capital, technology and equipment technology within the period, and strictly comply with the specific condition.

Land Code

The Land Code stipulates that foreigners may acquire land by virtue of the provisions of a treaty giving the right to own immovable property, subject to the provisions of the Land Code and, subject to the limitation on rights over land for religious purposes, foreigners may acquire land for residence, commerce, industry, agriculture, burial, public charity or religion under the conditions and procedures prescribed in ministerial regulations and with the permission of the minister.

Law and regulations on tax: The Revenue Code of Thailand (the "RC")

The principal law with respect to tax implication in Thailand is the RC governed by the Revenue Department.

Corporate income tax ("CIT")

According to the RC, in general, a company is subject to the CIT rate of 20% on net profit. In addition, with respect to Small Medium Enterprises, a company having a paid-up registered capital at the end of the accounting period not exceeding THB 5 million (Five million Thai Baht) and having annual revenue income from business operation not exceeding THB 30 million (Thirty million Thai Baht) per annum shall be entitled to reduction of CIT in which it will be exempted from CIT for the net profit not over THB 300,000, and it will be subject to 15% CIT on net profit range between THB 300,001 – 3,000,000, and 20% CIT on net profit exceeding THB 3,000,000.

Value added tax ("VAT")

VAT is an indirect consumption tax levied on the supply of goods and provision of services by a VAT operator and on the import of goods or services. Any person (individual or juristic entity) who conducts business in Thailand and its annual turnover exceeds THB 1.8 million (One million Eight Hundred Thai Baht) is required to register to be a VAT operator. A VAT operator is required to comply with VAT requirements per the RC. Only a registered VAT operator is entitled to claim for prepaid VAT credit or VAT refund.

There are also other applicable taxes, for example, the excise tax, withholding tax, special business tax, land and building tax and stamp duty, etc. A company is required to file tax returns to the Revenue Department on a regular basis, including monthly, annual and semi-annual reports.

Law and Regulation Relating to Distribution of Dividend

Distribution of dividend by a limited company registered in Thailand, regardless of whether or not shareholders are domiciled in or outside Thailand, is subject to the provisions under the Civil and Commercial Code of Thailand ("**CCC**"). To declare and distribute dividends, a resolution passed by the shareholders is required. However, in situations where the board of directors anticipates that the company's financial status would be profitable, the board of directors, by a majority vote, may declare and distribute an interim dividend. In addition, at each distribution of dividend, the company must appropriate to a reserve fund of at least 5% of the profits, until the reserved fund reaches the amount of 10% of the registered capital of the company.

Dividend payments to shareholders are subject to Thai withholding tax. In Thailand, dividend payments made to foreign shareholders are generally subject to a withholding tax at a rate of 10% (subject also to the terms of the double tax treaty between Thailand and the home jurisdiction of the receiver of the dividend).

Personal Data Protection Act

Personal Data Protection Act B.E. 2562 (2019) ("**PDPA**") serves as Thailand's primary legislation on personal data protection. It fully came into effect on June 1, 2022.

The PDPA regulates the collection, use, and disclosure (collectively, the "**process**" or its derivative) of personal data of all individuals data subject by data controllers and data processors. **Personal data** means any information relating to a person, which enables the identification of such person, whether directly or indirectly, but not including the information of the deceased persons. A **data controller** refers to a person or a juristic person with the authority and duties to make decisions regarding the processing of personal data. A data processor, on the other hand, is a person or a juristic person acts on behalf of or under the instructions of a data controller to process personal data. Under the PDPA, data controllers are generally restricted from collecting, using, or disclosing personal data without obtaining explicit consent from the data subjects prior to or at the time of personal data collection unless otherwise permitted by law or any other lawful basis as provided under the PDPA applies.

The PDPA also imposes several obligations on data controllers and data processors, including notifying the purpose of personal data processing, the applicable lawful basis, implementing adequate data security measures, maintaining records of data processing activities. Cross-border data transfers are permitted only when the recipient country or international organization meets the PDPA's data protection standards or if a legal exemption applies.

Regulation on Industrial Product Standard

In Thailand, the regulation of industrial product standards is governed by the Industrial Product Standards Act B.E. 2511 (1968) ("**IPS Act**") and its subsequent amendments, administered by the Thai Industrial Standards Institute ("**TISI**") under the Ministry of Industry. The IPS Act authorizes the TISI to establish and enforce Thailand Industrial Standards ("**TIS**"), which apply to both mandatory and voluntary product standards to ensure the safety, quality, and performance of industrial products within the country.

Under the IPS Act, there are two types of standards:

1. Mandatory Thailand Industrial Standards: These standards apply to industrial products that are subject to a Royal Decree issued under the authority of the IPS Act. Such products must comply with the relevant TIS and obtain a mandatory TIS mark before they are manufactured, imported, or sold in Thailand. Manufacturers and importers of these products are required to obtain a license from TISI prior to the production or importation of these goods.

2. Voluntary Thailand Industrial Standards: These standards apply to industrial products that are not explicitly subject to a Royal Decree. Manufacturers may voluntarily choose to comply with TIS and apply for a voluntary TIS mark if they believe their products meet the applicable standards.

Regulation on Product Liability

The Product Liability Act B.E. 2551 (2008) ("**Product Liability Act**") is designed to protect consumers' rights in cases where damages are caused by unsafe products. Under this Act, various business operators, including manufacturers, hirers, importers, and sellers of goods (especially when the manufacturer, hirer, or importer cannot be identified), are considered potentially liable parties ("**PLPs**") for damages resulting from unsafe products. An "unsafe product" is defined as any product that can cause harm or injury due to a manufacturing defect, design flaw, or insufficient instruction for use, storage methods, warnings, or product information, or where such instructions are provided but are incorrect or unclear as appropriate, taking into account the condition of the products as well as the normal and foreseeable manner of use and storage.

According to the Product Liability Act, all PLPs involved with an unsafe product are jointly liable for any damages caused by that product and has been sold to consumers, regardless of whether the harm was due to their intentional acts or negligence. To hold the PLPs liable, the injured consumer only needs to show that they suffered harm from the unsafe product and that they used and maintained the product as intended.

However, the Product Liability Act outlines certain exceptions.

If the court finds that a consumer was harmed by an unsafe product, it will award compensation to the consumer.

Regulation of Factory Operation

The Factory Act B.E. 2535 (1992) ("**FA**") governs factory operations in Thailand. Under this FA, a "factory" is defined as a building, location, or vehicle that either: (i) uses machinery with a combined capacity of 50 horsepower or more (or its equivalent), or (ii) employs 50 or more workers, regardless of machinery use.

FA classifies factories into 3 (three) types based on operational requirements:

Non-compliance with these requirements may result in penalties, including fines and/or imprisonment, depending on the type of factory and the nature of the violation.

In addition to the notification requirements for Type 2 factories and the licensing requirements for Type 3 factories under FA, factory operators are also obligated to comply with regulations issued by the Ministry of Industry or the Department of Industrial Works.

The specific requirements vary based on the industry type and factory size. They may include provisions related to the location and surrounding environment of the factory, the types or specifications of machinery used, the qualifications of personnel or workers employed, and standards and methods for waste management, among other factors.

Failure to comply with these requirements or regulations can result in penalties, such as fines, being imposed on the factory operator.

Law and Regulation Relating to the Foreign Exchange

Thai foreign exchange controls are managed by the Bank of Thailand ("**BOT**") on behalf of the Ministry of Finance under the Exchange Control Act B.E. 2485 (1942) (the "**ECA**"), as amended and relevant rules ("**Exchange Control Regulations**"). The BOT has authorized commercial banks and certain entities to act as agents for foreign exchange transactions. The BOT has implemented measures to limit specific foreign exchange transactions involving the Baht currency by domestic financial institutions and non-residents, aiming to prevent instability and speculation in the currency market. Exceptions may be granted based on specific financial circumstances.

For outward remittances from Thailand, such as (i) dividends after applicable tax payments, (ii) interest on loans from overseas, and (iii) principal payments on such loans, authorized agents must be informed and supporting documents for outward remittances may be required by the authorized agents for verification.

Law and Regulation Relating to Employment and Labor Law

The primary laws governing employment and labor in Thailand include Sections 575 to 586 of the Civil and Commercial Code ("**CCC**"), the Labour Protection Act B.E. 2541 (1998) ("**LPA**"), the Labour Relations Act B.E. 2518 (1975) ("**LRA**"), the Social Security Act B.E. 2533 (1990) ("**SSA**"), and the Workmen's Compensation Act B.E. 2537 (1994) ("**WCA**"), along with their amendments.

The CCC and LPA serve as the main legal frameworks aimed at protecting employees' working conditions and regulating employment terms and employment agencies. Notably, under these laws, an employment contract is not required to be in written form.

The LPA further establishes that employees are entitled to certain rights, including a notice period before termination, leave entitlements, severance payments, and holidays.

The SSA and WCA are designed to provide compensation for employees injured during the course of their work. Employers are mandated to contribute to both the Social Security Fund and the Workmen's Compensation Fund to mitigate the financial risks associated with workplace injuries. Failure to comply with these obligations constitutes a criminal offense, subjecting the employer to potential fines, imprisonment, or both.

Foreign investment in Vietnam

Under the Law on Investment 2020 and Decree No. 31/2021/ND-CP dated March 26, 2021 of the Government guiding a number of articles of the Law on Investment 2020, as amended ("**Decree 31**"), foreign investors are entitled to enjoy the market access conditions applicable to domestic investors unless the business activities which are intended by the foreign investors fall into the list of business activities that are conditional or not permitted for foreign investors' market access as specified under Annex 1 of Decree 31. There are a number of market access conditions applied to foreign investors.

Similarly, when conducting investment activities, an economic organization will be considered as a foreign investor equivalent entity ("**FIEE**") and subject to the investment procedures and conditions applicable to foreign investors as mentioned above if it falls in any of the following circumstances: (A) foreign investor(s) holds more than 50% of the charter capital of the economic organization or majority of the partners of an economic organization constituted in the form of a partnership are foreign individuals; (B) economic organization(s) referred to in point (A) holds more than 50% of the charter capital of another economic organization; and (C) foreign investor(s) and the economic organization(s) referred to in point (A) jointly hold more than 50% of the charter capital of another economic organization.

Investment Registration Certificate

At law, a foreign investor or an FIEE is required to obtain an Investment Registration Certificate ("**IRC**") for their investment projects in Vietnam (including establishment of a foreign-invested economic organization in Vietnam) from the competent authority.

Vietnam Enterprises Law

The Law on Enterprises No. 59/2020/QH14 adopted by the National Assembly of Vietnam on June 17, 2020, as amended (the "**Law on Enterprises 2020**") regulates the establishment and operation of enterprises in Vietnam (including economic organization established by foreign investors).

After foreign investors or FIEE obtains the IRC for their investment project in Vietnam, they will apply to the business registration office of the provincial Department of Finance for setting up the foreign-invested company ("**FIC**") to carry out the investment project in Vietnam. Under the Law on Enterprises 2020, any FIC incorporated in Vietnam is required to obtain the Enterprise Registration Certificate (the "**ERC**") from the business registration office of the provincial DOF where the head office is located, except for those operating in certain specialized business sectors.

Vietnam Land Law

The right to use land and the ownership of assets attached to such land are evidenced in the certificate of Land Use Right, Ownership over Residential Houses and Other Assets Attached to Land, or equivalent certificates ("**LURC**") issued, from time to time, by (i) the Land Registration

Office of the Department of Agriculture and Environment (formerly known as the Department of Natural Resources and Environment ("**DAE**") if authorized by competent authority; or (ii) the DAE or relevant People's Committee in provinces and districts that have not yet established a Land Registration Office.

Taxation

(a) Corporate income tax

Enterprises established under the laws of Vietnam are subject to corporate income tax.

The standard corporate income tax rate is 20% up to the 2024 tax year. Starting from the 2025 tax year, corporate income tax rates will vary based on annual revenue thresholds, including 15%, 17% and 20%. In addition, preferential tax rates, tax exemptions or tax reductions may be available to eligible projects in certain industries or locations that are encouraged by the government.

(b) Value added tax

Organizations and individuals who produce and trade in taxable goods and services in Vietnam or who import taxable goods and services from overseas are liable to pay value added tax. Vietnam has three main VAT rates: 0%, 5%, and 10% (reduced to 8% until the end of 2026 for certain items).

(c) Personal income tax

Corporate employers in Vietnam are required to withhold, declare and pay the personal income tax on the remuneration paid to their employees.

Progressive tax rates from 5% to 35% applied for employees who are Vietnam tax residents, a flat tax rate of 20% applied for Vietnam non-tax residents.

(d) Withholding tax

Withholding tax applies to certain payments to foreign parties such as interest, service fees and leases. This comprises a combination of corporate income tax and value added tax at varying rates depending on nature of payment.

(e) Business license tax

Business license tax is payable by enterprises established under the laws of Vietnam on an annual basis. The rate depends on the registered charter capital with a maximum amount currently set at VND3 million.

(f) Customs duties

Import duty applies to most goods imported into Vietnam, unless exempt under special conditions. Import duty is assessed on an ad valorem (on value) basis, which is determined by multiplying the dutiable value of imported goods by the import duty rate. Import duties fall into three categories: ordinary, preferential, and special preferential rates. Preferential rates apply to goods imported from countries that have "Most Favored Nation" ("MFN") status with Vietnam. Special preferential tariffs apply to goods imported from countries with a preferential agreement or free trade agreement with Vietnam.

Vietnam encourages export-based activities, and most exported goods are exempt from export duties. However, export duties are imposed on certain items, including minerals, forestry products, and scrap metal. Export duty rates can range from 0% to 40%.

(g) Dividends and distributions

All dividends payable to the foreign investor of a foreign owned enterprise will not be subject to withholding or other taxes under the laws and regulations of Vietnam.

In general, the foreign corporate shareholder of the foreign owned enterprise may distribute and repatriate profits if it has fulfilled its financial obligations owed to the government of Vietnam.

Foreign investors are permitted to buy foreign currency via bank transfer in order to remit profits and other lawful proceeds in Vietnamese Dong overseas.

Foreign Exchange Control

The legislation regulating the foreign exchange market in Vietnam is Ordinance No. 28/2005/PL-UBTVQH11 on Foreign Exchange as amended by Ordinance No. 06/2013/UBTVQH13, as amended, and its guidance instruments ("**Foreign Exchange Regulations**"). A company incorporated under the laws of Vietnam is designated as a resident for exchange control purposes in Vietnam. This includes foreign owned enterprises.

(a) Foreign currency payment

According to Foreign Exchange Regulations, all current transactions related to payments and remittance of money connected to exports, imports, short-term loans from banks, net income from direct and indirect investment, interest and repayments on foreign loans, and import or export of goods or services, may be conducted freely. However, in the territory of Vietnam, all transactions, payments, displays of prices, advertisements, quotations, pricing, and price writing in contracts and agreements and other similar forms (including conversion or adjustment of prices of goods or services, value of contracts or agreements) must not be conducted in any foreign currency except for limited cases provided by the law.

One of such exceptional cases applies to export processing enterprises ("**EPEs**"). Notably, EPEs are permitted to quote prices, set prices, state prices in contracts, and make and receive payments in foreign currency (by bank transfer) in certain transactions, including: (i) purchases of goods from the domestic market for the purposes of producing, processing, recycling, or assembling export goods or for export (excluding goods subject to export prohibitions); and (ii) transactions with other EPEs.

(b) Foreign currency bank account

A resident foreign owned enterprise shall open a direct investment capital account in foreign currency with an authorised bank in Vietnam to conduct lawful foreign currency receipts and payments related to foreign direct investment activities in Vietnam, including but not limited to: (i) receipt of foreign currency capital contributions from foreign investors via bank transfer and receipts related to foreign loans of the foreign owned enterprise; (ii) payments in foreign currency via bank transfer related to foreign loans of the foreign owned enterprise; and (iii) remittance of profits and other lawful proceeds from foreign direct investment activities in Vietnam to foreign investors overseas.

Vietnam Product Quality Law

In Vietnam, there are two (02) types of technical characteristics and management requirements applicable to goods manufactured in Vietnam for exporting purposes: technical regulations ("quy chuẩn kỹ thuật" in Vietnamese) and technical standards ("tiêu chuẩn kỹ thuật" in Vietnamese) pursuant to the Law on Technical Standards and Regulations No. 68/2006/QH11 adopted by the National Assembly of Vietnam on June 29, 2006, as amended (the "**Law on Technical Standards and Regulations 2006**") and Decree No. 127/2007/ND-CP dated August 1, 2007 of the Government guiding in details the implementation of this Law, as amended ("**Decree 127/2007**").

The manufacturing of high-precision PCB is not subject to any specific technical regulations or standards in Vietnam. Rather, manufacturers can voluntarily adopt certain relevant international technical standards, such as IPC-2221. Besides, under the Law on Quality of Good and Products No. 05/2007/QH12 adopted by the National Assembly of Vietnam on November 21, 2007, as amended, organization manufacturing goods for export must ensure that the exported goods comply with the regulations of the importing country, the terms of the contract, or any applicable international treaties or mutual recognition agreements on conformity assessment between the relevant countries or territories.

Vietnam Regulations on Industrial Zone and Export Processing Zone

In Vietnam, an enterprise located in an export processing zone and engaged in the production of export goods is regarded as an EPE and required to comply with Decree No. 35/2022/ND-CP dated May 28, 2022 of the Government on the management of industrial parks and economic zones, as amended ("**Decree 35/2022**"), and where applicable, master plan(s) on land use purposes and relevant industries. Under Decree 35/2022, the EPEs are generally entitled to investment incentives and non-tariff zone tax benefits from the date on which the investment objective of establishing an EPE is recorded in the IRC is issued (where applicable). Specifically, goods imported into the export processing zone for the purpose of manufacturing export products, as well as goods produced within such zone and exported, are not subject to the import and export tax duties. In order to qualify for the aforementioned non-tariff zone tax benefits, an EPE must be certified by the Vietnamese customs authority as satisfaction of conditions for customs inspection and supervision upon completion of construction phase and prior to commencement of operation.

Vietnam Regulations on Data Privacy

In Vietnam, data privacy is primarily regulated by the Law on Personal Data Protection 2025 and Decree No. 356/2025/ND-CP guiding the Law on Personal Data Protection 2025, both of which took effect on 1 January 2026.

By law, the data controllers (who determine the purpose and means of personal data processing), data processors (who process personal data at the request of, and pursuant to a contract with, a personal data controller or a personal data controller-cum-processor), or data controller-cum-processors (who determine the purposes and means of, and directly process, personal data) are required to prepare, retain, and send a copy of a data protection impact assessment dossier ("**DPIA**") to the Department of Cyber Security and Hi-tech Crime Prevention under the Vietnamese Ministry of Public Security ("**DCHCP**") within 60 days from commencement of, or changes to, personal data processing activity. The submission of DPIA can be conducted (i) directly to the headquarters of the DCHCP; (ii) through postal services; or (iii) through online submission via the DCHCP's portal specialized for data privacy (the "**Portal**").

Vietnam Environmental Protection Law

The Law on Environmental Protection No. 72/2020/QH14 adopted by the National Assembly of Vietnam on November 17, 2020, as amended (collectively, the "**Law on Environment Protection 2020**") sets out the legal framework for protection of the environment in Vietnam as well as rights and obligations of related individuals and organizations.

Environmental License

The environmental license is issued by the competent authority to an organization or individual engaging in production, business or service activities that allow them to discharge wastes into the environment, manage wastes or import scraps for use as production materials, subject to environmental protection requirements and conditions as specified by laws. The investors of Group-I Projects, Group-II Projects and Group-III Projects must obtain the environmental license when officially putting into operation if such projects discharge (i) wastewater, dust, or emissions into the environment that must be treated; or (ii) discharge hazardous wastes that must be managed in accordance with the laws.

Vietnam Firefighting and Prevention Law

Law on Firefighting, Prevention and Rescue No. 55/2024/QH15 adopted by the National Assembly of Vietnam on November 29, 2024 (the "**Law on Firefighting and Prevention 2024**") effective from July 1, 2025 imposes various rules and obligations on firefighting and prevention that an enterprise must comply.

Before starting construction of works listed in Annex III of Decree No. 105/2025/ND-CP (which elaborates on certain articles and measures for implementing the Law on Firefighting and Prevention 2024) ("**Decree 105**"), the owners of construction works must have the firefighting and prevention design appraised by the competent authorities. After completing construction and before commencing operations, the owners must organize the acceptance of the construction works in terms of firefighting and prevention and obtain approval from the competent authorities on the acceptance result.

Labor Matters

The Labor Code No. 45/2019/QH14 adopted by the National Assembly of Vietnam on November 20, 2019 (the "**Labor Code 2019**") sets out the legal framework for labor-related matters. The Government and the Ministry of Labor, War Invalids and Social Affairs (which has since been merged into the Ministry of Home Affairs) have also issued a number of decrees and circulars to implement the Labor Code 2019. Generally, the Labor Code 2019 provides key principles for rights and obligations of employers and employees, labor contracts, requirements on salary, working and rest hours, compulsory insurances, internal labor rule, trade union, and the use of foreign employees, etc.

Compulsory Insurances

Under the Law on Social Insurance No. 41/2024/QH15 adopted by the National Assembly of Vietnam on June 29, 2024, the Law on Health Insurance No. 25/2008/QH12 adopted by the National Assembly of Vietnam on November 14, 2008 (as amended), the Law on Employment No. 74/2025/QH15 adopted by the National Assembly of Vietnam on June 16, 2025 and the Law on Labor Safety and Hygiene No. 84/2015/QH13 adopted by the National Assembly of Vietnam on June 25, 2015 (as amended), employees and employers are required to make contributions to the compulsory insurance schemes which include social, health, occupational accidents and diseases and unemployment insurances in Vietnam in favor of Vietnamese employees (and certain categories of foreign employees). The contributions are calculated based on the employee's wage or salary specified under the labor contract and made by both employee and employer in specific percentage set forth by laws.

RELEVANT LAWS AND REGULATIONS IN THE U.S.

U.S. Outbound Investment Security Program

On January 2, 2025, a U.S. outbound investment security program (the "**OISP**"), implemented by the U.S. Department of Treasury ("Treasury") under a newly adopted rule (the "**Outbound Investment Rule**"), became effective.

The OISP prohibits or requires notification of certain outbound investment transactions by "U.S. persons" involving "covered foreign persons" that are engaged in specified "covered activities" relating to certain sensitive technologies and products in the (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence ("**AI**") sectors.

Under the Outbound Investment Rule,

- "U.S. persons" are broadly defined, including, among others, U.S.-incorporated entities, U.S. citizens and permanent residents wherever located, branches of U.S. entities outside the United States, and any person in the United States;

- "Covered foreign persons" include, in relevant part, (i) companies that are engaged in specified activities within one of these three technology sectors and that are headquartered, incorporated in, or have their principal place of business in a "country of concern" (currently China, including Hong Kong and Macau), (ii) companies that are engaged in specified activities within one of these three technology sectors and that are directly or indirectly owned by the government of a "country of concern" or by certain individuals or entities associated with a "country of concern," and (iii) companies with significant financial ties to companies described in (i) or (ii); and

- "Covered transactions" include certain acquisitions of equity interests and contingent equity interests, debt financing, joint ventures, and investments as a limited partner in a pooled investment fund.

The OISP requires U.S. person-entities that are the parents of non-U.S. entities to "take all reasonable steps to prohibit and prevent any transaction" by their non-U.S. entities that would be a prohibited transaction if engaged in by a U.S. person. The notification requirements also apply to U.S. person-entities that are the parents of non-U.S. entities that enter into transactions that would be notifiable transactions if entered into by a U.S. person. The OISP also prohibits U.S. persons from knowingly directing a non-U.S. person to enter into a transaction that would be prohibited if entered into by a U.S. person.

The OISP includes exceptions, which, if applicable, exclude from its prohibitions and notification requirements certain transactions that would otherwise be either prohibited transactions or notifiable transactions if engaged in by a U.S. person. These exceptions include one applicable to certain U.S. person-investments in publicly traded securities that are traded on a national stock exchange (such as the trading of our H Shares on the Stock Exchange after the completion of the Global Offering).

Failing to comply with the notification requirements or failing to provide accurate and complete information in a filing under the OISP may subject relevant U.S. persons to civil penalties including fines of up to the greater of two times the transaction value or US$377,700 (as such amount may be adjusted for inflation), and — for willful violations — criminal penalties of fines of up to US$1 million and imprisonment of up to 20 years.

However, the OISP is a relatively new regulatory regime, which is subject to changes and interpretations. On December 18, 2025, the U.S. Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"), which will supersede the OISP, became law. The COINS Act is subject to a rulemaking process, which is required to be completed by March 2027, and there is substantial uncertainty regarding how the new law will be implemented. We will continue evaluating and monitoring developments with respect to these laws and regulations. Investors, including those that are U.S. persons or are subsidiaries of U.S. persons, should consult their own legal counsel regarding the applicability of the Outbound Investment Rule, the COINS Act or similar laws and regulations to this Global Offering and any potential obligations and exceptions thereunder. For associated risks, see "Risk Factors — Risks Relating to Doing Business in the Jurisdictions Where We Operate — U.S. outbound investment regulations and other foreign laws and regulations could have a negative impact on our ability access to capital in the future."

OVERVIEW

We are one of the key players in advanced PCB products for AI and high-performance computing, specializing in research and development, manufacturing and sales of high-build-up HDIs and high-layer-count MLPCBs. Our technologies, product quality and robust production capabilities position us as a crucial supplier to leading global technology companies.

Milestones

The following sets out a summary of our key development milestones:

Year	Milestones
2003 . .	Our first Group company, Shenghua Electronics was established.
2011 . .	We introduced several institutional investors to optimize our equity structure.
2015 . .	Our Company was officially listed on the ChiNext Market of Shenzhen Stock Exchange (stock code: 300476). Our Company was among the first Chinese PCB manufacturers to establish smart factories in 2015, with a strategic focus on AI servers and automotive electronics.
2018 . .	We were awarded the title of "National Green Factory (國家級綠色工廠)" by the MIIT of PRC (國家工業和信息化部). We were recognized as one of the top 50 companies listed on China's ChiNext Market.
2019 . .	Our HDI Division has been put into operation, laying a solid foundation for high-build-up HDIs.
2021 . .	Our production capacity of the multilayer board division exceeded 500,000 square meters, improving our strategic positioning in PCB market for AI and high-performance computing.
2023 . .	We acquired PSL, through which we also owned MFSS, a globally recognized FPC manufacturer. The acquisition expanded our product portfolio to include a full range of products across RPCBs and FPCs and also broadened our customer base to leading companies in sectors such as automotive electronics, industrial control and high-end medical devices.
2024 . .	We were awarded the "Outstanding Industry Award (傑出產業獎)" at Global Memory Innovation Forum 2024 (GMIF2024創新峰會). We acquired APCB Electronics (Thailand) Co., Ltd. to expand our PCB production capacity in Southeast Asia.
2025 . .	We upgraded our production lines in Thailand for the manufacturing of high-layer-count MLPCBs and high-build-up HDIs to improve our Group's capabilities to meet the needs of our global customers and to increase our global delivery ability.

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, the principal business activities, the date of establishment and the jurisdiction of incorporation of each of our major subsidiary (including those acquired by us) are listed below, all of which are wholly-owned subsidiaries.

Name of company	Principal business activities	Date and jurisdiction of establishment
Shenghua Electronics	Manufacturing and sales of PCBs	January 24, 2003 The PRC
Hongxing International	Sales of PCBs	June 15, 2011 Hong Kong
Vietnam VGT	Manufacturing and sales of PCBs	July 4, 2024 Vietnam
Weisheng Circuit Board	Manufacturing and sales of PCBs	July 24, 1989 The PRC
Weisheng Technology	Manufacturing and sales of PCBs	September 12, 2003 The PRC
Yiyang Weisheng	Manufacturing and sales of PCBs	September 14, 2018 The PRC
Thailand VGT	Manufacturing and sales of PCBs	July 25, 1990 Thailand
PSL	Holding company of MFSS	October 24, 2017 Cayman Islands
MFSM	Manufacturing and sales of PCBs	January 31, 1958 Malaysia
MFSS	Sales of PCBs	October 11, 1988 Singapore

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

A. Early Development of Our Company

Our history traces back to January 2003, when Shenghua Electronics was established on January 24, 2003, which was owned as to 70% and 30% by Shenghua Xinye and Bodaxing, respectively. Our predecessor, Victory Giant Technology (Huizhou) Co., Ltd.* (勝宏科技(惠州)有限公司) ("**VG Limited**") was established on July 28, 2006 as a wholly foreign-owned enterprise, and its entire share capital was owned by Hong Kong Victory Giant. Upon establishment, the registered capital of VG Limited was USD12,000,000.

On December 18, 2010, VG Limited acquired the entire equity interest of Shenghua Electronics through the issuance of our registered capital to Shenghua Xinye and Bodaxing as consideration. At the time of transaction, Shenghua Xinye was owned as to 90% and 10% by Mr. Chen Tao (陳濤) and Ms. Liu Chunlan (劉春蘭) respectively, while Bodaxing was wholly-owned by Mr. He Lianqi (何連琪).

B. Conversion into joint stock limited company and the A-Shares Listing

Upon the completion of several rounds of equity transfers and capital injections, on February 27, 2012, pursuant to the promoter's agreement dated January 16, 2012 entered into by the then Shareholders, VG Limited was converted from a limited liability company to a joint stock company with limited liability registered capital of RMB110,000,000. Our then nine Shareholders consisted of Shenghua Xinye, Hong Kong Victory Giant, Oriental Fortune (Wuhu) Equity Investment Fund (Limited Partnership)* (東方富海(蕪湖)股權投資基金(有限合夥)) ("**Oriental Fortune**"), Bodaxing, Guoke Ruihua Venture Capital Enterprise* (國科瑞華創業投資企業) ("**Guoke Ruihua**"), Oriental Fortune (Wuhu) No. 2 Equity Investment Fund (Limited Partnership)* (東方富海(蕪湖)二號股權投資基金(有限合夥)("**Oriental Fortune No. 2**"), Huizhou Kaichuang Venture Capital Partnership (Limited Partnership)* (惠州市愷創創業投資合夥企業(有限合夥)) ("**Huizhou Kaichuang**"), Jiaxing Shidai Jingxuan Venture Capital Partnership (Limited Partnership)* (嘉興時代精選創業投資合夥企業(有限合夥)) ("**Jiaxing Shida**") and Ningbo Fenghai Information Technology Development Co., Ltd.* (寧波市豐海信息科技開發有限公司) ("**Ningbo Fenghai**"), each holding 36.96%, 29.70%, 10.20%, 7.63%, 5.00%, 4.80%, 2.50%, 1.84% and 1.38% of the then share capital of our Company, respectively. Save for Shenghua Xinye, Hong Kong Victory Giant and Bodaxing, all of the remaining Shareholders are independent third parties.

On June 11, 2015, our A Shares were listed on the ChiNext Market of Shenzhen Stock Exchange (stock code: 300476) ("**A-Shares Listing**"). For the initial public offering of our A Shares, we issued a total of 36,670,000 A Shares, accounting for 25% of our Company's then total issued Shares. Immediately upon the completion of the A-Shares Listing, the shareholding structure of our Company was as follows:

No.	Name of Shareholder	Number of Shares	Shareholding Percentage (%)
1.	Shenghua Xinye	40,651,050	27.72%
2.	Hong Kong Victory Giant	32,670,000	22.27%
3.	Oriental Fortune	11,220,000	7.65%
4.	Bodaxing	8,388,710	5.72%
5.	Guoke Ruihua	5,500,000	3.75%
6.	Oriental Fortune No. 2	5,280,000	3.60%
7.	Huizhou Kaichuang	2,750,000	1.87%
8.	Jiaxing Shidai	2,023,010	1.38%
9.	Ningbo Fenghai	1,517,230	1.03%
	Sub-total	**110,000,000**	**75.00%**
	Other A Shareholders	**36,670,000**	**25.00%**
	Total	**146,670,000**	**100%**

OUR MAJOR SHAREHOLDING CHANGES

(i) Restricted A Share incentive schemes

Historically, we have issued certain restricted A Shares to our employees pursuant to the relevant share incentive scheme (each a "**Restricted A Share Incentive Scheme**") approved by our Shareholders at general meetings in 2015, 2019 and 2022, respectively. As at the Latest Practicable Date, the terms of the 2015 and 2018 Restricted A Share Incentive Scheme have expired and no additional A Shares will be further granted under any of these Restricted A Share Incentive Schemes. On February 5, 2026, 2,208,000 restricted Shares granted under the 2022 Restricted A Share Incentive Scheme was vested to Directors and senior management. Upon the completion of the vesting of these restricted Shares, our total share capital increased from RMB870,349,313 to RMB872,557,313. Furthermore, no additional A Shares will be granted under the 2022 Restricted A Share Incentive Scheme, for details, please refer to the section headed "Appendix VI — Statutory and General Information — D. 2022 Restricted A Share Incentive Scheme" in this prospectus.

The details of the Restricted A Share Incentive Schemes approved in 2015 and 2019 are as follows:

Name of scheme	Date of issuance of restricted shares	Number of employees incentivized	Date of general meeting approving the scheme	Total number of A Shares issued	Changes in total share capital
2015 Restricted A Share Incentive Scheme	August 24, 2015	40	August 21, 2015	2,890,000	from RMB146,670,000 to RMB149,560,000
	August 22, 2016	62	August 21, 2015	777,500	from RMB373,900,000 to RMB374,677,500
2018 Restricted A Share Incentive Scheme	April 15, 2019	252	March 11, 2019	9,442,000	from RMB769,707,975 to RMB779,149,975

(ii) Capitalization issue

In April 2016, our total share capital increased from RMB149,560,000 to RMB373,900,000 by way of capitalizing capital reserve on the basis of 15 additional Shares for every 10 existing Shares for all the then Shareholders, resulting in a total issuance of 224,340,000 additional Shares.

In March 2018, our total share capital increased from RMB427,615,542 to RMB769,707,975, by way of capitalizing capital reserve on the basis of 8 additional Shares for every 10 existing Shares for all the then Shareholders, resulting in a total issuance of 342,092,433 additional Shares.

(iii) Private Placements

Following the approval from our Shareholders in June 2016 and the relevant regulatory authority in May 2017, we conducted a round of private placement in August 2017 and issued 52,938,042 A Shares to three qualified subscribers, all of whom are independent third parties. The placement raised net proceeds of approximately RMB1,069.9 million. The net proceeds was utilized for new energy vehicles and IoT circuit board project. Upon its completion, our total share capital was changed from RMB374,677,500 to RMB427,615,542.

In 2021, following the approval of our Shareholders and the relevant regulatory authority, we conducted a round of private placement in November 2021 and issued 86,095,566 A Shares to 16 qualified subscribers, all of whom are independent third parties. The placement raised net proceeds of approximately RMB1,985.3 million. The net proceeds were utilized for the Company's business development. Upon its completion, our total share capital changed from RMB777,561,455 to RMB863,657,021.

On November 25, 2024, our Shareholders approved to conduct a new round of private placement which was approved by the Shenzhen Stock Exchange on July 17, 2025 and approved by the CSRC on August 28, 2025. On October 20, 2025, the private placement was completed and we issued 7,660,672 A Shares to 10 qualified subscribers, all of whom are independent third parties. The placement raised net proceeds of approximately RMB1,876.4 million. The net proceeds were utilized for the Company's business development. Upon its completion, our total share capital changed from RMB862,688,641 to RMB870,349,313.

(iv) Repurchase and cancellation of A Shares

In September 2020, we repurchased and cancelled a total of 1,588,520 restricted A Shares that were granted to the employees but the vesting conditions thereof could not be met. As a result, our total share capital decreased from RMB779,149,975 to RMB777,561,455, consisting of 777,561,455 A Shares.

From May to July 2022, we repurchased an aggregate of 9,108,543 A Shares for the purpose of implementing employee share ownership plans or equity incentives. In December 2022, we repurchased and cancelled an aggregate of 968,380 restricted A Shares that were granted to the employees but the vesting conditions thereof could not be met and our total share capital decreased from RMB863,657,021 to RMB862,688,641.

From November 2024 to February 2025, we repurchased an aggregate of 1,643,100 A Shares for the purpose of implementing employee share incentive schemes.

OUR LISTING ON THE CHINEXT MARKET OF THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE LISTING ON THE STOCK EXCHANGE

Since June 11, 2015, our Company's A Shares have been listed on the ChiNext Market of the Shenzhen Stock Exchange. As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the applicable listing rules of the Shenzhen Stock

Exchange and other applicable securities laws and regulations of the PRC in any material respects since our listing on the Shenzhen Stock Exchange, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the ChiNext Market of the Shenzhen Stock Exchange. The PRC Legal Advisor of our Company is of the view that the confirmation of our Directors above with regard to our compliance record is accurate and reasonable.

Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

We seek to be listed on the Hong Kong Stock Exchange in order to provide further capital for the research and development and expansion of our business through the construction of new production lines and promote the implementation of our globalization strategy through strengthen our business profile and market position in the industry, and better attract overseas investors and talents. Please refer to "Business — Our Growth Strategies" and "Future Plans and Use of Proceeds" for more details.

MATERIAL ACQUISITIONS

Acquisitions during the Track Record Period

During the Track Record Period, we conducted the following acquisitions that we consider material to us.

1. Acquisition of PSL

For the purpose of supporting our Company's strategy of horizontally integrating the PCB industry, driven by expanding FPC markets and the potential offering of a complete PCB product range, our Company (as purchaser) entered into a share transfer agreement on July 25, 2023 with Tree House Limited (as seller, an independent third party), pursuant to which our Company agreed to purchase from the seller all the issued shares of PSL (which is the sole shareholder of MFSS, which in turn wholly-owned MFSM, Weisheng Technology, Weisheng Circuit Board, Yiyang Weisheng, MFS Technology Europe UG ("**MFSE**")) for a total acquisition cost not exceeding US$460 million, consisting of base consideration of USD365 million and various adjustments, which was determined after arm's length negotiation taking into account, among others, PSL's financial performance, technical capabilities, business volume, and development prospects. The acquisition was properly and legally completed and settled on November 30, 2023, with the final consideration at RMB2,876.7 million (equivalent to approximately USD404.6 million).

Upon completion of the acquisition, PSL, together with its subsidiaries, became our wholly owned subsidiaries. MFSS is principally engaged in sales of PCBs.

2. Acquisition of APCB Electronics (Thailand) Co., Ltd.

For the purpose of supporting our Company's globalization efforts and positioning as a manufacturing hub for expanding international business and fulfilling overseas customer demands, our Company and our subsidiaries, Singapore VGT and PSL (both as purchasers) entered into a share purchase agreement on August 9, 2024 with APCB Capital Limited, Red Noble Limited and Smart Explorer Limited (as sellers, each of them an independent third party), pursuant to which Singapore VGT and PSL agreed to purchase from the sellers all the issued shares of APCB Electronics (Thailand) Co., Ltd. at a consideration of RMB278,700,000, which was determined after arm's length negotiation among the parties taking into account, among others, the target company's financial performance, technical capabilities, business volume and development prospects. The acquisition was properly and legally completed and settled on September 30, 2024. Upon completion of the acquisition, APCB Electronics (Thailand) Co., Ltd. was renamed as Victory Giant Technology (Thailand) Co., Ltd. and became our wholly owned subsidiary. Thailand VGT is principally engaged in the manufacturing for sale of PCB.

Save as disclosed in this prospectus, during the Track Record Period and as of the Latest Practicable Date, our Group did not have any other material acquisitions, disposals or mergers. Our Directors confirmed that, none of the abovementioned acquisitions during the Track Record Period would be classified as a major transaction or a very substantial acquisition (based on the applicable percentage ratios as stipulated under Rule 4.05A of the Listing Rules). Accordingly, we are not required to disclose the pre-acquisition financial information of any of the companies acquired by us during the Track Record Period pursuant to Rule 4.05A of the Listing Rules.

Post-Track Record Period Acquisitions

We have four acquisitions made or in the process of completing after the Track Record Period. These transactions involve subscribing to minority interests in Shenzhen Han's CNC Technology Co., Ltd. (深圳市大族數控科技股份有限公司), Xi'an Taijin New Energy & Materials Sci-Tech Co., Ltd. (西安泰金新能科技股份有限公司) and Company H, and acquiring the entire equity interest in Company X. We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules in relation to the proposed acquisitions. See "Waivers — Waiver in respect of Post-Track Record Period Acquisitions" for alternative disclosure of these acquisitions.

Additionally, for the purpose of expanding our Company's production capacity through fixed-asset investment including the purchase of land and associated fixed assets, on January 23, 2026, MFS Technology (S) PTE Ltd, our wholly owned subsidiary, entered into an equity purchase agreement with SunPower Technology Ltd. ("**SunPower**") to acquire the entire equity interest of SunPower Malaysia Manufacturing Sdn. Bhd., a wholly owned subsidiary of SunPower, for a total consideration of US$51 million, which was determined after arm's length negotiation taking into account, among others, the target's asset status and financial condition (the "**Acquisition**"). The fixed assets acquired in the Acquisition will be integrated with the Company's existing production base in Malaysia to scale up output and support overseas delivery commitments. The Acquisition was properly and legally completed and settled on February 13, 2026. Given that (i) the target of the Acquisition is non-operational and asset-driven in substance, and lacks both profit-generating capacity and a forward order book; and (ii) as advised by our reporting accountants, the target lacks the critical inputs and substantive processes that define a business under the recognition criteria of IFRS 3, and possesses neither an organized workforce with the necessary skills to perform core processes, nor active operations, strategic management, or operational protocols that contribute to outputs, the Acquisition should be classified as an asset acquisition instead of a business acquisition. Accordingly, pursuant to Rule 4.02A of the Listing Rules, the provisions of Rule 4.04(2) of the Listing Rules shall not apply.

Save as disclosed above, during the Track Record Period and as at the Latest Practicable Date, our Group did not have any material acquisitions, disposals or mergers.

PUBLIC FLOAT AND FREE FLOAT

Satisfaction of the Public Float Requirement

Rule 19A.13A of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000,000,000.

Our A Shares are listed on the ChiNext Market of the Shenzhen Stock Exchange. The total number of the H Shares to be issued pursuant to the Global Offering represents approximately 8.72% of the total issued share capital of our Company (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). Immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not

exercised), based on the maximum Offer Price of HK$209.88 per H Share, the market value of the H Shares is expected to be approximately HK$17,493.1 million, thereby satisfying Rule 19A.13A(2)(b) of the Listing Rules.

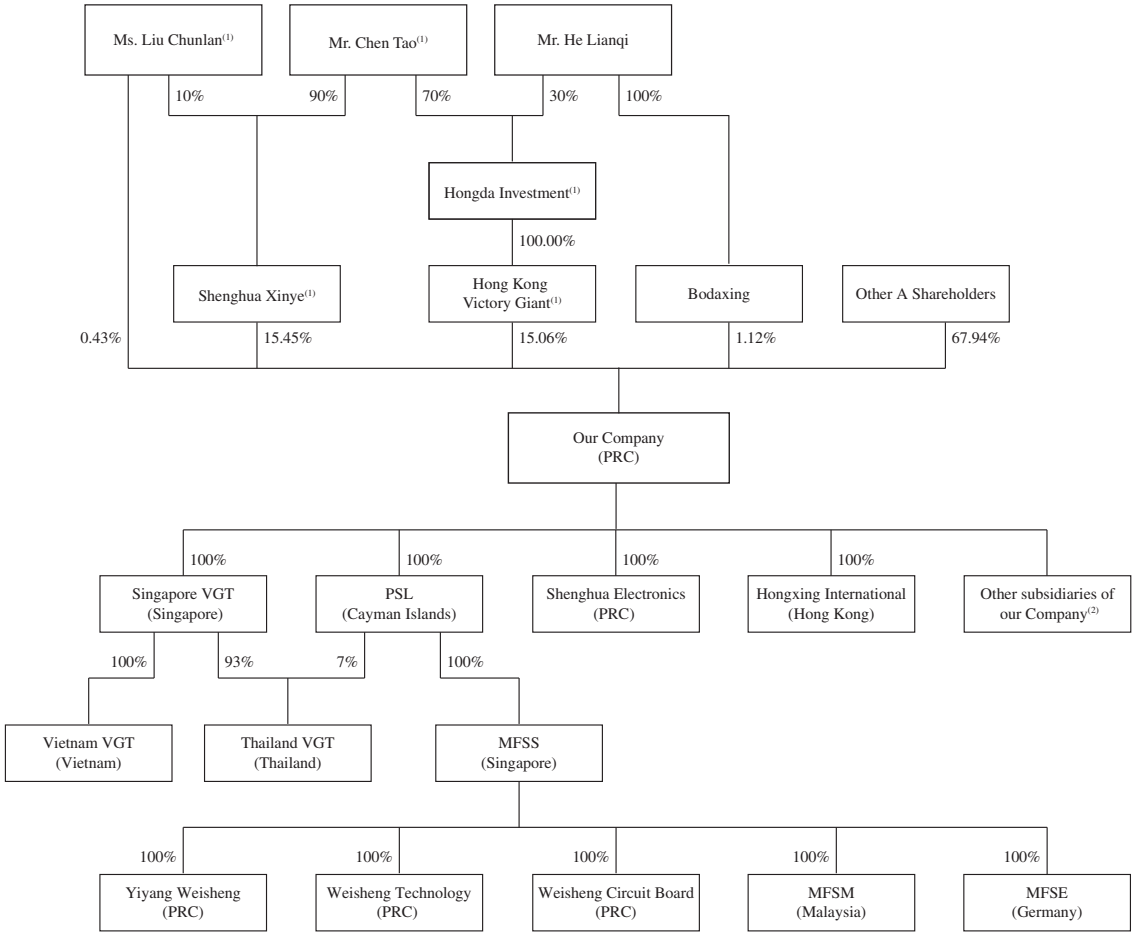
Satisfaction of the Free Float Requirement

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H 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: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000. Based on the maximum Offer Price of HK$209.88 per H Share, it is expected that immediately following completion of the Listing, the market capitalization of the H Shares listed on the Stock Exchange that are not subject to any disposal restrictions at the time of the Listing will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

CORPORATE STRUCTURE OF THE COMPANY

Corporate Structure Immediately Before the Global Offering

The following chart illustrates the simplified shareholding structure and corporate structure of our Group immediately prior to the completion of the Global Offering (assuming that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing):



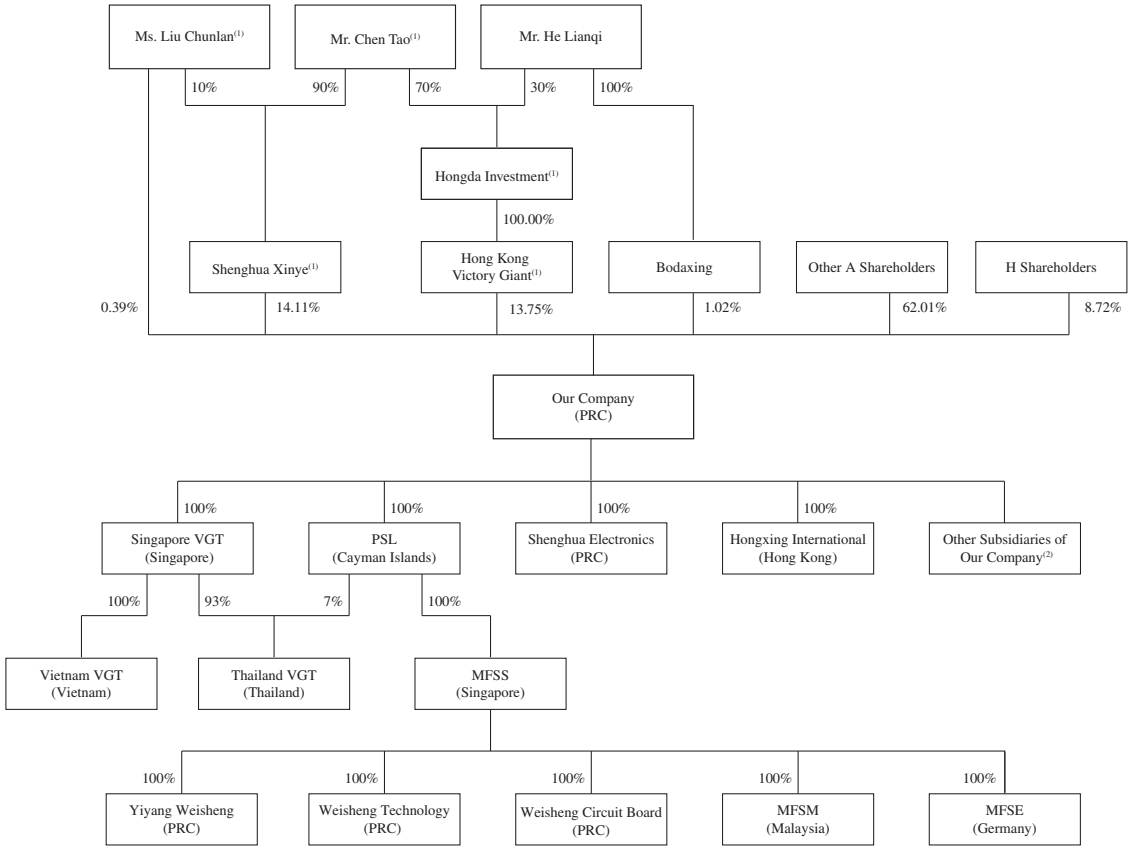
Notes:

(1) As at the Latest Practicable Date, our Largest Group of Shareholders included Mr. Chen Tao, Ms. Liu Chunlan, Shenghua Xinye, Hongda Investment and Hong Kong Victory Giant, who were collectively entitled to exercise the voting rights of approximately 30.94% of the total issued Shares of our Company. Upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), they will collectively exercise voting rights of approximately 28.25% of our total issued Shares.

(2) Other subsidiaries of our Company include, (a) Shenzhen Shenghong Electronics Co., Ltd.* (深圳市勝宏電子有限公司); (b) Huizhou Victory Giant Technology Research Institute Co., Ltd.* (惠州市勝宏科技研究院有限公司); (c) VGTPCB Inc.; (d) Hongxing International Co., Ltd.* (宏興國際株式會社); (e) Huizhou Victory Giant Precision Technology Co., Ltd.,* (惠州市勝宏精密技術有限公司) (f) SunPower Malaysia Manufacturing Sdn. Bhd. which are all our wholly-owned subsidiaries; and (g) Ningbo Kefa Fuding Venture Capital Partnership Enterprise (Limited Partnership)* (寧波科發富鼎創業投資合夥企業(有限合夥)) ("**Ningbo Kefa**") which is owned by us as to 98.97% as its limited partner and Zhejiang Kefa Capital Management Co., Ltd.* (浙江科發資本管理有限公司) as to 1.03% as its general partner, who is ultimately owned by four individuals, who are all independent third parties.

Corporate Structure Immediately Following the Completion of the Global Offering

The following chart illustrates the shareholding structure and corporate structure of our Group immediately following the completion of the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised):



Note: Please refer to the notes 1 to 2 to the paragraph headed "Corporate Structure Immediately Before the Global Offering" above for more information.

OVERVIEW

Who We Are

We are one of the key players in advanced PCB products for AI and high-performance computing in terms of sales revenue in 2024 and the first half of 2025, specializing in research and development, manufacturing and sales of high-build-up HDIs and high-layer-count MLPCBs. Our technologies, product quality and robust production capabilities position us as a crucial supplier to leading global technology companies. According to Frost & Sullivan, we ranked first globally in terms of sales revenue in the PCB market in the field of AI and high-performance computing in the first half of 2025 with the market share of 13.8% and ranked seventh globally by the same metric in 2024 with a market share of 1.7%, with key applications covering AI accelerator cards, servers, AI servers, data center switches and UBB. We are able to manufacture high-layer-count MLPCBs with more than 100 layers. We are also one of the first companies globally to achieve mass production of 24-layer HDIs with a 6+12+6 build-up, as well as the technical capabilities for 30-layer HDIs with a 10+10+10 build-up, and 16-layer any-layer interconnect HDIs, demonstrating our capability to deliver ultracomplex, high-density PCBs widely used in cutting-edge AI and high-performance computing applications at scale, reinforcing our industry leadership. Our technologies support the evolving needs of fast-growing industries such as AI, EV and high-speed telecommunications equipment, contributing to the advancement of China's high-end PCB manufacturing industry.

The proliferation of AI is driving advancements in AI-related hardware, creating structural growth opportunities for the PCB industry. As a key component supporting computing systems, PCB must meet increasingly stringent standards, including high frequency and speed, low signal loss and enhanced heat dissipation. The PCB content value per unit in AI servers is notably higher than that in traditional servers. As AI applications continue to expand, the demand for high-performance PCBs is expected to grow substantially. According to Frost & Sullivan, the global AI server shipments reached approximately 2.0 million units in 2024 and are projected to grow at a CAGR of over 20% to approximately 5.4 million units by 2029, with their share of total server shipments increasing to approximately 29.0%.

Accordingly, we were among the first PCB manufacturers in China to establish smart factories, adopt green manufacturing practices, and expand into emerging sectors. These initiatives increase production output, shorten delivery cycles, reduce energy consumption and lower the labor intensity, ultimately enhancing our overall competitiveness. As we continue to strengthen our core capabilities, we have seized the growth opportunities driven by the development of AI and EV, built a global delivery network to meet rising demand worldwide and rose to the top tier of advanced PCB manufacturers globally.

Leadership

No. 1
Global AI and high-performance computing PCB market share[1]

No. 1
Global high-build-up HDI PCB market share[2]

No. 1
Global high-layer-count MLPCB with 14 layers and above market share[3]

Blue-Chip Customers

Global **leading AI computing infrastructure provider**

Global **leading EV and clean energy provider**

Global **large-scale cloud service providers**

Research & Development

Technical capability of **30-layer HDIs with a 10+10+10 build-up and R&D for 36-layer HDIs with a 14+8+14 build-up**, empowering **cutting-edge AI acceleration cards**

Mass production capability of **70+ layer MLPCBs** and technical capability for **100+ layer MLPCBs**, enabling **next-generation AI servers**

Smart Manufacturing

One of the earliest in the industry to develop and **scale automation** and **smart manufacturing systems**

Customer-focused **flexible manufacturing**, delivering **industry-leading efficiency, precision and speed**

High-end PCB Capacity

600k square meters
HDIs with a build-up of 6+N+6 and above[4]

5.16m square meters
High-layer-count MLPCBs with 14 layers and above[4]

One of the world's largest production networks

Growth

FY2024	FY2025
Revenue	Revenue
RMB10.7bn	**RMB19.3bn**
2015-2024 CAGR	YoY Growth
26.6%	**79.8%**

Notes:

(1) Measured by sales revenue in the PCB market in the field of AI and high-performance computing in the first half of 2025, according to Frost & Sullivan.

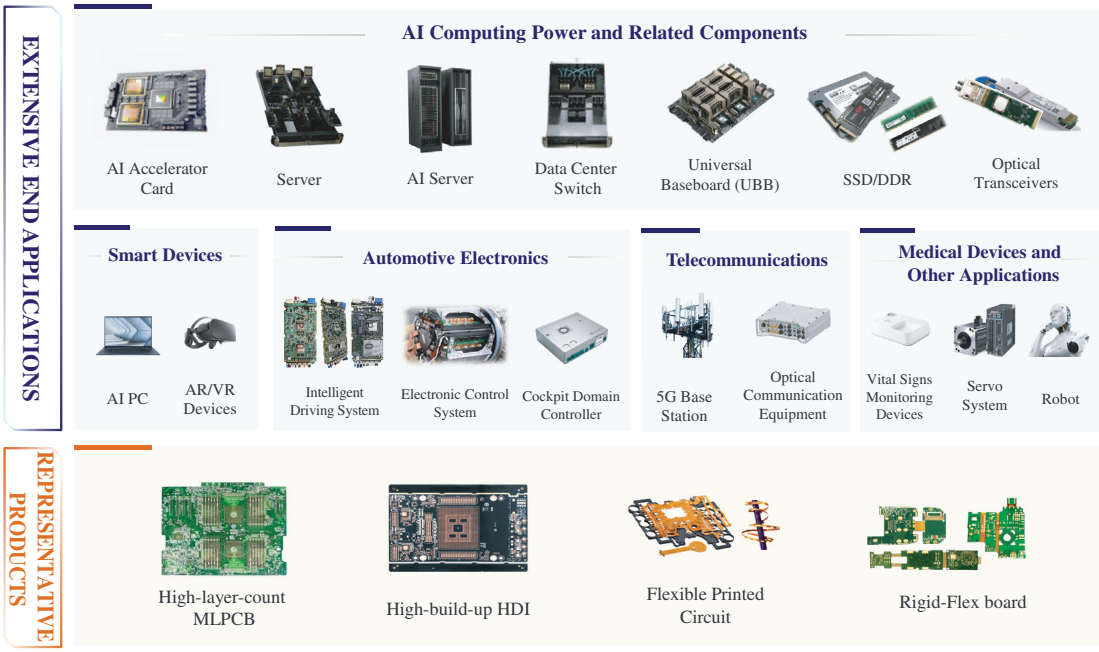
(2) Measured by sales revenue from high-build-up HDI from the AI and high-performance computing in the first half of 2025, according to Frost & Sullivan.

(3) Measured by sales revenue from high-layer-count MLPCBs with 14 layers and above in the first half of 2025, according to Frost & Sullivan. According to Frost & Sullivan, it is common for many industry participants to adopt a classification criterion where high-layer-count MLPCBs are categorized into "8 to 12 layers" and "14 layers and above" given that it is helpful to reflect the downstream applications of high-layer-count MLPCBs, though there is currently no definitive and universally accepted official standard to categorize high-layer-count MLPCBs based on the counts of layers given the stark differences in product applications and market positioning among the industry participants.

(4) Measured by the annual production capacity of high-layer-count MLPCBs with 14 layers and above and advanced HDI products with a build-up of 6+N+6 or above up to the Latest Practicable Date.

Our Product Portfolio

We offer a comprehensive range of products used in a variety of applications. We have expanded our presence in the following in key sectors including AI and high-performance computing, smart devices, automotive electronics, telecommunications and medical devices, with a focus on technologies supporting AI computing such as GPUs and CPUs: (i) *AI and High-performance Computing*: We have developed technologies for applying low-loss materials and optimizing signal integrity to support AI and high-performance computing. Our products center on high-build-up HDIs and high-layer-count MLPCBs supporting high-frequency and high-speed signal transmission. They are primarily used in AI accelerator cards, servers (including AI servers), data center switches and high-speed optical modules; (ii) *Smart Devices*: We focus on the key technological requirements of smart devices, including high integration, slim design and high-speed computing performance. Our products include HDIs and FPCs used in AI-powered PCs, wearables and AR/VR devices; (iii) *Automotive Electronics*: Our products are designed to meet the requirements of automotive-grade reliability, thermal resistance and signal integrity. Our products include HDIs, high-layer-count MLPCBs and FPCs, which are widely used in EV electrical systems, intelligent driving systems, vehicle body control modules and smart cockpits; (iv) *Telecommunications*: We focus on the application of materials that support high-frequency, high-speed transmission and technologies to ensure signal integrity. Our products include high-layer-count MLPCBs and high-build-up HDIs designed for use in 5G base stations, optical communication equipment and data center optical modules; and (v) *Medical Devices and Other Applications*: Our products include MLPCBs, HDIs and FPCs, which are primarily used in advanced medical devices, industrial automation control systems and core control modules of humanoid robots. Our PCB products for humanoid robots have entered production and sales.



Our Global Strategic Footprint

We are committed to strengthening our global presence by continuous domestic and international expansion. Through our network of production centers at home and abroad and strategic mergers and acquisitions, we have built a comprehensive operational network integrating advanced manufacturing, customer service and regional coordination.

Our domestic production hub is located at our headquarters in Huizhou, where we integrate R&D, design, advanced manufacturing and technical support. This production center supports the development and production of a wide range of products including high-layer-count MLPCBs, high-build-up HDIs and other innovative products, with a focus on high-performance PCBs used in AI computing hardware, such as AI accelerator cards, AI servers, high-speed switches and optical modules. We have also invested heavily in establishing multiple production lines in Thailand and Vietnam for the manufacturing of high-layer-count MLPCBs and high-build-up HDIs to meet the needs of our global customers and to increase our global delivery ability.

Our strategic acquisitions have accelerated our advancement toward a leading position in global PCB market and enabled us to rapidly expand our overseas production capacity. In 2023, we acquired PSL, which owns MFSS, a globally recognized FPC manufacturer. The acquisition not only expanded our product portfolio to include a full range of both RPCBs (including MLPCBs and HDIs) and FPCs, but also broadened our customer base to companies in sectors such as automotive electronics (including automotive sensors and display modules), industrial control and high-end medical devices. Headquartered in Singapore, MFSS has established production lines and stable supply chains in Malaysia and Changsha and Yiyang in Hunan Province, China, which enhanced our ability to serve global customers with advanced FPC products. In 2024, we acquired APCB in Thailand, expanding our PCB production capacity in Southeast Asia with its established production lines, business, and experienced teams. We also introduced HDI production capabilities to its production centers, allowing us to better meet the needs of our overseas customers and strengthen our global delivery network.

Our Financial Performance

Our revenue and net profit have grown significantly since 2023. In 2023, 2024 and 2025, our revenue was RMB7,931.2 million, RMB10,731.5 million and RMB19,292.3 million, respectively. Our net profit for the same period was RMB671.3 million, RMB1,154.4 million and RMB4,312.0 million, respectively.

Our Growth Opportunities

The global PCB market is experiencing structural growth. The transformation of sectors such as AI and high-performance computing, smart devices, automotive electronics and telecommunications has significantly increased the demand for high-performance PCB products, including high-layer-count MLPCBs and HDIs. This shift is generating substantial value growth across the industry.

AI and High-performance Computing

The growing demand for AI computing power, along with ongoing upgrades to data center servers and switches, is driving the growth in demand for high-layer-count MLPCBs and high-build-up HDIs. According to Frost & Sullivan, the global PCB market for AI and high-performance computing was US$6.0 billion in 2024 and is projected to grow at a CAGR of 20.1% to reach US$15.0 billion by 2029. Within this market, the high-layer-count MLPCBs (with 14 layers and above) segment size was US$1.5 billion in 2024 and is projected to grow at a CAGR of 21.8% to reach US$4.1 billion by 2029; the high-build-up HDI segment size was US$1.3 billion in 2024 and is projected to grow at a CAGR of 20.3% to reach US$3.2 billion by 2029.

PCBs for AI computing typically have long design cycles and complex designs, which require manufacturers to have extensive technical expertise. We have built a distinct competitive edge in this field, supported by state-of-the-art equipment, advanced production technologies, high-performance products and a track record of reliable large-scale delivery. We believe these strengths will allow us to further expand our share in this rapidly growing market.

Smart Devices

The evolving technical demands of next-generation smart devices underpin the growing market demand for PCBs that achieve miniaturization, lightweight design, and high performance. According to Frost & Sullivan, the global PCB market for smart devices was US$16.1 billion in 2024 and is projected to grow at a CAGR of 5.4% to reach US$20.9 billion by 2029. Within this market, the high-layer-count MLPCBs (with 14 layers and above) segment size was US$1.7 billion in 2024 and is projected to grow at a CAGR of 5.0% to reach US$2.1 billion by 2029; the high-build-up HDI segment size was approximately US$2.9 billion in 2024 and is projected to grow at a CAGR of 5.8% to reach US$3.9 billion by 2029.

Our HDIs are designed to meet the high-density integration requirements of smart devices, while our FPCs support innovative features such as foldable screens and AR micro-modules. We believe our strategic foothold in the PCB market for smart devices positions us well to capture long-term growth opportunities in this market.

Automotive Electronics

The proliferation of automotive electronics and intelligent driving systems, particularly those used on EVs, is boosting the demand for high-performance PCBs. According to Frost & Sullivan, the global automotive electronics PCB market was US$9.4 billion in 2024 and is projected to grow at a CAGR of 3.4% to reach US$11.1 billion by 2029. Within this market, the high-layer-count MLPCBs (with 14 layers and above) segment size was US$0.8 billion in 2024 and is projected to grow at a CAGR of 8.1% to reach US$1.2 billion by 2029; the high-build-up HDI segment size was US$0.6 billion in 2024 and is projected to grow at a CAGR of 8.6% to reach US$0.9 billion by 2029.

Our automotive-grade PCB manufacturing process delivers products that meet the stringent heat resistance and reliability standards required for EVs. Our FPCs, with advantages in lightweight design, integration and reliability, are widely used in BMS, cockpit display drivers and vehicle body sensor systems. Our comprehensive automotive PCB portfolio and advanced technological capabilities give us a strong edge to expand our share in this rapidly expanding market.

Telecommunications

The increased use of advanced materials and complex multilayer structures in telecommunications equipment for 5G and optical communication is driving PCBs toward greater compactness and higher circuit density. According to Frost & Sullivan, the global telecommunications PCB market was US$9.5 billion in 2024 and is projected to grow at a CAGR of 4.4% to reach US$11.8 billion by 2029. Within this market, the high-layer-count MLPCBs (14 layers and above) segment size was US$1.1 billion in 2024 and is projected to grow at a CAGR of 9.6% to reach US$1.7 billion by 2029; the high-build-up segment size was US$0.7 billion in 2024 and is projected to grow at a CAGR of 8.1% to reach US$1.0 billion by 2029.

We are able to manufacture high-layer-count MLPCBs with more than 100 layers and 30-layer HDI with a 10+10+10 build-up, supporting next-generation communication protocols, such as PCIe 6.0 and 224Gbps. These capabilities allow us to fulfill the high-speed, high-frequency transmission requirements of advanced communication equipment. With our leading high-speed interconnect PCB technology, we are poised to reinforce our position in the telecommunications market.

OUR COMPETITIVE STRENGTHS

Strategy Foresight: Fast and sustainable growth driven by strategic initiatives and innovation efforts

We are one of the key players in advanced PCB products for AI and high-performance computing in terms of sales revenue in 2024 and the first half of 2025. According to Frost & Sullivan, we ranked first globally in sales revenue for AI and high-performance computing PCBs, high-build-up HDIs and high-layer-count MLPCBs with 14 layers or more, based on our revenue in the first half of 2025.

Our management team has demonstrated a clear strategic vision and a strong grasp of evolving industry trends. Accordingly, we have built a forward-looking business guided by our "three core strategies", namely smart manufacturing, green manufacturing, and excellence in technology, quality and service, as well as "four pillars of innovation", namely the innovation in mindset, technology, talent and capital investment. These strategic strengths have supported our rapid growth, enabling us to achieve a CAGR of over 25% since our listing on the ChiNext Board of the Shenzhen Stock Exchange in 2015, with our revenue exceeding RMB10 billion in 2024. In recent years, we have focused on critical areas of AI computing, such as GPUs and CPUs, launching R&D initiatives two to three years ahead of market demand. We prioritize breakthroughs in high-growth sectors such as AI computing, AI servers, intelligent driving systems and humanoid robots, while actively advancing the application of next-generation materials and technologies to maintain our technological leadership and strengthen our core competitiveness.

Leading Technologies: Technological Edge Driven by Strategic Foresight and R&D

As a key player in the PCB industry with strong technological capabilities, we are committed to technology-driven marketing and producing high-quality products. Our innovation system encompasses technology R&D, process optimization and mass production, and we have been focusing on the core technology roadmap of PCBs that support AI computing, particularly GPUs and CPUs. Through early-stage planning and targeted R&D in process technology, manufacturing techniques and advanced materials, we have achieved a series of notable breakthroughs: (i) *High-build-up HDIs*: We were one of the first companies in the world to commercialize 24-layer HDIs with a 6+12+6 build-up and have initiated R&D for 36-layer HDIs with a 14+8+14 build-up with the line width/spacing of 40/40 μm. We progressed from mass production of HDIs with a 6+N+6 build-up to R&D validation of a 10+N+10 build-up in only 18 months, which is faster than the industry's typical iteration cycle of 24 to 36 months, according to Frost & Sullivan. Our 28-layer HDIs with an 8+12+8 build-up provides two to three times the wiring density of traditional PCBs, supporting ultra-high-density interconnection, high-speed signal transmission and high integration for cutting-edge AI chips. We are actively advancing R&D for 36-layer HDIs with a 14+8+14 build-up, pushing the limits of line width, via size, and high-precision back drilling; (ii) *High-layer-count MLPCBs*: We have mass production capabilities for high-layer-count MLPCBs with more than 70 layers and have technical capabilities for MLPCBs with more than 100 layers primarily used in AI servers and high-end switches. Our 15.0-mm thick-board technology achieves an aspect ratio of 40:1 and can accommodate ultra-large chip packaging. We are also developing 14.5 mm ultra-thick boards. Our high-precision back drilling technology has reached an accuracy of 4±2 mil in mass production, significantly reducing signal loss. In addition, we are actively developing 0-stub processes to meet the requirements of next-generation ultra-high-speed signal transmission; (iii) *FPCs*: We specialize in miniaturized FPCs and are capable of manufacturing products with widths under 2mm and fine trace dimensions of 50μm/50μm. MFSS initiated and is capable of producing 2-meter-long FPC with roll-to-roll processes for medical catheter applications; and (iv) *Materials Supporting High-frequency, High-speed Transmission*: We have completed the electrical and thermal validation for the use of M8- and M9-grade materials in our products, and we are working toward certification of materials above M9-grade. These advanced

materials deliver significantly improved dielectric properties and lower signal loss. They support ultra-high-speed transmission of up to 224 Gbps, satisfying the performance requirements of next-generation AI servers and switches.

Our core patented technologies focus on the most advanced areas of the PCB industry, with strong technical barriers in product design, key production processes and quality control for high-layer-count MLPCBs, HDIs and FPCs. As of December 31, 2025, we held 381 registered patents, including 194 invention patents, in China and overseas. We have received the *China Excellent Patent Award* for four consecutive years.

Recognized Quality: Ensuring Excellence Through End-to-End Control and Process Innovation

Our comprehensive and sophisticated quality management system covers the entire production process, including product design, raw material procurement, precision manufacturing control and final inspection. We have obtained certifications in process, safety and compliance standards from various international organization, including ISO9001, QC080000, IATF16949, UL2799 and ISO27001, supporting compliant manufacturing in high-end sectors such as AI, automotive, telecommunications and medical devices. Our laboratories are designed to meet RLI standards and are accredited under the CNAS national certification scheme. This provides a strong foundation for product quality, offering outstanding accuracy, reliability and credibility in testing.

At the same time, we continue to improve our production processes and implement strict end-to-end quality control. To address bottlenecks in key manufacturing stages, we have focused on advancing our blind via capabilities for high-build-up HDIs, improving copper debris suppression techniques and reducing conductive residue content. We have introduced wet-process systems in the plating stage to further stabilize process performance. Additionally, we have invested in advanced equipment, such as PLB flash plating systems and insoluble anode technology for critical process steps, significantly improving the uniformity and consistency of copper thickness.

We are also committed to developing an AI-driven smart manufacturing system to enhance automation and inspection capabilities. We have deployed AI-powered detection systems across key stages of PCB production, working in tandem with high-precision sensors to monitor critical parameters in real time. This enables automated decision-making during production, real-time defect detection and statistical analysis, significantly reducing false positives and advancing our goal of zero-defect manufacturing.

Through continuous process innovation and technical upgrades, we are able to achieve higher yield rates for our high-end products than industry averages. Our exceptional product reliability allows us to consistently meet the stringent technical and quality standards of leading global technology customers, thereby reinforcing our strong competitive advantage in product quality.

Production Capacity and Planning: Adaptable and Scalable Production Capabilities with Global Reach

AI computing PCBs are significantly more complex and the processing requirements for which are higher than traditional PCBs. There are strict requirements on material performance, processing precision and interlayer alignment. These elevated technical standards have raised the bar for equipment performance, rendering conventional equipment inadequate for the quality and precision requirements of AI computing PCBs. To address these challenges, we have equipped our production lines with a full suite of advanced systems tailored for AI computing PCB manufacturing. Our smart manufacturing lines offer advanced process capabilities and scale advantages. We have maintained a strong lead in AI computing PCB manufacturing by deploying advanced equipment and cultivating long-term relationships with leading global equipment suppliers, which amplifies our production capabilities and reinforces our competitive strength in manufacturing and production capacity.

We operate five major R&D and production centers in China and overseas, giving us a competitive edge in global delivery and service capabilities. Our production centers in China are located in Guangdong and Hunan provinces. Each center specializes in specific product categories and is supported by a centralized production system. This structure allows for both flexible production scheduling and rapid response to customer orders, resulting in high operational efficiency and strong coordination across the centers. As our collaborations with leading global technology companies continue to expand, we are accelerating the construction of overseas production centers in Southeast Asia, including Thailand and Vietnam. This strategic initiative aims to build a more agile delivery and support network for our global customers, focusing on meeting the overseas delivery demands for our top customers.

Our forward-looking investments in advanced manufacturing equipment and capacity planning have given us a significant production advantage for our high-end products. Our five major production centers have an annual production capacity including 600,000 square meters for HDIs with a build-up of 6+N+6 or above and 5,160,000 square meters for high-layer-count MLPCBs with more than 14 layers up to the Latest Practicable Date. This makes us one of the world's largest production networks for high-build-up HDIs and high-layer-count MLPCBs, according to Frost & Sullivan. As a result, we are well positioned to carry out large-scale mass production across a diverse product range, supported by our strong technical reserves and capacity planning, laying a strong foundation for deeper collaborations with our customers.

Strategic Customer Base: Strategic Long-Term Collaboration with Global Tech Leaders

We have established a brand reputation that is widely recognized for our specialized production technology, high-performance products and proven delivery capabilities. We have built long-term, stable relationships with major established players in multiple industries, including global AI technology solution providers, large cloud service providers, data center equipment OEMs, server manufacturers, top-tier EV companies, automotive electronics suppliers, prominent smart device brands and major medical device manufacturers.

In particular, we are a key supplier to a leading AI computing infrastructure company, Customer E. Our products are extensively used for its AI accelerator cards, AI servers and high-end graphics cards. We also collaborate closely with leading EV and clean energy companies in in-vehicle HDIs and MLPCBs, supplying products for BMS, MCU and intelligent driving modules. We also have long-standing collaborations with top smart device brands and produce customized ultra-thin HDI and FPC products designed to meet the requirements of smart devices, including high integration, compact size, and strong computing performance.

Drawing on our extensive knowledge of AI computing, we collaborate with our customers to develop customized, high-performance PCB products. These efforts ensure stable, efficient and high-quality delivery, enabling our customers to build reliable, high-performance AI computing products, which enhances product performance and strengthens our market competitiveness, fostering long-term relationships with our customers.

Smart Factory: AI-powered Smart Factory and Advanced Manufacturing Processes

We were among the first in China to build a next-generation smart factory powered by IIoT, and among the earliest in the PCB industry to develop and scale automation and smart manufacturing systems. Compared to traditional production facilities, our smart factory shortens lead time by three to five days, reduces manpower needs by approximately 50% and increases production capacity by approximately 40%.

Our smart manufacturing system is built around end-to-end automation, full-process traceability, and AI-assisted decision-making, all tailored to the specific needs of our products and production processes. Key features include (i) the seamless integration of diverse manufacturing equipment, which enables automated data collection, real-time monitoring, and intelligent fault detection for full visibility; (ii) process optimization through a digital operations system for real-time process visibility and an automated material control system to ensure seamless material flow; (iii) smart scheduling, where an automated system allocates production capacity and provides

real-time tracking; (iv) comprehensive risk control via real-time quality monitoring and a smart warehousing system that ensures precise inventory tracking and minimizes handling errors; and (v) quality enhancement by using AI-integrated inspection systems to automate the quality control process, significantly reducing the need for manual oversight. Such customer-oriented smart manufacturing system integrates flexible, automated production lines, data-driven decision-making, and intelligent warehousing, enabling real-time response to order fluctuations and customization needs while ensuring timely global delivery.

Management and Culture: Visionary Founder and Experienced Management Team

Our founder and Chairman, Mr. Chen Tao, is widely recognized as an expert and leader in the PCB industry. With his strong technical expertise, sharp industry insight, and decisive strategic leadership, Mr. Chen guided us to grow on the tide of the PCB industry's shift to the Asia-Pacific region, while consistently staying ahead of the evolving needs of customers. Under his leadership, we were among the first Chinese PCB manufacturers to establish one of the first smart PCB factories in 2015, with a strategic focus on high-growth sectors such as servers and automotive electronics. In 2017, Mr. Chen set our strategic roadmap around key PCB technologies to support AI computing, including those related to GPUs and CPUs. This vision has driven breakthrough developments in advanced HDIs technologies and laid a strong foundation for our leadership in AI computing. Since 2022, Mr. Chen has led us to achieve several notable milestones, including achieving the mass production capability of high-layer-count MLPCBs with 70 layers and the successful development of 30-layer HDIs with a 10+10+10 build-up. He led our internationalization strategy by accelerating global expansion, deepening collaboration with leading global customers and reinforcing our competitive position across the industry value chain.

Under Mr. Chen's leadership, we have built a senior management team with strong technical expertise, extensive industry experience, and a global perspective. The team includes more than 50 technical and management professionals from around the world. Our Vice President and Chief Technology Officer, Mr. Victor J. Taveras, has held senior positions at several leading global PCB companies and is widely recognized as an expert in high-frequency, high-speed materials and high-layer-count MLPCBs manufacturing. Under his leadership, we have achieved breakthroughs in core next-generation technologies, including 36-layer HDIs with a 14+8+14 build-up.

We prioritize talent development and have built a system to attract and cultivate technical and managerial talent worldwide, with a focus on areas such as AI computing and new energy vehicles. As part of our global expansion, we have strengthened synergy with MFSS and APCB and aligned our technical standards and management approaches. We promote a results-driven culture and operate a performance- and data-driven management system to support sustainable growth. With the strategic leadership of our Chairman and the strong technical support of our R&D team led by our Chief Technology Officer, we believe we are well-positioned to remain at the forefront of industry developments, achieve our strategic goals, and execute effectively to create sustainable, long-term shareholder value.

OUR GROWTH STRATEGIES

As we accelerate our business growth, we remain committed to our three core strategies and four pillars of innovation. As AI is expected to transform industries and unlock transformative applications across different sectors, we are committed to embracing the AI era by seizing emerging opportunities, driving technological innovation and reinforcing our leadership in the PCB sector. Therefore, we intend to pursue the following strategic initiatives:

Strengthening Market Leadership in AI and High-performance Computing PCB

As we embrace the AI era, we are committed to driving innovation and reinforcing our leadership in PCBs for AI applications. To achieve this, we plan to (i) sustain our leadership in AI applications by upgrading our core products for better performance and investing in advanced R&D for complex products, such as high-layer-count MLPCBs and high-density interconnects, leveraging our first-mover advantages in smart manufacturing and mass production of ultra-complex boards; (ii) deepen collaboration with leading global technology companies on product development, stay

ahead of market trends and enhance customer relationships; (iii) continue prioritizing innovation with increased R&D investment focused on advanced products; and (iv) expand our production capacity in China and Southeast Asia by investing in advanced equipment to improve our global delivery capabilities, strengthen supply chain resilience, and capture more high-end market opportunities.

Expanding Our Product Portfolio and Targeting Emerging Sectors

We are committed to expanding our portfolio of high-value PCB products and developing products for emerging sectors. To achieve this, we plan to (i) develop a more comprehensive lineup of high-value, differentiated PCB products, such as those utilizing mSAP processes and ultra-high-layer-counts for AI computing; (ii) strategically enter emerging sectors by collaborating with customers on next-generation technologies for humanoid robots, advanced intelligent driving, and low-altitude economy applications to secure first-mover advantages; and (iii) build a more diversified and high-value customer base by leveraging existing relationships to increase our market share across new industries and use cases.

Advancing Our Global Management Model

We plan to strengthen our global operations by leveraging the capabilities of our headquarters to support production centers worldwide, enhance management coordination and establish a global management structure that improves operational efficiency and customer service across our production and service network. To achieve this, we intend to (i) improve our global management structure by centralizing operations at our Huizhou headquarters to enhance data-driven decision-making and coordination; (ii) integrate AI across the entire production and service chain to optimize resource allocation and improve operational responsiveness; (iii) enhance our global production capacity and supply chain resilience by upgrading overseas production centers to smart manufacturing models, improving delivery and localized services; and (iv) standardize our global customer service with unified processes to ensure consistent, high-quality support and increase customer satisfaction.

Continue Promoting Employee Well-Being through People First Philosophy and Team Integration

We remain steadfast in our commitment to a people-centered management philosophy, continuously improving our infrastructure and benefits to enhance employee happiness and foster a sense of belonging. Our goal is to create a development framework where we grow and prosper together with our employees. To achieve this, we focus on several key initiatives: (i) creating premium work and living spaces by providing exceptional offices, apartment-style dormitories, and sports facilities to foster a comfortable and healthy lifestyle; (ii) offering comprehensive living support to meet our employees' diverse needs; (iii) planning for long-term development by expanding our recruitment, training, and recreational facilities to support team growth; and (iv) promoting cultural integration across our global workforce to strengthen collaboration and team cohesion.

OUR EVOLUTION

We began researching, developing and manufacturing PCBs approximately 20 years ago. With a solid commitment to R&D, we have developed advanced production techniques and established ourselves early on as a reliable supplier of PCB solutions for smart devices, automotive electronics, telecommunications and medical devices for major domestic and international brands. Building on this strong foundation, we have pursued a strategic roadmap centered on advancing AI and high-performance computing since 2017, studying the evolution of GPUs and CPUs and implementing strategic initiatives to capture opportunities in emerging applications such as AI, intelligent driving and next-generation telecommunications and servers. These efforts have come to

fruition, delivering substantial revenue growth in high-performance MLPCBs and HDIs since late 2024. Our expertise in high-layer-count MLPCBs and high build-up HDIs has made us a supplier to major technology companies worldwide.

The rise of AI and high-performance computing in recent years has created a substantial demand for PCBs supporting high-speed, low-latency data transmission. In response, we have developed specialized high-density, high-frequency PCBs tailored for AI servers, data center switches and optical transceiver to meet these needs. At the same time, we have continued to offer a broad range of products for the smart devices, automotive electronics and telecommunication sectors, collaborating with leading customers globally to supply PCBs tailored to their needs. Our technology has helped address the complex challenges of high-demand applications advancements in AI, intelligent driving and next-generation communication technologies.

In 2023, we expanded further by acquiring PSL, which owns MFSS, a Singapore-based PCB manufacturer, strengthening our capabilities in FPCs and positioning us to better serve high-growth sectors such as automotive electronics, industrial controls and medical devices. In 2024, we acquired APCB, whose manufacturing facility in Thailand further expands our production capacity, expanding our PCB production capacity in Southeast Asia with its established production lines, business, and experienced teams in Southeast Asia. Together with our facilities in Chinese mainland, we now operate a global manufacturing network designed to meet a broad range of customer delivery needs.

OUR PRODUCTS

We offer a comprehensive range of PCB products, focusing on customized solutions to deliver end-to-end products and high value-added services to our customers. We offer single- and double-layer PCBs, MLPCBs and HDIs, as well as various types of FPCs, such as Rigid-Flexes. With the rapid development of AI, we have continued to invest in and achieve breakthroughs related to AI and high-performance computing and AI servers. Our products are increasingly used in AI accelerator cards, servers and advanced computing infrastructure, which have stringent requirements for transmission speed, signal integrity, thermal performance and reliability.

Application Areas	Application Scenarios	Core Products	Key Features
AI and High-Performance Computing.	Primarily used in AI servers, graphics cards, intelligent computing centers, AI accelerator cards, supercomputing centers, AI cloud platforms and switches	(i) MLPCBs with 18 to 78 layers (ii) HDIs with a build-up from 4+N+4 to 10+N+10 and 20 to 30 layers	(i) MLPCBs with board thickness of 2.5-15.0 mm and maximum aspect ratio of 40:1 (ii) HDIs with board thickness of up to 4.5 mm
Smart Devices	Primarily used in AI computers and tablets, household appliances, audio-visual and gaming devices, smart home equipment, wearables and AR/VR devices	(i) Any-layer HDIs (ii) FPC	A minimum laser via diameter of 75 μm, pad size of D+100 μm, aspect ratio of 1.1:1, line width and spacing of 40/40 μm, optical alignment accuracy of ±50 μm, and a Cpk greater than 1.33.

Application Areas	Application Scenarios	Core Products	Key Features
Automotive Electronics	Primarily used in main control units, inverters, battery management systems and power converters, with broad applications in intelligent driving, EVs, and battery, motor, and electric control.	(i) HDIs with a build-up from 1+N+1 to 4+N+4 and 6 to 20 layers (ii) FPC: Rigid-Flex with 4 to 6 layers (iii) MLPCB	(i) Meeting automotive camera BGA flatness requirement of ≤50 μm (ii) Designed to deliver high reliability, enhanced heat dissipation, high voltage resistance and durability in harsh environments
Telecommunications	Primarily used in macro-, micro- and pico-base stations and millimeter-wave antennas in enterprise, household, commercial, and outdoor telecommunication	(i) MLPCBs with 4 to 24 layers (ii) HDIs with a build-up from 1+N+1 to 8+N+8 and 12 to 20 layers	(i) MLPCBs using embedded copper block technology, with board thickness of 2.0-4.0 mm and patterning accuracy of +/-30 μm (ii) HDIs with any-layer HDI technology applied in millimeter-wave antennas
Medical Devices and Other Applications	Primarily used in continuous glucose monitors, industrial sensors, LED displays, lighting, direct-view displays, with broad applications in industrial automation, intelligent manufacturing, video conference solutions, dynamic display screens and cinemas	(i) HDIs with a build-up from 1+N+1 to 3+N+3 (ii) MLPCBs with 4 to 12 layers (iii) FPC: Rigid-Flex with 4 to 6 layers	(i) The MLPCBs maintain board warpage below 0.5%, along with strict control over ink color consistency across production batches. (ii) Designed to meet rigorous requirements for technical precision, product stability, durability and safety

As a result of our continuous efforts in the field of high-layer-count MLPCBs and high build-up HDIs, our PCBs for AI and high-performance computing have become our largest source of revenue in the year ended December 31, 2025. The following table sets forth our revenue breakdown by the applications of our PCB products for the periods indicated.

Application	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
AI and High-Performance Computing	461,104	5.8	706,522	6.6	8,341,256	43.2
Smart Devices	3,761,890	47.4	3,632,648	33.9	3,684,429	19.1
Automotive Electronics	848,314	10.8	2,199,366	20.5	2,591,542	13.4
Telecommunications	1,106,202	13.9	1,550,297	14.4	1,916,570	9.9
Medical Devices and Other Applications[1]	1,281,071	16.2	1,961,929	18.3	1,549,892	8.1
Total PCB products[2]	**7,458,581**	**94.1**	**10,050,762**	**93.7**	**18,083,689**	**93.7**

Notes:

(1) Other applications primarily include products used in power and battery systems, industrial control, avionics, smart security, LCDs, LEDs, memory modules, SSDs and related applications.

(2) In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

Our Product Portfolio

For our revenue breakdown by PCB product category, changes in our sales volume and average selling price ("**ASP**") and reasons related to their fluctuation, see "Financial Information — Principal Components of Results of Operations".

Single- and Double-layer PCB

Single-layer PCB is the simplest type of PCB, consisting of one layer of conductive copper foil and one substrate. Single-layer PCB is ideal for applications requiring simple connections. Double-layer PCB contains two layers of conductive copper foil, separated by a substrate. The two layers of copper foil are electrically connected through vias. Double-layer PCB is widely used in devices that require more complex circuit designs.

Our single- and double-layer PCBs are widely used in various electronics. Their cost-effectiveness, reliability and simplicity make them well-suited for electronic functions of moderate complexity.

MLPCB

MLPCB is a type of PCB with four or more conductive copper layers separated by insulating dielectric substrate material. Compared with single- or double-layer PCB, MLPCBs offer benefits including higher component density, better electrical performance, better reliability and greater layout flexibility. In particular, MLPCBs can support complex chips. MLPCBs are widely applied in high-performance computing, smart devices and automotive electronics, offering broad applicability across nearly all categories of electronic products.

In AI computing, our MLPCBs use ultra-low-loss M8- or M9-grade materials, achieving transmission rates of 112 Gbps and 224 Gbps and routing density of 60/60 μm line width/spacing. These features are critical for meeting the requirements of high-speed, high-density signal transmission in key hardwares for AI computing, including AI servers, UBB, switches and optical transceivers. In automotive electronics, they enable reliable performance in systems such as intelligent driving controllers and battery-management units. Similarly, high-speed communication systems rely on MLPCBs to support advanced optical modules and telecom equipment, where compact integration and effective heat dissipation are crucial.

We primarily focus on high layer-count MLPCBs with more than 8 layers. For the year ended December 31, 2025, MLPCBs with more than 8 layers accounted for approximately 52.1% of our total MLPCBs revenue, and those with more than 14 layers accounted for approximately 18.6%. Our capability to produce MLPCBs with more than 70 layers places us among the few suppliers able to deliver highly complex, high-reliability MLPCBs at scale and meet the most demanding requirements of the electronics industry. According to Frost & Sullivan, as of the Latest Practicable Date, the number of players globally that could produce MLPCBs with more than 70 layers is less than 10.

HDI

HDIs enable higher wiring density and component integration through the use of advanced via structures, such as blind and buried vias. This frees up more routing space, allows for more compact circuit layouts and improves signal performance. HDIs have a unique build up structure, with a core and multiple layers of building up on each side of the core. The HDI build up is typically expressed

as 1+N+1, 2+N+2 and 3+N+3 and so on, with the N representing the layer-count of the core. With ongoing technological advancements, leading industry participants have extended HDI applications to PCBs used in AI systems. Compared to traditional PCBs, HDIs, which have more complex structures and high wiring density due to the build-up design, are particularly suited for AI applications due to their high-speed data transmission capability, compact design, enhanced reliability and durability. These features align with the requirements of AI accelerator cards and AI servers for high frequency, high speed and high stability, making them an ideal choice for components such as GPU accelerator modules, CPU motherboards, and high-speed network interface cards in AI servers. At the same time, HDIs are typically small in size and thus commonly used in applications where space and weight are critical, such as in advanced smart devices and medical devices.

Our advanced HDI products are made of ultra-low-loss M8- or M9-grade materials, achieving transmission rates of 112 Gbps and 224 Gbps and routing density of 25/25 μm line width/spacing using the mSAP process. They are widely used in AI accelerators cards, AI servers and high-speed optical communication equipment, where their ultra-fine circuit patterns and high-speed interconnection are essential for supporting complex chip architecture, minimizing signal loss and enhancing system performance under demanding, high-frequency conditions.

Currently, we are one of the few companies globally capable of mass-producing HDIs with a build-up of 6+N+6 or above. For the year ended December 31, 2025, HDIs with a build-up of 6+N+6 or above accounted for approximately 75.0% of our total HDIs revenue.

While HDI and MLPCBs share many similarities, customers choose between them based on how product-specific requirements align with technical capabilities of such PCBs. Even within the same end product, different applications may call for either HDI or MLPCB, with HDI generally preferred where miniaturization, weight reduction and thin form factors are critical due to its high interconnect density and advanced via structures. MLPCBs are favored in applications that prioritize substantial current-carrying capacity, complex signal routing and robust thermal performance. In practice, the selection is ultimately determined by customers' needs in terms of end products' electrical, thermal, mechanical and cost requirements.

FPC

FPC is a type of PCB that uses a flexible substrate laminated with conductive copper foil to form circuit patterns. Unlike RPCBs, FPCs can be bent, folded, twisted or flexed repeatedly without breaking. This characteristic allows them to fit into tight or irregular spaces and move with the device during operation, offering greater design flexibility and weight reduction and making them suitable for compact devices or applications involving movement. Our FPC products primarily include single-layer FPC, double-layer FPC, MLFPC and Rigid-Flex, each designed to meet different levels of circuit complexity and mechanical performance.

Our FPC solutions are increasingly adopted in applications such as medical devices, smart devices and automotive electronics. In next-generation medical devices, the flexibility and reliability of our FPCs enable advanced diagnostic and monitoring functions in increasingly miniaturized formats. In smart and wearable devices, our FPCs meet the trend toward slimmer and lighter products. In automotive electronics, they support complex wiring in compact spaces for systems such as battery management and assisted driving modules.

RESEARCH AND DEVELOPMENT

We continue to make significant investments in research and development to capture new market opportunities, bolster our product portfolio and maintain our position as a leading PCB provider. We believe this is critical in enabling us to deliver innovative and customized products, enhance the performance of our products and develop first-to-market technologies in a rapidly evolving and dynamic PCB industry.

Product R&D

Our products are highly customized. We typically engage with customers at the outset of their end-product cycle and work closely to design and develop customized PCBs in line with their specifications and the design of the end products in which our PCBs will be used. As a result, we are involved throughout the entire product life cycle, serving as a key partner from development through mass production.

We begin by identifying the R&D demand and conducting market research to understand technical trends and customer expectations. We begin R&D two to three years before customer product launches, focusing on PCB architecture, material feasibility, front-end design, and verifying key performance indicators. Our engineers create design files and a prototype. We then collaborate with customer R&D teams to refine the product, ensuring it meets all technical and performance requirements. Then, the prototype undergoes detailed testing, and a full project summary is prepared. The evaluation team conducts a final review, and upon approval, the product design is formally released for production. Our smart factories and digital intelligent operation platform greatly enhance production efficiency while monitoring manufacturing data in real time. This approach shortens production lead times, reduce costs and ensures quality and timely fulfillment of customer orders. We pursue next-generation technology R&D and keep iterating solutions in close collaboration with our customers, advancing our technology to keep our products at the forefront of the industry.

At the same time, we partner with leading universities and research institutions in China to leverage collective expertise and drive innovation. One of our representative accomplishments that has arisen from such collaborations is a new copper-plating process for aluminum substrates, granted by the Ministry of Science and Technology of China. By developing new formulations and techniques, it effectively addresses adhesion issues of copper plating on aluminum substrates, ensuring strong bonding and uniform coating thickness, improving the suitability for mass industrial production, simplifying manufacturing procedure and enhancing the environmental friendliness, and further improving our competitiveness in PCB manufacturing. Pursuant to the agreement that we enter into with the relevant university, all technical know-how and resulting deliverables arising from these collaborations are subject to strict confidentiality obligations, with ownership and usage rights set out under the relevant agreements. Specifically, we jointly own the intellectual property rights arising from our collaboration with the university and are contractually entitled to promote and apply them in our operation. These contractual terms, together with our relevant patent application, data encryption and access control, and general intellectual property protection measures in "— Intellectual Properties", protect our rights to the collaboratively developed intellectual property rights.

Production Process R&D

In addition to product-oriented innovation, we also focus on advancing production process R&D. In particular, manufacturing HDIs with a build-up of 6+N+6 or above involves significant technical challenges, including managing highly complex stack-ups with multiple sequential lamination cycles, ensuring precise layer-to-layer alignment and controlling micron-scale laser-drilled microvias, stacked vias and via-in-pad structures. Each additional build-up cycle increases the risk of defects, making yield management and cost control critical. Furthermore, achieving stable signal integrity and impedance control is a precision engineering challenge with ultra-fine trace widths and tight clearances, compounded by thermal and moisture management issues that can affect board reliability and durability. To address these challenges, we have invested heavily in advanced lamination, drilling, plating and in-line inspection systems and material optimization, enabling us to become one of the very few companies globally capable of mass-producing 6+N+6 build-up or higher HDIs, with high yield and quality. These capabilities allow us to meet the demanding requirements of AI accelerator cards, AI servers and next-generation telecommunication infrastructure.

Future R&D Focus

Our future R&D efforts will focus on several strategic priorities: (i) developing advanced PCB technologies for AI computing, such as 36-layer HDIs and ultra high-layer-count MLPCBs, to meet the complex performance and reliability requirements of AI hardware; (ii) applying advanced materials like M9-grade to enhance electrical performance for high-speed applications; (iii) advancing product development to achieve mass production readiness for high-growth and emerging sectors, including robotics, autonomous driving, and low-altitude aviation; and (iv) enhancing production processes and quality control using technologies like mSAP and back drilling to meet the stringent reliability standards of the AI and next-generation electronics industries.

R&D Team

Our R&D department is organized into specialized teams to manage the full product lifecycle. The core R&D team and a central laboratory focus on developing new technologies and testing materials. To ensure targeted customer engagement, dedicated development teams manage projects for specific sectors, such as automotive and servers, and for key regions like Europe, North America, and Taiwan. A Project Management Department oversees project planning, coordination, and resource allocation from start to finish. Finally, our Intellectual Property Rights Department is responsible for protecting our innovations and managing funding applications, ensuring our technological advantages are secured.

As of December 31, 2025, we had 1,751 experienced research and development personnel, representing 9.7% of our total employees. In 2023, 2024 and 2025, our research and development expenses amounted to RMB348.3 million, RMB449.8 million and RMB777.6 million. Our research and development expenses are not capitalized.

SALES AND MARKETING

Most of our products are highly bespoke, and therefore substantially all our sales were made directly to our customers during the Track Record Period. In limited circumstances, i.e., when the price of purchase orders proposed by trading companies are acceptable to us, certain purchase orders are placed through trading companies, as certain end customers may choose to engage trading companies to streamline supplier management, which is consistent with industry practice, according to Frost & Sullivan. During each period of the Track Record Period, revenue from such purchases accounted for less than 1.5% of our total revenue.

We currently have 13 regional sales and customer service teams covering major markets including the PRC, United States, Japan, Europe and South Korea. In addition to maintaining and strengthening relationships with our existing customers, our sales team also proactively explores new opportunities with potential customers, especially as we expand our offering of products and services.

Our Customers

We have built long-term and stable partnerships with leading players across multiple industries, including globally leading AI technology solution providers, cloud service providers, internet companies, data center equipment OEMs, server brands, top-tier EV companies and automotive electronics suppliers and prominent smart device brands. These strong relationships provide a solid foundation for our future sales growth.

In 2023, 2024 and 2025, sales to our five largest customers in each year during the Track Record Period amounted to RMB2,145.6 million, RMB2,690.5 million and RMB9,847.6 million, accounting for 27.1%, 25.1% and 51.0% of our total revenue. In the same periods, sales to our largest customer in each year during the Track Record Period amounted to RMB503.5 million, RMB886.4 million and RMB5,737.9 million, accounting for 6.3%, 8.3% and 29.7% of our total

revenue in the respective period. During the Track Record Period, to the best knowledge of our Directors, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest customers in any period during the Track Record Period that are required to be disclosed under the Hong Kong Listing Rules. The tables below set forth certain information of our top five customers for each year during the Track Record Period.

For the year ended December 31, 2025			For the year ended December 31, 2024			For the year ended December 31, 2023		
Customer	Sales amount	% of revenue	Customer	Sales amount	% of revenue	Customer	Sales amount	% of revenue
	(in RMB millions)	%		*(in RMB millions)*	%		*(in RMB millions)*	%
Customer A[(1)]	5,737.9	29.7	Customer A[(1)]	886.4	8.3	Customer I[(5)]	503.5	6.3
Customer B[(2)]	2,030.3	10.5	Customer C[(4)]	614.2	5.7	Customer A[(1)]	452.4	5.7
Customer E[(3)]	747.1	3.9	Customer F[(6)]	439.4	4.1	Customer F[(6)]	445.6	5.6
Customer C[(4)]	686.5	3.6	Customer G[(7)]	417.9	3.9	Customer J[(9)]	440.5	5.6
Customer I[(5)]	645.8	3.3	Customer H[(8)]	332.6	3.1	Customer H[(8)]	303.6	3.8

Notes:

(1) Customer A is one of the world's largest original equipment manufacturers for electronics headquartered in Taiwan, with whom we commenced business relationship in 2012. Customer A is listed on the Taiwan Stock Exchange.

(2) Customer B is a company engaged in the development and manufacturing of information and communications technology products headquartered in Taiwan, with whom we commenced business relationship in 2011. Customer B is listed on the Taiwan Stock Exchange.

(3) Customer E is a global leading technology company focusing on accelerated computing and AI infrastructure headquartered in the United States, with whom we commenced business relationship in 2020. Customer E is listed on the NASDAQ Stock Market.

(4) Customer C is a company engaged in the manufacturing and sales of display products and related materials, equipment and products headquartered in Guangdong Province, China, with whom we commenced business relationship in 2012. Customer C is listed on the Shenzhen Stock Exchange.

(5) Customer I is an electronics manufacturing solutions provider offering integrated design, manufacturing and supply chain services headquartered in the United States, with whom we commenced business relationship in 2018. Customer I is listed on the New York Stock Exchange.

(6) Customer F is a leading manufacturer of personal and industrial computers, servers and integrated cloud hardware and software solutions headquartered in Taiwan, with whom we commenced business relationship in 2018. Customer F is listed on the Taiwan Stock Exchange.

(7) Customer G is a consumer electronics and smart manufacturing company focusing on smartphones, smart hardware and IoT platforms headquartered in Beijing, China, with whom we commenced business relationship in 2018. Customer G is listed on the Hong Kong Stock Exchange.

(8) Customer H is a technology company engaged in the design, R&D and sales of computers, communication devices, and consumer electronics products headquartered in Taiwan, with whom we commenced business relationship in 2014. Customer H is listed on the Taiwan Stock Exchange.

(9) Customer J is a company specialized in the development, design and manufacturing of computer peripheral devices, telecommunication devices and consumer electronics headquartered in Taiwan, with whom we commenced business relationship in 2014. Customer J is listed on the Taiwan Stock Exchange.

During the Track Record Period, Customer C, one of our top customers in 2024 and 2025, was also one of our suppliers in 2024 and 2025. Customer C requires its suppliers, including us, to purchase certain raw materials and components used in products manufactured for it from Customer C itself in order to exert better control on the procurement process, lead times, the cost and quality of raw materials, and the timing of delivery. This is commonly referred to in the industry as the buy-and-sell model. We mostly sold our PCBs to Customer C, while our purchases from Customer C were structural parts. In 2024 and 2025, our purchase from Customer C amounted to RMB54.4

million and RMB61.9 million, accounting for 0.7% and 0.5%, respectively, of our total purchases. Our sales to and purchases from Customer C were conducted in the ordinary course of business and on commercial terms negotiated on an arm's length basis.

Arrangement with Our Customers

We generally enter into framework agreements with our major customers, with actual price and volume specified in individual purchase orders separately. Agreement terms are generally as the following:

Duration	:	One year to two years. These agreements are typically automatically renewed.
Pricing	:	Specified in individual purchase orders.
Transfer of risks	:	Risks are transferred to our customers when the products are accepted by them.
Payment and credit terms	:	30 days to 150 days after delivery of products.
Minimum purchase requirements	:	None
Logistics	:	We are responsible for delivering products to locations specified by our customers.
Returns/exchanges	:	Our customers are generally entitled to return or exchange products that do not meet their requirements in terms of quality or specifications.
Confidentiality	:	We and our customers shall exercise reasonable care and take necessary measures to prevent any confidential information obtained under the framework agreement from being disclosed to any third party.
Termination	:	Mutual agreement, and under certain circumstances such as force majeure, bankruptcy of a party, significant delivery delays or material quality defects.

The principal terms of our typical purchase orders primarily include actual quantity and specifications of products to be purchased pursuant to such purchase orders, unit price and total purchase amount, delivery location and expected date, payment terms and method.

Product Pricing

Our products are customized to meet specific customer needs. We generally determine the price of our products based on the costs of developing and manufacturing such products, including raw material costs. We also consider various other factors when we set prices for our products, such as our relationship with the customer, the complexity of the product both in terms of design and manufacturing, the size of the order, our expected profit margin and competition in rendering our price, which is typically specified in purchase orders.

Concentration of Our Customers

In each year during the Track Record Period, we had more than 700 customers. During the Track Record Period, sales to certain of our top five customers were relatively concentrated. Specifically, Customer A, one of our top customers in each year during the Track Record Period, contributed 5.7%, 8.3%, and 29.7% of our revenue in 2023, 2024 and 2025. The increase in customer concentration during the Track Record Period was primarily attributable to the significant growth in orders from certain major customers, particularly in 2025, driven mainly by strong demand for our MLPCB and HDI products for AI and high-performance computing and other high-end applications. As demand for such products increased, revenue derived from certain key customers increased rapidly, resulting in a higher level of customer concentration.

We believe that we do not unduly rely on our major customers because it primarily reflects a significant increase in orders placed in connection with our HDI products for AI and high performance computing in 2025. This was in line with the overall increase in customer orders during the period and consistent with our broader sales momentum across multiple product categories.

We expect our customer concentration to remain at a relatively elevated level in the near term, as strong downstream demand driven by AI and high-performance computing and related infrastructure is expected to support continued orders from our major customers.

SUPPLY CHAIN

Raw Materials

The raw materials of PCBs mainly include copper-clad laminates, copper foil and copper ball. We mainly source raw materials from the PRC. Our raw material prices fluctuate due to a variety of factors, including supply and demand dynamics, our ability to negotiate prices with suppliers and others. We usually work with multiple suppliers to reduce risks associated with product supply. During the Track Record Period, we did not experience any significant shortage of raw material supplies, and the raw materials provided by our suppliers did not have any significant quality issues.

To mitigate the risk of supply disruptions and adverse raw material price movements, we continuously monitor market conditions and maintain regular communication with our major suppliers regarding supply availability and pricing trends. We may also adjust our procurement plans and product pricing in response to significant raw material price fluctuations. During the Track Record Period, we had not entered into any hedging arrangements in relation to copper or other key raw materials.

Our Suppliers

Our suppliers are mainly suppliers of raw materials and equipment. We have established and maintain stable, long-term and sustainable relationships with these major suppliers.

Selection and Management of Suppliers

We have established rigorous processes for the selection, evaluation and management of our suppliers to ensure suppliers meet our quality and performance standards. We have adopted a multi-tiered supplier risk management framework to ensure the safety, reliability and sustainability of our supply chain. Pursuant to this framework, we consider a number of factors during our supplier selection and qualification process, including each supplier's financial condition, industry reputation, technical certifications and the price and quality of the products or raw materials they offer, and we evaluate their compliance and ESG records. We assess each potential supplier's

qualifications and credentials carefully, and we also conduct on-site visits to potential suppliers' business premises before we decide to engage the suppliers. Only those suppliers meeting our minimum compliance and performance standards are approved for onboarding.

We regularly evaluate the performance of our suppliers, focusing on criteria such as operational performance, including delivery capability, price and quality of the products supplied, their compliance with our policies and requirements, and environmental impact and information security. We classify suppliers by risk level, with those considered at higher risk or supplying critical materials subject to more frequent and rigorous reviews. Suppliers failing to meet our standards are issued rectification notices or may be subject to suspension or removal from our approved vendor list. In cases of repeated underperformance, suppliers may be disqualified from future engagement.

Arrangement with our Suppliers

We enter into procurement framework agreements with certain of our suppliers, under which we place purchase orders specifying the price, quantity and specifications of raw materials. Agreement terms typically include the following:

Duration	:	No fixed term. They are entered into at the commencement of the business relationship and remain in effect until it ends due to termination events.
Pricing	:	Mutually decided at the time of each purchase order based on the prevailing market conditions.
Payment and credit terms	:	We make payments to suppliers based on an agreed credit period, with account reconciliation conducted at the end of each month. Suppliers issue invoices based on statements confirmed by both parties, and payment is made in accordance with the agreed credit period after the invoices are verified in our system.
Minimum purchase requirements	:	None.
Returns/exchanges	:	We can exchange or return the raw materials or components that do not meet our quality standards.
Liability/warranty	:	Our suppliers are liable for any non-conforming products and must compensate us for related losses.
Logistics	:	Our suppliers are responsible for delivering the raw materials or components to our warehouses or other designated locations.
Termination	:	The agreement may be terminated by either party. However, if a supplier chooses to terminate the agreement, it is required to continue supplying raw materials or components until we secure an alternative supplier, failing which it will become liable for any losses we incur due to supply shortages.

Major Suppliers

In 2023, 2024 and 2025, purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB1,975.3 million, RMB2,428.2 million and RMB5,658.0 million, accounting for 31.4%, 29.3% and 45.2% of our total purchases. In 2023, 2024 and 2025, purchases from our largest supplier in each year during the Track Record Period amounted to

RMB731.9 million, RMB782.8 million and RMB1,873.0 million, accounting for 11.6 %, 9.4% and 15.0% of our total purchases. Except for Supplier H from whom we procure production equipment, all these are suppliers of our raw materials.

During the Track Record Period, to the best knowledge of our Directors, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest suppliers in any period during the Track Record Period that are required to be disclosed under the Listing Rules. The tables below set forth certain information of our top five suppliers for each year during the Track Record Period.

For the year ended December 31, 2025			For the year ended December 31, 2024			For the year ended December 31, 2023		
Supplier	Purchase amount	% of purchases	Supplier	Purchase amount	% of purchases	Supplier	Purchase amount	% of purchases
	(in RMB millions)	*%*		*(in RMB millions)*	*%*		*(in RMB millions)*	*%*
Supplier A[1]	1,873.0	15.0	Supplier B[2]	782.8	9.4	Supplier B[2]	731.9	11.6
Supplier H[8]	1,267.9	10.1	Supplier E[5]	459.1	5.5	Supplier E[5]	461.2	7.3
Supplier B[2]	1,170.0	9.4	Supplier D[4]	407.8	4.9	Supplier D[4]	298.0	4.7
Supplier C[3]	692.6	5.5	Supplier A[1]	405.2	4.9	Supplier F[6]	264.3	4.2
Supplier D[4]	654.5	5.2	Supplier C[3]	373.3	4.5	Supplier G[7]	220.0	3.5

Notes:

(1) Supplier A is a leading global electronic materials provider headquartered in South Korea, with whom we commenced business relationship in 2021.

(2) Supplier B is a company focusing on the development of high-end copper-clad laminates headquartered in Guangdong Province, China. Supplier B is listed on the Shanghai Stock Exchange, with whom we commenced business relationship in 2015.

(3) Supplier C is a company engaged in the development, production, sales and services of electronic circuit materials headquartered in Taiwan, with whom we commenced business relationship in 2015. Supplier C is listed on the Taiwan Stock Exchange.

(4) Supplier D is a company engaged in the research, development production and sale of precious metal compounds, bonding wires and sputtering targets headquartered in Shandong Province, China, with whom we commenced business relationship in 2022.

(5) Supplier E is a company focusing on grid investment, power transmission and distribution and energy services headquartered in Guangdong Province, China, with whom we commenced business relationship in 2008.

(6) Supplier F is a company engaged in the research, development, production and sale of copper- based new materials headquartered in Jiangxi Province, China, with whom we commenced business relationship in 2019. Supplier F is listed on the Shanghai Stock Exchange.

(7) Supplier G is a company engaged in the production of copper-clad laminates and electronic materials headquartered in Taiwan, with whom we commenced business relationship in 2015. Supplier G is listed on the Taiwan Stock Exchange.

(8) Supplier H is a company engaged in the research, development and manufacturing of laser intelligent equipment headquartered in Guangdong Province, China, with whom we commenced business relationship in 2009. Supplier H is listed on the Shenzhen Stock Exchange.

MANUFACTURING

We manufacture our PCB products in our production centers in (i) Huizhou, Guangdong Province, PRC, (ii) Changsha, Hunan Province, PRC, (iii) Yiyang, Hunan Province, PRC, (iv) Phra Nakhon Si Ayutthaya, Thailand and (v) Melaka, Malaysia. We have integrated smart manufacturing into various aspects of our production, significantly improving our production efficiency and product yields. In 2015, we started to establish one of the first smart factories in the Chinese PCB

industry in Huizhou, which features automated manufacturing, automated logistics, digitized management and intelligent decision making. These allow us to achieve satisfactory production yield, timely fulfillment of customer orders and production cost reduction.

In addition, "Green Manufacturing" is one of our core strategies, whereby through technological innovation and strategic planning, we have proactively developed an industry-leading manufacturing system that emphasizes efficiency, cleanliness, low carbon emissions and circularity by implementing technologies for energy conservation and emission reduction. We are one of the first companies in the industry to obtain the "National Green Factory" certification by the MIIT and have been awarded "*Clean Production Enterprise in Guangdong Province*" and "*Advanced Energy Conservation Organization in Guangdong Province*".

Production Process

Generally, the production of PCB products involves the following processes: (i) *Material Preparation*. Production begins by cutting core materials to size. This involves rigid copper-clad laminates for most PCBs, while FPCs use flexible substrates like polyimide. The initial circuit patterns are then transferred onto the inner layers and etched; (ii) *Lamination and Layer Build-up*. For multi-layer boards (MLPCB, HDI), inner layers are bonded together using heat and pressure. HDIs use a sequential "build-up" process, adding layers in cycles to create complex interconnections, while FPCs have protective coverlay films bonded to them; (iii) *Via Creation and Plating*. Vias are drilled to connect the layers. While standard PCBs use mechanical drilling, HDIs require laser drilling for high-density microvias. The via walls are then cleaned and plated with copper to create reliable electrical pathways between the board's layers; (iv) *Outer-Layer Imaging and Finishing*. The outer circuit pattern is defined using photolithography and etched. A protective solder mask is applied to the board, followed by a surface finish to ensure solderability and prevent corrosion. Finally, identification marks are printed onto the surface; (v) *Profiling, Testing, and Inspection*. Boards are cut to their final shape — a process called profiling for rigid boards or punching for FPCs. Each unit undergoes electrical testing to detect any shorts or opens, followed by a final inspection to ensure product quality; and (vi) *Packaging and Shipment*. Following a successful final inspection, the finished PCBs are carefully packaged in protective materials and prepared for delivery to the customer.

Production Centers

We operate six production divisions for MLPCBs and one production division for HDIs. We believe that the design promotes clear division of responsibility while enables mutual support in peak order seasons. The majority of our PCB products were produced in the production center located in Huizhou. In addition, the setup also strengthens our capability to serve the diverse product need of different customers. The following table sets forth certain information regarding our production centers as of December 31, 2025.

Production center	Primary products	Total gross floor area
		(m^2)
Huizhou, Guangdong, PRC	Single- and double-layer PCB, MLPCBs and HDIs	351,104.0
Changsha, Hunan, PRC,	MLPCBs and FPC	47,064.3
Yiyang, Hunan, PRC	FPC	30,181.0
Phra Nakhon Si Ayutthaya, Thailand	MLPCBs	81,653.6
Melaka, Malaysia	FPC	31,583.4

In addition, we are in the process of constructing new production centers to further enhance our capacity. As of the Latest Practicable Date, we are developing new facilities located in Bắc Ninh, Vietnam which is expected to commence operations in 2026. We are also constructing new facilities in Phra Nakhon Si Ayutthaya, Thailand. Part of these facilities was modified and brought into production in the second half of 2025. The remaining portion is scheduled to commence operations in the second half of 2026. Both facilities will primarily focus on the production of MLPCBs and HDIs.

Upon full ramp-up, the new production facility in Bắc Ninh, Vietnam is expected to have an annual production capacity of 150 thousand square meters, and the new production facility in Phra Nakhon Si Ayutthaya, Thailand is expected to have an annual production capacity of 1,500 thousand square meters, which will be flexibly adjusted among different product types based on customer demand and product mix.

The following table sets forth the production capacity and utilization rate for our main product categories for the periods indicated.

	Year Ended December 31,								
	2023			2024			2025		
	Capacity[1]	Utilization[2]	Output	Capacity	Utilization	Output	Capacity	Utilization	Output
	'000 sq m	*%*	*'000 sq m*	*'000 sq m*	*%*	*'000 sq m*	*'000 sq m*	*%*	*'000 sq m*
Single- and double-layer PCB & MLPCBs[3]	8,255	88.4	7,298	8,652	90.4	7,822	8,603	81.6	7,017
HDI	710	71.5	508	930	69.6	647	564	97.7	552
FPC	54	59.7	32	660	73.0	482	655	79.6	521
Total	**9,019**	**86.9**	**7,838**	**10,242**	**87.4**	**8,951**	**9,822**	**82.4**	**8,090**

Notes:

(1) We proactively adjust our production capacity periodically based on the orders we receive and our sales forecast. The manufacturing of higher layer-count MLPCBs involves longer production time and more production steps. As such, the capacity would be reduced if we forecast more higher layer-count MLPCBs will be produced in a given period. Similarly, the production of HDIs with higher build-up involves the repetition of certain steps, and the capacity would be reduced when we forecast a large volume of higher build-up HDIs.

(2) Utilization rate is calculated by dividing the actual volume of units produced in the period by the production capacity of the period.

(3) The production capacity and utilization rate of single- and double-layer PCB and MLPCBs are calculated on a combined basis as they share similar manufacturing processes.

Production Planning

We typically plan our production monthly based on the forecasted customer demand and the anticipated market trends. We continuously review our production plans and utilization rates and update our production plans at least on a weekly basis, or more frequently on a daily basis if required, pursuant to the utilization rate of our factories in the preceding week and the rolling forecasts of customer orders and expected utilization rates. We also strategically plan our production in advance to prepare for seasonal increases in customer orders.

Equipment and Machinery

Major equipment and machinery used in our production processes include (i) laser drilling machine, (ii) pressing machine, (iii) etching machine and (iv) other automated equipment. We typically purchase equipment such as mechanical drilling machines, laser drilling machines, LDI systems, Pin Lam presses, plasma surface treatment machines, CCD-guided back drilling machines,

PLB horizontal electroplating lines, industrial CT scanning systems and through-hole filling lines from leading industry suppliers. We established lasting relationship with global leading equipment suppliers and work with them to ensure that the products they provide meet our requirements and quality standards. We regularly inspect and maintain the material equipment and machinery used in our production processes and replace worn consumable parts and components. Our major production equipment and machinery have an estimated average useful life of 10 years.

Inventory Management

Our inventories mainly include raw materials, work-in-progress and finished goods. Based on our forecasted orders, our inventory management department conducts a daily check and update of our inventory level and plans our procurement accordingly. We generally maintain raw material inventories based on lead times and production requirements, with inventory levels varying slightly by types of materials to support production activities. We also conduct inventory aging analysis periodically to reduce the risk of inventory obsolescence and employ our intelligent warehousing system to track and manage our inventory aging status. According to Frost & Sullivan, our inventory turnover days during the Track Record Period are in line with industry norm.

Logistics

Our products are usually stored in our own warehouses located in our production centers before they are delivered to our customers. We primarily use third-party logistics service providers for the delivery of finished goods from our production centers and warehouses to locations specified by our customers. We set strict standards for the transportation of our products that these third-party logistics service providers are required to follow, and we evaluate the third-party logistics service providers periodically on their performance and compliance with our requirements to ensure smooth delivery of products to customers. We usually enter into agreements with our logistics service providers on a biennial basis. Our logistics service providers bear the risks associated with the transportation of our products.

Quality Control

We believe that product quality is the cornerstone of our business operations and sustainable growth. We are committed to delivering products that meet the highest industry standards and exceed customer expectations. Our comprehensive quality control and quality assurance systems are integrated into every stage of our production process, ensuring consistent and reliable production and delivery of high-quality products.

We have established an ISO 9001:2015-certified quality management system and an ISO 14001-certified environmental management system. For PCB products for automotive electronics, we comply with IATF 16949 standards. We conduct regular internal audits and management reviews of our quality control systems to promptly identify and address potential issues, ensuring continuous improvement and refinement of our quality control systems. To ensure product quality, we have a quality control department dedicated to implementing quality control measures throughout the entire production cycle, including raw material inspection, in-process quality control and final product inspection. Our quality control procedures and processes cover our entire production process to ensure that our product quality meets expectations, and we impose stringent requirements after each critical process, including on yield rate, which we closely monitor.

WARRANTY AND AFTER SALES SERVICES

We generally provide a two- to three-year warranty for our PCBs, which we believe is in line with prevailing industry practice. Our warranties cover the quality of products to ensure they meet the agreed specifications. We make provisions for warranties based on our best estimate of the expected claims under our sales agreements. We have devised a standard operation procedure for customer service. We collect and record customer feedback and complaints from different channels

and make timely responses in order to achieve customer satisfaction. We accept returns of our products for defects. We have not received any requests for returns during the Track Record Period which individually or in aggregate had a material adverse effect on our business and financial condition. In addition, during the Track Record Period, we had not experienced any material product recall, liability claims or customer complaints that adversely impacted our reputation, business operations or financial condition.

INTELLECTUAL PROPERTIES

Our research and development efforts have produced 381 patents, including 194 invention patents, 226 registered trademarks, 21 copyrights and 42 domain names as of December 31, 2025. See "*Appendix VI — Statutory and General Information — Further Information about the Business — Intellectual Property*." These intellectual properties cover our production processes as well as the design of our products.

We rely on a combination of intellectual property protections laws and contractual arrangements, including confidentiality provisions, to establish and protect our proprietary technologies, know-how and other intellectual property rights. Our intellectual property rights department is primarily responsible for protecting our intellectual properties. We proactively manage and expand our intellectual property portfolio by establishing a systematic management framework and use confidentiality and non-compete agreements to protect our intellectual properties and trade secrets. During the Track Record Period, we did not experience any material infringement of our intellectual property rights. Neither our Group nor any of our intellectual properties was the subject of, or to the best of the Directors' knowledge, is expected to be subject to, any disputes or litigation in relation to the infringement of any intellectual property rights during the Track Record Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We are committed to advancing ESG as part of our sustainable growth efforts. We have adopted a set of ESG policies aligned with applicable laws, regulations and standards. These policies outline our approaches to corporate governance, environmental management, social responsibility, labor protection and business integrity.

ESG Governance Structure

We have established a robust ESG management framework that assigns specific ESG responsibilities across different levels of our organization to strengthen ESG management and implementation. The ultimate responsibility for setting ESG strategies, objectives and managing related risks resides with our Board and senior management. Specifically, the Strategy and Investment Committee of the Board is responsible for overseeing ESG and sustainability-related strategies, goals and risks. It meets at least once annually to review major ESG issues, make decisions, approve the annual ESG report, and it provides recommendations on ESG practices to the Board. The ESG Committee, chaired by our Chairman and reporting to the Strategy and Investment Committee, is responsible for implementing, reviewing and evaluating the of ESG strategies, systems, work plans and risk management measures. At the management level, we have set up an ESG task force and sub-task forces, headed by management of various departments, to implement ESG work plans and monitor their effectiveness. The departments execute the ESG goals and report the implementation status on a monthly, quarterly, semi-annual, and annual basis. During the Track Record Period and up to Latest Practicable Date, we were not exposed to any material ESG-related risks or issues.

ESG Risk Identification, Assessment and Response Summary

We have established internal systems and procedures to systematically identify, assess and manage ESG-related risks and opportunities across our operations, guided by our established procedures. Based on this framework, we have identified certain material issues relevant to our operations and implemented targeted measures to address them. To address environmental challenges like extreme weather and policy changes, we reinforce our facilities and optimize energy use. Socially, we focus on employee well-being through workload management and wellness programs, while also analyzing customer feedback to ensure satisfaction. Our governance strategy includes enhancing collaboration with a formal ESG framework, applying strict supplier qualification processes, maintaining robust emergency response plans, and ensuring transparent communication with regulators.

The Board is involved in the identification process and prioritization of material ESG issues primarily through the Strategy and Investment Committee's annual meetings and the ESG task force and sub-task forces' feedback. In addition, the Strategy and Investment Committee submits to the Board the material ESG issues to ensure supervision, and it conducts analysis and presents the issues for discussion and decision-making. The Strategy and Investment Committee also confirms the allocation of resources to ESG issues and formulate sustainable actions plans.

Environmental Indicators and Management

We integrate environmental management into our operations, corporate strategy, governance framework and risk management. During the Track Record Period, we were not subject to any material administrative penalties imposed by environmental authorities for violations of environmental laws, regulations or related requirements.

Emissions

We effectively manage exhaust gases, wastewater, and solid waste by investing in pollution prevention and focusing on source control. For air quality, we use environmentally friendly refrigerants while avoiding ozone-depleting substances. We reduce wastewater through multi-stage rinsing techniques and pre-treat it on-site before discharge. All solid waste is carefully classified and stored in secure, compliant facilities to prevent contamination, ensuring safe and responsible handling.

Resource Consumption

Our main resources consumed are electricity, natural gas and water. In alignment with our current business operations and industry practices, we have established a series of energy management goals to drive sustainable transformation, including increasing the proportion of clean energy consumption by 16% with renewable energy comprising 16% of total electricity consumption; requiring that all purchased manufacturing equipment meets at least Grade II energy efficiency standards; and promoting boiler waste heat recovery and the use of energy storage batteries.

In March 2024, we obtained *AWS International Water Stewardship Standard (Gold Level)* certification. In September 2023, we were recognized as a *Water-Saving Enterprise* in Huizhou by Huizhou Municipal Bureau of Industry and Information Technology and Huizhou Municipal Water Resources Bureau.

We also set a series of resource consumption targets in guiding our operations. For example, our annual energy intensity target for HDIs in 2025 is 38.78 kgce/m^2 (kilograms of coal equivalent per square meter). In setting these targets, we considered our continued expansion in scale, technological advancements, the continued availability of renewable energy and environmentally friendly equipment and parts, and also assumed no material adverse events to the general economy

and our operations. In 2023, 2024 and 2025, our annual energy intensity for HDIs is 40.22 kgce/m^2, 39.50 kgce/m^2 and 38.78 kgce/m^2, respectively. In 2023, 2024 and 2025, our electricity consumption was 676.5 GWh, 842.1 GWh and 1,072.0 GWh, respectively, and our natural gas consumption was 9.8 million m^3, 9.7 million m^3 and 12.0 million m^3, respectively.

Carbon Management

In July 2024, we officially established our science-based emission reduction targets under the SBTi framework, committing to reducing our Scope 1 and Scope 2 greenhouse gas emissions by 42% and Scope 3 emissions by 25% by 2030, using 2022 as the baseline year. As part of this commitment, we have set a target of annual 5% reduction in our total Scope 1 and Scope 2 emissions. In setting these targets, we considered our continued expansion in scale, technological advancements, the availability of environmentally friendly equipment and parts, and also assumed no material adverse events to the general economy and our operations. To achieve such goals, we have been installing solar PV systems, adopting energy-efficient equipment, implementing waste heat recovery, and conducting green procurement.

We are committed to establishing and enhancing ESG-related policies across our operations. Following our acquisition of APCB in 2024, we have been in the process of gradually implementing our ESG policies within the acquired entity, and such implementation has not yet been fully completed. With the exception of APCB, the Group's carbon emission from 2023 to 2025, measured in $ktCO_2e$ (thousand metric tons of carbon dioxide equivalent), are as follows:

Classification	2023	2024	2025
Scope 1	47.1	57.0	57.3
Scope 2	540.2	661.4	665.7
Scope 3	1,030.8	1,080.0	1,028.4

Identification of climate-related opportunities

While managing both physical and transition risks, we also actively pursue sustainable growth opportunities by implementing our "Ten Zero-Carbon Strategies," a framework that integrates climate action into our core business. We are establishing a green manufacturing system by adopting renewable energy, such as PV power, and using energy-saving equipment. Additionally, our products are increasingly used in low-carbon industries like AI servers and electric vehicles, and we continue to invest in R&D to develop high-performance, energy-efficient PCBs for these markets.

Social Indicators and Management

We are committed to corporate social responsibility by driving positive social impact through fair employment and high safety standards. We maintain a compliant and supportive employment system, ensuring legal working hours and competitive, performance-based compensation. Our approach includes comprehensive welfare programs, training, and accommodations for employees with disabilities. Occupational health and safety are paramount, managed through an ISO 45001 certified system that covers risk identification, emergency response, and regular third-party inspections. We equip all machinery with safety devices, provide personal protective equipment for high-risk roles, and conduct continuous safety training to protect our workforce. Owing to our efforts, during the Track Record Period, we were not subject to any material administrative penalties or non-compliance incidents in relation to labor and employment regulations. And we experienced no material accidents or fatal occupational accidents and were not subject to any material administrative penalties imposed by work safety authorities for violations of production safety laws or regulations.

Community and Social Welfare

Over the years, we have been committed to giving back to society through a range of philanthropic initiatives, regularly organizing volunteer activities and actively participating in community development efforts. In 2024, we donated RMB4.0 million, including RMB2.3 million used for the "Hundreds of Millions Project" to support rural development, RMB1.0 million to support cultural development infrastructure and activities and RMB0.7 million to support the renovation and upgrade of Huiyang District's community service center.

DATA PRIVACY AND CYBERSECURITY

In recent years, data privacy and cybersecurity have emerged as critical governance priorities for companies worldwide. In particular, the PRC legislative and government authorities regularly introduce new cybersecurity, data security and privacy laws and regulations. Consequently, our practices regarding the collection, process and transfer of various types of data may come under increased administrative scrutiny.

Due to our business needs, we collect and store business data, management data and transaction data generated during or in connection with our business operations, including data related to our business and transactions with our customers, suppliers and other relevant parties. We generally do not collect or process individual customers' personal information since our customers are brand companies rather than individuals. In view of our operations, we prioritize data security and privacy protection, strictly adhering to the *Network Security Law, Personal Information Protection Law, Data Security Law* and *ISO 27001* standards and undergo annual supervision and audits by third-party institutions. Our legal and information technology departments are responsible for developing and implementing our policies and procedures relating to cybersecurity and data security.

Attributable to our sustained efforts, we have established a comprehensive data compliance system that consists of organizational structure and internal policies. In recognition of our data security protection efforts, our data security policies have been certified under ISO27001, and we have obtained Tier 3 cybersecurity classification under the TIASX framework. As a result of the aforementioned efforts, (i) As advised by our legal adviser as to PRC cybersecurity and data privacy protection laws, as of the Latest Practicable Date, we were in compliance with applicable PRC data privacy and cybersecurity laws and regulations in all material aspects. The types of data processed by the Group mainly include two categories: 1) personal information of employees, suppliers and customers contacts and visitors, without any end-user's personal information; 2) data related to product R&D, production and sales. As of the Latest Practicable Date, as advised by our legal adviser as to PRC cybersecurity and data privacy protection laws, no law or regulation with a clear important data catalog has been issued for the industry in which the Group operates, and as confirmed by the Group, the competent authorities have not notified the Group to declare any important data or informed the Group that any data processed by it constitutes important data as of the Latest Practicable Date. Based on the above, the Group believes that it currently does not hold any important data as specified by the applicable PRC laws. During the Track Record Period and up to the Latest Practicable Date, the Group had not experienced any data leakage incident, or received any administrative penalty or investigation related to data privacy and cybersecurity by government authorities. (ii) As advised by our legal advisers as to Thai law, Singaporean law and Malaysian law, during the Track Record Period and up to the Latest Practicable Date, we were in compliance with applicable data privacy laws and regulations in Thailand, Singapore and Malaysia, respectively, in all material aspects, and the cybersecurity laws and regulations in Thailand, Singapore and Malaysia were not applicable to us. (iii) During the Track Record Period and up to the Latest Practicable Date, we did not engage in cross-border data transmission in Vietnam as we remained in the process of constructing facilities in Vietnam.

INFORMATION TECHNOLOGY

Our information technology systems are essential to our business operations. We have developed or employ various information technology systems covering all material aspects of our operations, including sales, supply chain management, inventory management, production and quality control. Our information technology department is responsible for developing and maintaining information technology systems to support our business operations and growth. Our Customer Relationship Management (CRM) system manages client data and sales processes, while the Enterprise Resource Planning (ERP) system provides a unified platform for cross-departmental collaboration and data-driven decisions. We optimize our supply chain with a Supplier Relationship Management (SRM) system and ensure product standards are met using a Quality Management System (QMS) to monitor for and resolve defects early.

COMPETITION

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

INSURANCE

We maintain insurance policies to manage liability. In addition, we have purchased property-related insurance policies covering our facilities, machinery, equipment, inventories and other assets. We review our insurance policies from time to time to assess the adequacy and breadth of coverage. We believe that our existing insurance coverage is adequate for our business operations and is in line with industry standards in the countries in which we operate. Nevertheless, we may be exposed to claims and liabilities which exceed our insurance coverage. See "*Risk Factors — Our insurance coverage may be insufficient to cover all of our potential losses*" for further details.

SEASONALITY

Demand for and sales of our products follow the same seasonality pattern as sales of the end products that feature our PCB products. For PCB products applied in AI infrastructure, automotive electronics, telecommunication and medical devices and other applications, the seasonal pattern is less pronounced. In comparison, for PCBs products used in smart devices, we typically experience higher sales in the second half of the year due to the new product launch cycles of smartphones and increased shopping activities during the holiday season. See "*Risk Factors — Our sales may be influenced by seasonality*" for risks associated with the seasonality of our sales.

PROPERTIES

As of December 31, 2025, we operated our business through owned and leased properties in 34 locations in the PRC, Thailand, Vietnam, Malaysia and Singapore. We primarily use our owned and leased properties as our production centers and office premises.

As of December 31, 2025, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include any valuation report in this prospectus. Pursuant to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus is exempted from compliance with the requirements of section 342(1)(b) of the

Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

As of December 31, 2025, we owned properties in 15 locations with a gross floor area of over 900 thousand square meters in the PRC, Thailand and Malaysia. We mainly use these properties as our production centers, warehouses and office premises. As of the same date, we leased properties in 21 locations with a gross floor area of approximately 100 thousand square meters in the PRC, Malaysia, Vietnam and Singapore, mainly as our production centers, warehouses and office premises.

EMPLOYEES

As of December 31, 2025, we had 17,989 full-time employees, with approximately 87.4% of our employees located in the PRC. Among them, production, sales and marketing, technical, finance, administrative and other employees amounted to 12,125, 289, 4,040, 89, 663 and 783, respectively, contributing to 67.4%, 1.6%, 22.5%, 0.5%, 3.7% and 4.4% of our workforce as of the same date.

We provide our employees with certain benefits including social insurance coverage, housing provident fund contributions, health check-ups, meal allowances, as well as wedding, childbirth and immediate family bereavement payments. We enter into individual employment agreements with our employees to cover matters such as wages, employee benefits, confidentiality and grounds for termination. Our employees' compensation is determined by job positions, technical skills, performance and market benchmarks. We also conduct annual reviews to adjust compensation levels based on market trends and company performance. We have established a comprehensive career development framework that offers different advancement paths to meet the different career aspirations of our employees and help unlock their potential. To meet this goal, our employee training programs cover onboarding training, job-specific training, annual training plans, promotion training, leadership development programs, quality-focused initiatives and other specialized training projects. We endeavor to ensure that our employees can have their feedback and complaints heard through various channels, including physical suggestion boxes, email, hotlines, meetings with management and employee representatives and a dedicated complaint platform on WeChat. We have established a labor union and a collective bargaining mechanism, and all employees are union members. We believe we maintain good employment relationships across the company. During the Track Record Period, we did not experience any strikes, work stoppages, or labor disputes that had a material adverse effect on our business or operations.

According to relevant PRC laws and regulations, we are required to make contributions to the social insurance fund and housing provident fund for the benefit of our employees in China. During the Track Record Period, we and certain of our PRC subsidiaries did not make adequate contributions to the social insurance and housing provident funds with respect to certain of our employees as required by the relevant PRC laws and regulations primarily because there are different interpretations of the relevant laws and regulations by local competent authorities which may deviate from the strict implementation of the relevant laws and regulations, and we followed the local practices and interpretations of the laws and regulations by the local competent authorities.

As advised by our PRC Legal Advisor, pursuant to applicable PRC laws and regulations, if an employer fails to make social insurance contributions in full, the relevant authorities could order the employer to pay, within a prescribed time, the outstanding amount with an additional late payment penalty at the daily rate of 0.05%, and if the employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. Additionally, pursuant to applicable PRC laws and regulations, if an employer is overdue in the payment and deposit of, or underpays, the housing provident fund, the relevant authority could order the employer to make the payment and deposit within a prescribed time limit and, failing which, an application may be made to a court in China for compulsory enforcement. According to

our PRC Legal Advisor, the likelihood that we would be subject to material administrative penalties due to our failure to provide full social insurance and housing provident fund contributions is remote provided that there are no significant changes in current policies, regulations, local government supervision, and law enforcement requirements related to social insurance and housing provident fund and based on the following reasons: (i) during the Track Record Period and up to the Latest Practicable Date, we had not received any notification from relevant government authorities requiring us to pay shortfalls or the penalties with respect to social insurance or housing provident funds; (ii) we had not been subject to any administrative penalties with respect to social insurance or housing provident funds; (iii) we and all of our PRC subsidiaries have obtained written confirmations from competent local government authorities which confirmed that no administrative penalties had been imposed on us with respect to social insurance or housing provident funds during the Track Record Period; and (iv) we will make full contributions or pay any shortfall within a prescribed period if demanded by the relevant government authorities.

Furthermore, as advised by our PRC Legal Advisor, the Interpretation II by the Supreme People's Court of the PRC on Legal 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 "**New Judicial Interpretation**") is not expected to have a material adverse effect on our financial position and business based on that (i) the New Judicial Interpretation is not expected to increase the maximum potential administrative penalty for our shortfall of social insurance contributions during the Track Record Period, (ii) the Company confirmed that it is not aware of any material or large-scale complaints, objections or labor disputes raised by our employees in relation to our social insurance contributions, and (iii) we will make full contributions or pay any shortfall within a prescribed period if demanded by the relevant government authorities. However, if the relevant PRC authorities hold a different view with the PRC Legal Advisor and determine that we are not in compliance with the New Judicial Interpretation, our financial and business performance may be adversely affected.

LICENSES, PERMITS AND APPROVALS

We are required to obtain or maintain various licenses, permits and approvals in order to operate our business. We believe we have all material licenses, permits and approvals necessary in order to operate our business. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business. Material requisite licenses, permits and approvals obtained for our operations include customs registrations for import and export goods consignee/consignor, which are held by the Company, Shenghua Electronics, Yiyang Weisheng, Weisheng Technology and Weisheng Circuit Board with an expiry date of December 31, 2099 and radiation safety licenses, which are held by the Company, Yiyang Weisheng, Weisheng Circuit Board and Weisheng Technology, with validity periods of May 4, 2023 to May 3, 2028, April 29, 2024 to April 28, 2029, January 7, 2025 to January 20, 2030 and August 29, 2025 to August 28, 2030, respectively.

According to our PRC Legal Advisor, all material requisite licenses, permits and approvals obtained by the Group had remained in full effect during the Track Record Period and up to the Latest Practicable Date, and there is no material legal impediment in renewal of the expiring licenses, approvals and permits provided that we are in compliance with applicable laws, regulations and rules. We had not experienced any material difficulties in renewing material licenses, permits or approvals during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry.

LEGAL PROCEEDINGS

As of the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material and adverse effect on our financial condition or results of operations. During the Track Record

Period and up to the Latest Practicable Date, there were no material breaches or violations of laws or regulations applicable to us which are expected to have a material adverse effect on our business, financial condition or results of operations.

RISK MANAGEMENT AND INTERNAL CONTROL

Our future operating performance may be affected by risks relating to our business. Some of these risks are specific to us while others relate to economic conditions and the general industry in which we operate. See "*Risk Factors*" for a discussion of these risks.

The Board of Directors and our senior management are responsible for establishing and maintaining adequate risk management and internal control systems. Risk management is the process designed to identify potential events that may affect us and to manage risks to be within our risk appetite. Internal control is the process designed to provide reasonable assurance regarding achievement of objectives related to effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. We have implemented or will adopt upon Listing a number of policies and measures to manage our risks and set up proper internal controls. These policies cover areas such as (i) the duties and roles of the Directors, the Board and our senior management; (ii) social and environmental matters, including policies on diversity; (iii) financial reporting; (iv) whistleblowing; (v) prevention of market misconduct; and (vi) compliance with the Listing Rules. Under our risk management and internal control policies, the Board oversees risk management and internal control systems on an ongoing basis and reviews the effectiveness of these systems. In 2025, we engaged an independent consulting firm to perform a review over our internal control. The key areas of review include financial reporting and disclosure, research and development management, management policies over sales, supply chain controls, trade receivables and payables management, product safety control, inventory management, fixed asset management, intangible assets management, human resource and remuneration management, capital management, tax management, insurance management, and information system general control.

We have implemented a series of strict internal policies to promote business integrity and prevent corruption, bribery, fraud and money laundering. We also conduct compliance trainings, including anti-corruption, fraud prevention and anti-money laundering sessions, to strengthen employee awareness. During the Track Record Period, we had not recorded any instances of corruption or misconduct that had, or were likely to have, a material adverse effect on our business.

IMPACT OF THE COVID-19 PANDEMIC

Despite the macroeconomic challenges posed by the COVID-19 pandemic, our business operations and financial condition remained stable during the Track Record Period and were not materially and adversely impacted by the COVID-19 pandemic. Our production activities and supply chain remained stable and were operating without material constraint during the Track Record Period. During the Track Record Period, we did not observe material adverse effects on our third-party service providers (e.g. supply of raw materials, provision of logistic services) either. In addition, we continued to observe healthy demand across our customer base, with no material adverse shift in their purchases that can be directly attributed to the COVID-19 pandemic. During the Track Record Period, we have not encountered any significant cancellations, deferments or abnormal pricing pressures linked to factors related to the COVID-19 pandemic.

TRADE RESTRICTIONS, TARIFF POLICIES, AND INTERNATIONAL SANCTIONS

Trade Restrictions and International Sanctions

The United States and other jurisdictions or organizations, have, through executive order, legislation or other governmental means, implemented measures that impose economic sanctions against certain countries and other jurisdiction, targeted industry sectors, companies and persons. Most notably, these include U.S. economic sanctions as implemented by the U.S. Department of the Treasury's Office of Foreign Assets Control (the "**OFAC**").

In addition to economic sanctions, in recent years, the United States has expanded export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), which is administered by the Bureau of Industry and Security of the United States Department of Commerce (the "**BIS**"). These include controls on items exported from the United States, items of U.S. origin (wherever located), and, under the EAR's "de minimis rules," on certain non-U.S.-made items that incorporate controlled U.S.-origin items or incorporate or are bundled with U.S.-origin software or technology. Also, under the EAR's "foreign direct product rules," the EAR applies to items manufactured outside the United States that are the direct product of certain controlled U.S.-origin technology or software when exported, reexport or transferred to specific destinations and end-users.

In addition to country-based restrictions, BIS maintains lists of persons that are subject to enhanced export control restrictions. One such list, the Entity List, includes a list of foreign persons on which certain trade restrictions are imposed. In recent years, the United States has placed an increasing number of entities, including hundreds of entities in China, on the Entity List and other restricted or prohibited party lists. In addition to naming additional persons to these lists, BIS has imposed complex and restrictive rules applicable to doing business with persons on them. The restrictions applicable to Entity List parties include licensing requirements for exports, reexports, or transfers of items on lists of controlled items maintained by the U.S. government, which in most cases prevents these named entities from receiving essentially any item subject to U.S. export controls, including, in some cases through the application of the EAR's foreign direct product rules, to items produced wholly outside the United States. In addition, from September 29, 2025, under the BIS Entity List Affiliate Rule, the Entity List restrictions apply not only to parties included on the Entity List, but also to any person that is 50% or more owned, directly or indirectly, by parties on the Entity List or certain other restricted party lists. However, on November 12, the BIS issued one-year suspension of the BIS Entity List Affiliate Rule, set to end on November 9, 2026, absent a future extension. We screen our counterparties to determine if they are subject to applicable economic sanctions or export control restrictions and have not identified any sales that involve such sanctioned parties or jurisdictions, including those parties and jurisdictions subject to OFAC-administered sanctions. However, during the Track Record Period, three of our customers were included on the BIS Entity List. The revenue generated from these customers in the aggregate accounted for 0.2%, 0.4% and 0.4% of our total revenue in 2023, 2024 and 2025, respectively. The products sold to these customers are standard PCB products. Our U.S. legal advisor has advised that based on the information we provided, the items that we sold to these customers do not involve the transfer, export or reexport of items subject to the EAR. The Directors believe that the Group is not subject to any trade restrictions or sanctions risks that would materially affect its business operations. The Joint Sponsors confirm that they do not have any reason to disagree with this view. However, given the complexity of these regulations and sudden and unpredictable nature of changes to them, it is difficult to predict developments in this area and we have no ability to influence such determinations. Considering these issues, we discontinued sales to Entity List-designated customers from October 2025. For associated risks, see "Risk Factors — Risks Relating to Our Business and Industry — We may be subject to the risks associated with international trade policies, export controls and economic sanctions, geopolitics and trade protection measures."

Tariff Policies

There is currently significant uncertainty about the tariff policies in the United States and certain other countries. In February 2025, the president of the United States imposed 20% tariffs (the "**Fentanyl Tariffs**") on Chinese goods. On April 2, 2025, the president of the United States imposed a 10% across-the-board tariff on all imports from the U.S.'s trading partners, along with additional country-specific tariffs for various countries (the "**Reciprocal Tariffs**", as adjusted from time to time, and, together with the above-mentioned tariffs, the "**Additional U.S. Tariffs**"). On April 9, 2025, it was announced that the Reciprocal Tariffs would be paused for 90 days for all countries but China. On April 10, 2025, the Reciprocal Tariffs on China were raised to 125%. The United States and China continued to engage in trade discussions, and on May 12, 2025, the United States stated that they would lower the Reciprocal Tariffs on China to 10% for 90 days. On August

11, 2025, such tariff suspension was further extended for another 90 days. Therefore, the total Additional U.S. Tariffs on China would be 30% while the Reciprocal Tariffs lowered during the 90 days. Following a U.S.-China leaders' meeting on October 30, 2025, the United States and China announced steps to pause certain tariff escalations. On November 4, 2025, the President of the United States issued executive orders that, among other things, reduced the Fentanyl Tariff from 20% to 10%, effective November 10, 2025, and continued the suspension of heightened China-specific Reciprocal Tariff rates through November 10, 2026, thereby maintaining the 10% Reciprocal Tariff baseline on imports from China during that period.

On May 28, 2025, the U.S. Court of International Trade ruled that the Additional U.S. Tariffs exceeded the president's legal authority, which was affirmed by the U.S. Court of Appeals for the Federal Circuit on August 29, 2025. On February 20, 2026, the U.S. Supreme Court issued its opinion affirming the lower court's ruling, striking down the tariffs implemented pursuant to the International Emergency Economic Powers Act (IEEPA), including the Reciprocal Tariff and the Fentanyl Tariff. Following this decision, the administration rescinded the IEEPA-based tariffs but concurrently imposed new 10% tariffs on a global basis for a 150-day period under separate statutory authority and discussed plans to rely on other statutory authorities to impose additional tariffs. The U.S. tariff policies are rapidly evolving, and the final outcome, including the timing, impact and potential legal challenges regarding any newly implemented tariffs, is highly uncertain.

We believe that the implemented and proposed U.S. tariffs, including the corresponding tariff policies introduced by other countries, assuming they are enforced as proposed, will not have a material and adverse direct impact on our business and results of operations, on the bases that (i) we make very limited direct exports to the United States, and therefore have insignificant direct exposure to the tariffs imposed by the United States; (ii) our customers, who import the end products incorporating our products in the United States, are responsible for the tariffs; and (iii) we have also proactively taken measures to mitigate our risks in view of the changing industry landscape. In addition, from the first quarter to the second quarter of 2025, our revenue and net profit increased by 9.4% and 32.8%, respectively, showing our resilience and growth despite such tariffs. However, higher tariffs could generally negatively affect economic conditions in China and other countries, which could adversely affect our business.

With respect to the applicable U.S. tariff rates on PCB products from Thailand, Malaysia and Vietnam, based on the current U.S. tariff regime following *Learning Resources, Inc. v. Trump* and the latest administrative actions of the current U.S. administration, PCB products originating from Thailand, Malaysia and Vietnam are generally subject to a 10% tariff. By comparison, double-layer and four-layer MLPCBs originating from the PRC are also subject to a 10% tariff, making their tariff treatment broadly comparable to that of PCB products imported from Thailand, Malaysia and Vietnam. Other PCB products originating from the PRC are subject to a 35% tariff and face significantly effective U.S. import tariff rates. As a result, PCB products manufactured in Thailand, Malaysia and Vietnam generally enjoy a relatively more favorable U.S. tariff position than PCB products manufactured in the PRC. This may, over time, influence sourcing decisions and supply chain configurations of certain customers whose end products are exported to the United States, and may encourage them to consider, or increase, procurement from PCB manufacturers with production capabilities outside the PRC. However, the U.S. tariff policies and rates remain highly uncertain.

Other than the tariffs imposed by the United States, PCB products with six layers or fewer exported to India are subject to a 30% anti-dumping duty. Based on the revenue derived from our exports to India, the exports of our products to India are not material. As a result, the Directors believe that our products are generally not subject to any other material international tariffs or trade restrictions and consider the impact of these tariffs on its overall financial performance to be immaterial. The Joint Sponsors confirm that they do not have any reason to disagree with this view.

At the same time, notwithstanding our limited direct exports to the United States as discussed below, a portion of our customers export end products incorporating our products to the United States or other overseas jurisdictions and may therefore be indirectly affected by the evolving global

trade environment and trade restrictions. Such measures may increase our customers' overall export costs, impact their margins or overseas demand and lead them to adjust their production and procurement plans, which in turn could affect their order volumes and product mix purchased from us. Moreover, given that our products are key components used in industries that are susceptible to geopolitical developments and trade restrictions, such as AI and high-performance computing, if tariffs or other import restrictions are imposed on our customers' finished goods exported to the United States or other overseas markets, the resulting increase in costs may reduce the competitiveness and market demand for these products. A decline in our customers' sales could, in turn, lead to reduced order volumes, order cancellations or downward revisions to their forecasts for our products. Furthermore, to mitigate their own exposure, our customers may demand price concessions from us or adjust their supply chain arrangements, which could reduce our share of their procurement or result in a loss of business. Any of these developments could materially and adversely affect our customer relationships, revenue and profitability.

Based on information currently available to us, during the Track Record Period and up to the Latest Practicable Date, we are not aware of any material cancellations of orders or significant reductions in procurement from us that are directly attributable to the additional U.S. tariffs or other recent trade restrictions, nor have we experienced any material adverse impact on our revenue, gross profit margin or overall results of operations that we can directly attribute to such measures. However, if global trade tensions escalate, additional tariffs or non-tariff barriers are imposed or existing measures are tightened or prolonged, our customers' export activities and competitiveness may be adversely affected, which may in turn negatively impact our sales volume, product mix and margins. We will continue to monitor developments in the global trade environment and our customers' strategies and will make further disclosure if any such developments are reasonably likely to have a material adverse effect on our business, financial condition or results of operations.

Our Limited Direct Exports to the United States

In 2023, 2024 and 2025, revenue generated from the U.S. accounted for less than 5% of our revenue in the same periods, respectively. During the same periods, we rarely exported our products directly to the United States. Rather, our products are integrated into various types of end products, which are in turn imported into the United States by relevant customers. Since most of our major customers are located outside of the United States, our products are rarely exported directly to the United States. As such, our direct sales to the United States accounted for an insignificant portion of our revenue during the Track Record Period.

The insignificant scale of our direct export to the United States limits our risk exposure to U.S. tariffs. United States tariffs, including the Additional U.S. Tariffs when they were applicable, are only payable on the direct export into the United States. In addition, the customers who took delivery of our products in the special supervision territory, which is physically located in China, are typically fully responsible for the subsequent tariffs imposed by the export destination selected by such customers. Given that our revenue contribution from direct sales to the United States is very limited, even if we experience a decrease in our direct sales to the United States as a result of higher U.S. Tariffs, it is not expected to result in a material and adverse change in our business and results of operations as a whole.

Our Sales and Procurement in Special Supervision Territory in China

During the Track Record Period, a substantial portion of our exported products were delivered in special supervision territory in China for further processing or assembling by other manufacturers. In particular, in 2023, 2024 and 2025, 32.9%, 22.8% and 12.8% of our revenue was recorded from sales to special supervision territory. These include sales to our major customers headquartered in the United States.

Special supervision territories is special customs supervision zones in China that are approved by the State Council of the PRC with specific tax and regulatory policies. Products exported by us through the special supervision territory are primarily delivered to downstream customers. Products

entering the special supervision territory from places other than the special supervision territory in China are treated as exports and thus eligible for export tax rebates. As advised by our PRC Legal Advisor, under the PRC regulations, most exported goods are exempt from export tariffs, with the applicable export tariff rate being zero. Products exported by us into the special supervision territory qualify for this 0% tariff treatment. Our customs-related obligations, liabilities or responsibilities are fully released and discharged upon completion of delivery within the special supervision territory in China. All subsequent customs-related obligations, including any tariffs imposed by the United States if the customer determines to import their products to the United States, shall become the sole responsibility of the downstream customers. In addition, as advised by our PRC Legal Advisor, under the PRC regulations, materials imported by us through the special supervision territory entering and stored in the special supervision territory from overseas are not treated as import and thus exempt from import tax. The import tax liability shall only attach to and become payable upon such materials' import from the special supervision territory into other place other than the special supervision territory in China.

Materials imported through the special supervision territory into places other than the special supervision territory in China shall have their import tariff rates determined according to the rules of origin principle, meaning tariff rates are based on the source country or region of such materials. For materials entering the special supervision territory from overseas, which are further processed into finished or semi-finished products within the special supervision territory before entering places other than the special supervision territory in China, the import tariff rates shall be determined based on the final state of the processed products, which may differ from the tariff rates applicable to original materials imported directly into the special supervision territory.

Our Customers Are Responsible for the Tariffs

As explained above, we rarely export our products directly from China to the United States, and our customers, who import the end products into the United States, including through special supervision territory in China, are responsible to pay any tariffs imposed by the United States for importing goods into the United States.

While a tariff on the end product may filter upstream or downstream, none of our current contracts with our customers allow for price adjustment due to tariffs payable by our customers. As of the Latest Practicable Date, we had not experienced any material adverse changes in our sales volume, ASP, customer payment or logistics arrangements, nor have we received any requests to cancel orders or suspend delivery of our products because of the imposition of Additional U.S. Tariffs.

Our Active Measures to Mitigate Risk

The Additional U.S. Tariffs and other threatened U.S. tariffs have accelerated both the reorganization of supply chains and the advancement of higher-end product offerings in our industry. Faced with actual and perceived cost pressures, customers increasingly demand premium and customized products to increase unit value of products, which in turn requires PCB manufacturers to accelerate technological breakthroughs and innovation. Therefore, industry-leading PCB manufacturers are uniquely positioned to navigate the evolving trade landscape with greater agility given their technological edge, established presence, substantial track record, proven customer demand, and familiarity with the local markets.

In view of the changing industry landscape and our assessment detailed above, we are taking active measures to mitigate the risks from the changing tariff and international trade landscape. including: (i) ***Empowering our overseas production capacity***. We have been expanding and strengthening our production capacity globally by establishing new production facilities for HDIs and MLPCBs in Thailand and Vietnam and further automating our production processes in Melaka, Malaysia. See "Our Growth Strategies" for further details. Southeast Asia, including Thailand and Vietnam, offers cost advantages, a maturing industrial ecosystem, and growing investment appeal, making it an ideal region for capacity expansion. As a result, many global players in the PCB industry have been enhancing their production capacity in Southeast Asia, which provides

advantages including supply chain resilience. Furthermore, it is reported that both these countries are negotiating a favorable tariff arrangement with the United States. Our track record of serving overseas customers from this region serves as a testament to our ability to meet global customers' needs. Therefore, we believe that our enhancement of production capacity in these countries can help address the Additional U.S. Tariffs without significantly impacting our overall profitability or business operations; (ii) ***Localizing and diversifying our supply chain***. Our suppliers primarily provide to us raw materials and production equipment. During the Track Record Period, we mainly sourced raw materials from the PRC. In addition, during each period during the Track Record Period, none of our five largest suppliers was headquartered in the U.S., whereas most of them were headquartered in the PRC. We expect increases in localization and diversification to further reduce our risk exposure to tariffs, and we do not foresee any difficulty in procuring key equipment and raw materials outside of the United States at reasonable costs; and (iii) ***Driving customer dependency through value creation***. We seek to deepen customer relationships by delivering differentiated value through technological leadership and global service capabilities. Building on our position as a key supplier to leading technology companies, we are investing in R&D to pioneer advanced PCB technologies, including premium high-layer-count MLPCBs and high-build-up PCBs for AI and high-performance computing applications. We also plan to expand our product portfolio into emerging sectors such as intelligent driving systems, humanoid robots, and low-altitude economy applications. By aligning closely with customers on technology development and product planning, we aim to enhance responsiveness, strengthen long-term partnerships, and secure first-mover advantages in next-generation markets.

U.S. Outbound Investment Security Program

On January 2, 2025, a U.S. outbound investment security program (the "**OISP**"), implemented by the U.S. Treasury under a newly adopted rule (the "**Outbound Investment Rule**"), became effective. The OISP prohibits or requires notification of certain outbound investment transactions by "U.S. persons" involving "covered foreign persons" that are engaged in "covered activities" relating to certain sensitive technologies and products in the (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence ("**AI**") sectors. For details, please refer to "Regulatory Overview — Relevant Laws and Regulations in the U.S. — U.S. Outbound Investment Security Program."

We are engaged in the research and development, manufacturing and sales of advanced PCBs for AI and high-performance computing. Although we customize our PCB products to meet the specific needs of downstream customers in AI and other sectors, we are not engaged in the development of any AI systems, and none of our products themselves are integrated circuits or other "semiconductors and microelectronics" that would implicate the relevant "covered activity" definitions related to those technologies. Accordingly, after consulting with our legal adviser as to U.S. law, we have concluded that U.S. persons purchasing H Shares in the Global Offering will not be engaging in prohibited or notifiable transaction under the OISP.

Our Directors further confirm that the Outbound Investment Rule has not had any material adverse impact on our operations or financial condition, and we do not anticipate any such adverse impacts on the Listing or the Global Offering. However, the OISP is a relatively new regulatory regime, which is subject to changes and interpretations. On December 18, 2025, the U.S. Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"), which will supersede the OISP, became law. The COINS Act is subject to a rulemaking process, which is required to be completed by March 2027, and there is substantial uncertainty regarding how the new law will be implemented. We will continue evaluating and monitoring developments with respect to these laws and regulations. Investors, including those that are U.S. persons or are subsidiaries of U.S. persons, should consult their own legal counsel regarding the applicability of the Outbound Investment Rule, the COINS Act or similar laws and regulations to this Global Offering and any potential obligations and exceptions thereunder. For associated risks, see "Risk Factors — Risks Relating to Doing Business in the Jurisdictions Where We Operate — U.S. outbound investment regulations and other foreign laws and regulations could have a negative impact on our ability access to capital in the future."

OUR LARGEST GROUP OF SHAREHOLDERS

As at the Latest Practicable Date, our Largest Group of Shareholders directly held approximately 30.94% of the total issued Shares of our Company, comprising (i) approximately 15.45% of our total issued Shares directly held by Shenghua Xinye, which was held as to 90% and 10% equity interests by Mr. Chen Tao and Ms. Liu Chunlan (spouse of Mr. Chen Tao), respectively; (2) approximately 15.06% of our total issued Shares directly held by Hong Kong Victory Giant, which was wholly-owned by Hongda Investment, which in turn was held as to 70% and 30% by Mr. Chen Tao and Mr. He Lianqi, respectively; and (3) approximately 0.43% of the total issued Shares directly held by Ms. Liu Chunlan.

Upon the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), they will collectively exercise voting rights of approximately 28.25% of our total issued Shares. Accordingly, they will remain as our Largest Group of Shareholders immediately upon the completion of the Global Offering.

Despite Mr. Chen Tao and Mr. He Lianqi held 70% and 30% equity interest of Hongda Investment, respectively, which in turn is the sole shareholder of Hong Kong Victory Giant holding approximately 15.06% of our total issued Shares as at the Latest Practicable Date, Mr. He Lianqi is not a member of our Largest Group of Shareholders on the following bases:

(1) Mr. He Lianqi, in spite of his shareholding in Hongda Investment, is a passive investor. Mr. Chen Tao is the sole director of each of Hongda Investment and Hong Kong Victory Giant and thus controls the management decisions of these companies;

(2) The articles of association of Hongda Investment do not contain any special rights for shareholders. Thus, Mr. Chen Tao as the majority shareholder of Hongda Investment holding more than two third of the voting rights can control the decisions of the matters to be considered at its general meetings, through which Mr. Chen can also control the general meetings of Hong Kong Victory Giant; and

(3) No acting in concert or voting proxy arrangements exist between Mr. He Lianqi and our Largest Group of Shareholders.

EXCLUDED BUSINESS

As of the Latest Practicable Date, Mr. Chen Tao (an executive Director and chairman of the Board), Ms. Liu Chunlan (a non-executive Director) and Shenghua Xinye had material interests in certain companies outside of our Group, details of which are set out below:

Company name	Principal business	Date and place of Incorporation	Ownership
Wenxian Chen's Manor Hotel Management Co., Ltd.*[(Note 1)] (文縣陳氏莊園酒店管理有限公司).	Hotel management	August 29, 2017 The PRC	60% and 40% held by Mr. Chen Tao and Ms. Liu Chunlan, respectively.
Longshang Jiangnan Tourism Development Co., Ltd.*[(Note 1)] (隴上江南旅遊開發有限公司)	Tourism project development; hotel management; and garden construction	September 29, 2017 The PRC	95%, 3% and 2% held by Shenghua Xinye, Mao Xiaolong (毛小龍) and Chen Bisheng (陳碧生) (uncle of Mr. Chen Tao), respectively. Mao Xiaolong is an independent third party.

Company name	Principal business	Date and place of Incorporation	Ownership
Gansu Longtai Wine Co., Ltd.*(Note 1) (甘肅龍台酒業有限公司)	Liquor production and sales	November 8, 2017 The PRC	74%, 20%, 2%, 2% and 2% held by Shenghua Xinye, Ms. Liu Chunlan, Chen Bisheng (陳碧生), Mao Xiaolong (毛小龍) and Chen Biquan (陳碧全) (uncle of Mr. Chen Tao), respectively. Mao Xiaolong is an independent third party.
Gansu Xinglongshang Wine Co., Ltd.*(Note 2) (甘肅興隴上酒業有限公司).	Sales of food and alcohol	January 19, 2023 The PRC	100% held by Ms. Liu Chunlan

Notes:

(1) As at the Latest Practicable Date, Mr. Chen Tao is the sole director of these companies.

(2) As at the Latest Practicable Date, Ms. Liu Chunlan is the supervisor of this company.

Given that the above-listed business of our Largest Group of Shareholders is distinctively different from our Company, none of Mr. Chen Tao, Ms. Liu Chunlan or Shenghua Xinye had intention to inject their interests in these companies into our Group after the Listing.

Each of our Largest Group of Shareholders confirms that as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

NON-COMPETITION UNDERTAKINGS

For the purpose of listing our A Shares on the ChiNext Market of the Shenzhen Stock Exchange, on August 31, 2012, Shenghua Xinye and Mr. Chen Tao entered into an undertaking pursuant to which, among others:–

(a) none of Shenghua Xinye, Mr. Chen Tao or any company controlled by it/him is currently or will in the future directly or indirectly engaged in any business that competes or may potentially compete with the business operated by our Company and our subsidiaries, nor have them invested or will invest in any other entity whose business competes or may potentially compete with that of our Company and our subsidiaries; and

(b) if any of the above commitments is proven to be untrue or has not been complied with, Shenghua Xinye and Mr. Chen Tao will compensate our Company for all direct and indirect losses incurred and bear the corresponding legal liabilities.

INDEPENDENCE FROM OUR LARGEST GROUP OF SHAREHOLDERS

Taking into consideration the following factors, our Directors are of the view that we are capable of carrying on our business independently from our Largest Group of Shareholders and their close associates after completion of the Global Offering.

Management Independence

(a) Our Board consists of nine Directors, including four executive Directors, one non-executive Director and four independent non-executive Directors. Save for Mr. Chen Tao, our executive Director, and Ms. Liu Chunlan, our non-executive Director, who are also members of our Largest Group of Shareholders, there is no overlap of directors and members of the senior management between our Company and our Largest Group of Shareholders and their respective close associates.

Despite the overlapping roles of Mr. Chen and Ms. Liu, we believe that our Directors and senior management can independently perform their duties in our Company and we can operate independently from our Largest Group of Shareholders for the following reasons:

(i) Ms. Liu is a non-executive Director, who will be mainly responsible for providing recommendations on the strategic development of our Group and will not be involved in the day-to-day management and operations of our Company;

(ii) our daily operational and management decisions are made collectively by our Board and our senior management, all of whom have substantial experience in the industry and will therefore be able to make business decisions that are in the best interests of our Company;

(iii) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(iv) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting at relevant Board meetings and shall not be counted towards the quorum for the voting; and

(v) save for Mr. Chen Tao, Mr. Chen Yong (brother of Mr. Chen Tao) and Ms. Liu Chunlan (spouse of Mr. Chen Tao), all of the other Directors are independent from our Largest Group of Shareholders, and decisions of the Board require the approval of a majority vote from the Board.

(b) Our Board has a balanced composition of executive Directors, non-executive Director and independent non-executive Directors which ensures the independence of our Board in making decisions affecting our Company. Specifically, (a) our independent non-executive Directors are not associated with our Largest Group of Shareholders or each of his/her/its or its associates; (b) our independent non-executive Directors account for at least one-third of the Board; and (c) our independent non-executive Directors individually and collectively possess the requisite knowledge and experience as independent directors of listed companies and will be able to provide professional and experienced advice to our Company. In conclusion, our 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

(c) We will establish a series of corporate governance measures and adopt sufficient and effective control mechanisms to manage conflicts of interest, if any, between our Group and our Largest Group of Shareholders, which would support our independent management. For details, please refer to "— Corporate Governance" in this section.

Based on the above, our Directors believe that the Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from our Largest Group of Shareholders and their close associates after the Listing.

Operational Independence

Our Group holds all the relevant material intellectual property rights, licenses, qualifications and permits required for conducting our Group's business. Our Group has sufficient capital, facilities and employees to operate our business independently from our Largest Group of Shareholders and each of their close associates. Our Group also has independent access to our customers. We have our own accounting and financial department, human resources and administration department, internal control department and technology department. We have also established a set of internal control procedures and adopted corporate governance practices to facilitate the effective operation of our business.

Based on the above, our Directors believe that we are able to operate independently from our Largest Group of Shareholders and their close associates.

Financial Independence

Our Group has its own internal control, accounting, funding, reporting and financial management system as well as an accounting and finance department. Moreover, our Group opens and manages bank accounts independently, and does not share any bank accounts with our Largest Group of Shareholders. Our Group has independent taxation registration according to the relevant laws, and makes tax payments independently according to the applicable PRC taxation laws and regulations. Our Group has never made any tax payment jointly with Largest Group of Shareholders or any other entities controlled by it.

As of the Latest Practicable Date, our Group does not rely on our Largest Group of Shareholders and/or their close associates for any financing activities. Our Directors confirm that as of the Latest Practicable Date, on the one hand, none of our Largest Group of Shareholders or their close associates had provided any loans, guarantees or pledges to our Group and, on the other hand, our Group did not provide any loans, guarantees or pledges to our Largest Group of Shareholders or their close associates.

Based on the above, our Directors believe that we are financially independent from, and do not place undue reliance on, our Largest Group of Shareholders or their close associates after the Listing.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code, which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in the protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflicts of interest between our Group and our Largest Group of Shareholders:

(a) Where a Shareholders' meeting is held for considering proposed transactions in which our Largest Group of Shareholders have a material interest, our Largest Group of Shareholders shall abstain from voting on the relevant 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) In the event that our independent non-executive Directors are requested to review any conflict of interest between our Group and our Largest Group of Shareholders, our Largest Group of Shareholders shall provide the independent non-executive Directors with all necessary information and our Company shall disclose the decisions of the independent non-executive Directors either in its annual reports or by way of announcements.

(d) Our Directors (including the independent non-executive Directors) will seek independent and professional opinions from external advisors at our Company's cost as and when appropriate in accordance with the Corporate Governance Code.

(e) Any transactions between our Company and its connected persons shall be in compliance with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, annual reporting and independent shareholders' approval requirements (if applicable) under the Listing Rules.

(f) We have appointed China Securities (International) Corporate Finance Company 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 Largest Group of Shareholders, and to protect minority Shareholders' interests after the Listing.

OVERVIEW

Upon Listing, transaction(s) between members of our Group and our connected person(s) will constitute continuing connected transaction(s) of our Company under Chapter 14A of the Listing Rules.

CONNECTED PERSON

We have entered into certain transaction with the following connected person, which will constitute our continuing connected transaction upon Listing:

Connected Person	Connected Relationship
Gansu Xinglongshang Wine Co., Ltd.* (甘肅興隴上酒業有限公司) ("**Xinglongshang Wine**")	Ms. Liu Chunlan, our non-executive Director and one of our Largest Group of Shareholders, is the sole shareholder of Xinglongshang Wine.

FULLY EXEMPT CONTINUING CONNECTED TRANSACTION

Procurement of Products Agreement

On March 30, 2026, our Company entered into an agreement (the "**Procurement of Products Agreement**") with Xinglongshang Wine, pursuant to which Xinglongshang Wine will supply to our Company products including but not limited to wines. The pricing of such products is to be determined by our Company and Xinglongshang Wine on normal commercial terms, negotiated on arm's length basis, subject to applicable laws and regulations and with reference to, among others, the costs, the quantities and quality of the products, the prevailing market conditions and the principle of fairness.

For each of the years ended December 31, 2023, 2024 and 2025, the total transaction amount on the procurement of products by our Group from Xinglongshang Wine was approximately RMB2.7 million, RMB2.8 million and RMB3.5 million respectively.

The initial term of the Procurement of Products Agreement will commence on the Listing Date and end on December 31, 2026 (both days inclusive), subject to renewal upon the mutual consent of both parties and compliance with the requirements of the Listing Rules and applicable laws and regulations. Our Directors estimated that the annual transaction amount payable by our Company to Xinglongshang Wine under the Procurement of Products Agreement for the year ending December 31, 2026 will not exceed RMB5.0 million.

As the applicable percentage ratios calculated under Chapter 14A of the Listing Rules will be less than 0.1%, the Procurement of Products Agreement will be fully exempt from all of the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

BOARD OF DIRECTORS

Our Board comprises nine Directors, including four executive Directors, one non-executive Director and four independent non-executive Directors. Pursuant to our Articles of Association, Directors are elected by the Shareholders for a term of three years and are eligible for reappointment after their term concludes.

Name	Position(s)	Age	Date of appointment as Director	Time of joining the Group	Role and responsibilities	Relationship with other Directors and senior management
Mr. Chen Tao (陳濤)	Chairman of the Board and executive Director	53	July 2006	January 2003	Overall management, strategic planning and decision-making for key business and operational matters of our Group	Mr. Chen Yong and Ms. Liu Chunlan are his brother and his spouse, respectively.
Ms. Liu Chunlan (劉春蘭) . . .	Non-executive Director	48	April 2016	January 2003	Providing recommendations on the strategic development of our Group	Mr. Chen Tao is her spouse and Mr. Chen Yong is her brother-in-law.
Mr. Zhao Qixiang (趙啟祥) . . .	Executive Director and president	48	January 2025	October 2008	Implementing of the strategic planning and overseeing the business and daily operations of our Group	Nil
Mr. Chen Yong (陳勇)	Executive Director and vice president	46	December 2010	January 2003	Responsible for the management of the sales department of our Group	Mr. Chen Tao is his brother and Ms. Liu Chunlan is his sister-in-law.
Mr. Xie Lanjun (謝蘭軍) . . .	Independent non-executive Director	60	March 2025	March 2025	Supervising and providing independent opinion and judgment to the Board	Nil
Dr. Xie Lingmin (謝玲敏) . . .	Independent non-executive Director	40	March 2025	March 2025	Supervising and providing independent opinion and judgment to the Board	Nil
Dr. Zhang Jihai (張繼海) . . .	Independent non-executive Director	50	March 2025	March 2025	Supervising and providing independent opinion and judgment to the Board	Nil
Mr. Wong Ting Chung (王庭聰) *BBS JP* .	Independent non-executive Director	64	Listing Date	Listing Date	Supervising and providing independent opinion and judgment to the Board	Nil
Ms. Wang Haiyan (王海燕) . . .	Executive Director and employees' representative Director	47	August 2025	June 2020	Responsible for the management of the engineering department of our Group	Nil

Executive Directors

Mr. Chen Tao (陳濤), aged 53, is our chairman of the Board and an executive Director. Mr. Chen is primarily responsible for the overall management, strategic planning and decision-making for key business and operational matters of our Group. Mr. Chen founded our Group and has been serving as our chairman of the Board since July 2006 and executive director of Shenghua Xinye since January 2003. Mr. Chen was our general manager from February 2012 to August 2024. Mr.

Chen was redesignated as our executive Director in July 2025 with effect from the Listing Date. He currently holds directorships in a number of subsidiaries of our Group, including serving as a director of Shenghua Electronics since January 2003.

Mr. Chen graduated from Sun Yat-Sen University (中山大學), having completed the Executive Master of Business Administration (EMBA) program in November 2006. Mr. Chen was awarded the title of "Guangdong Outstanding Entrepreneur (廣東省優秀企業家)" by Guangdong Economists and Entrepreneurs Association* (廣東省經濟學家企業家聯誼會) and Guangdong Entrepreneurs Council* (廣東企業家理事會) in August 2011 and was recognized as a "2013 Outstanding Entrepreneur in Promoting Independent Innovation in Guangdong Province (2013年廣東省推動自主創新傑出企業家)" by Guangdong Provincial Federation of Enterprises* (廣東省企業聯合會) and Guangdong Entrepreneurs Association* (廣東省企業家協會) in November 2013. Mr. Chen received a "Guangdong Province May 1st Labor Medal (廣東省五一勞動獎章)" by the Guangdong Federation of Trade Unions* (廣東省總工會) in April 2018 and was honored as a "2018 National Electronic Information Industry Outstanding Entrepreneur (2018年全國電子信息行業傑出企業家)" by China Electronics Enterprises Association* (中國電子企業協會) in December 2018.

Mr. Zhao Qixiang (趙啟祥), aged 48, is our executive Director and the president of our Company. Mr. Zhao is primarily responsible for implementing of the strategic planning and overseeing the business and daily operations of our Group. Mr. Zhao joined our Group in October 2008. From February 2012 to August 2024, he served as a vice general manager and secretary to the Board of our Company. Mr. Zhao has been serving as our Director and the president of our Company since January 2025 and August 2024, respectively. Mr. Zhao was redesignated as our executive Director in July 2025 with effect from the Listing Date.

From April 2002 to June 2008, Mr. Zhao served as the head of the management department of Bocheng Electronics (Huiyang) Co., Ltd.* (柏承電子(惠陽)有限公司). Mr. Zhao has been serving as a director of Founder Technology Group Co., Ltd.* (方正科技集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600601) since April 2023.

Mr. Zhao graduated from Mianyang Economic and Technical College (綿陽市經濟技術專科學校) in July 1999 and graduated from Beijing Institute of Technology (北京理工大學) by way of online learning in January 2021.

Mr. Chen Yong (陳勇), aged 46, is our executive Director and a vice president of our Company. Mr. Chen is primarily responsible for the management of the sales department of our Group.

Mr. Chen joined our Group in January 2003. Mr. Chen has been serving as our Director and vice president since December 2010. Mr. Chen was redesignated as our executive Director in July 2025 with effect from the Listing Date.

Mr. Chen Yong is currently enrolled in the Master of Business Administration (MBA) program offered by the Hong Kong Asia Business College (香港亞洲商學院).

Ms. Wang Haiyan (王海燕), aged 47, is our executive Director. Ms. Wang is primarily responsible for the management of the engineering department of our Group. Ms. Wang joined our Group in June 2020 and served various positions in our Company, including as deputy director and the director of the engineering department as well as head of the multilayer board division. She was promoted to the director of the engineering center in January 2025. From April 2022 to August 2025, Ms. Wang served as the chairman of our supervisory committee. Ms. Wang was appointed as our Director and our employees' representative Director since August 2025 and was redesignated as our executive Director with effect from the Listing Date.

Ms. Wang worked in Jiangmen Benlida Circuit Co., Ltd.* (江門市奔力達電路有限公司). Ms. Wang worked in Huizhou China Eagle Electronic Technology Co., Ltd.* (惠州中京電子科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002579).

Ms. Wang graduated from Northwestern Polytechnical University (西北工業大學) by way of online learning in July 2011.

Non-Executive Director

Ms. Liu Chunlan (劉春蘭), aged 48, is our Director since April 2016 and was redesignated as a non-executive Director in July 2025 with effect from the Listing Date. Ms. Liu joined our Group in January 2003. Ms. Liu is primarily responsible for providing recommendations on the strategic development of our Group.

Ms. Liu served as the general manager of Hongda Investment and Shenghua Xinye since September 2011 and June 2012, respectively.

Ms. Liu completed the executive Master of Business Administration (EMBA) program at Peking University (北京大學).

Independent Non-executive Directors

Mr. Xie Lanjun (謝蘭軍), aged 60, is our independent Director since March 2025 and was redesignated as our independent non-executive Director in July 2025 with effect from the Listing Date. Mr. Xie is primarily responsible for supervising and providing independent opinion and judgment to the Board.

He has been serving as an equity partner and party branch secretary of Beijing Zhongyin (Shenzhen) Law Firm (北京中銀(深圳)律師事務所) since January 2009.

From October 2018 to September 2024, Mr. Xie served as an independent director of Dynagreen Environmental Protection Group Co., Ltd.* (綠色動力環保集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601330). From May 2020 to May 2025, Mr. Xie served as an independent director of Rayitek Hi-Tech Film Company Ltd., Shenzhen,* (深圳瑞華泰薄膜科技股份有限公司) a company listed on the Shanghai Stock Exchange (stock code: 688323). Mr. Xie has been serving as an independent director of Shenzhen Institute of Building Research Co., Ltd.* (深圳市建築科學研究院股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300675), since November 2020.

Mr. Xie graduated from Lanzhou University (蘭州大學) with a bachelor of laws degree in June 1988. Mr. Xie completed a finance course of the Senior Executive Program in Capital Operations from the School of Engineering Project Management, Tsinghua University (清華大學工程項目管理學院資本運營高級總裁班) in December 2006, and further completed a finance course in relation to private equity from Peking University HSBC Business School (北京大學滙豐商學院私募股權班) in September 2011. From June 2017 to June 2022, he served as a people's supervisor (人民監督員) of Shenzhen People's Procuratorate. (深圳市人民檢察院). He has been serving as a member of the planning and budget committee of the 7th Shenzhen Municipal People's Congress (深圳市第七屆人民代表大會計劃預算委員會) and an arbitrator of Shenzhen Court of International Arbitration (深圳國際仲裁院) since May 2021 and February 2022, respectively. Mr. Xie has been qualified as a lawyer in PRC and obtained the certificate of futures qualification by China Futures Association since June 1991 and September 2008, respectively.

Dr. Xie Lingmin (謝玲敏), aged 40, is our independent Director since March 2025 and was redesignated as our independent non-executive Director in July 2025 with effect from the Listing Date. Dr. Xie is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Dr. Xie served as the associate professor of accounting, school of economics, Shenzhen University (深圳大學) and deputy director of the Finance and Financial Management Experiment Center at the same university since July 2023 and November 2023, respectively. Dr. Xie has been serving as an independent director of Shenzhen Longood Intelligent Electric Co., Ltd* (深圳市朗科智能電氣股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300543) since December 2024. Dr. Xie has been serving an independent director of Shenzhen Zhenye (Group) Co., Ltd. (深圳市振業(集團)股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code:000006) since August 2025.

From July 2017 to June 2023, Dr. Xie served as an assistant professor at the Department of Accounting, School of Economics, Shenzhen University.

Dr. Xie graduated from Shenzhen University with a bachelor of finance in June 2009. Dr. Xie graduated from Lingnan University (Hong Kong) (香港嶺南大學) with a master of science in international banking and finance in October 2010 and a master of philosophy in business from the same university in December 2013. In addition, Dr. Xie graduated from City University of Hong Kong (香港城市大學) with a doctoral degree in philosophy in February 2017. Dr. Xie was qualified as a certified management accountant (CMA) in January 2015.

Dr. Zhang Jihai (張繼海), aged 50, has been serving as our independent Director since March 2025 and was redesignated as our independent non-executive Director in July 2025 with effect from the Listing Date. Dr. Zhang is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Dr. Zhang has been a lecturer, associate professor and professor for the School of Economics, Shenzhen University (深圳大學) since July 2006.

Dr. Zhang graduated from Liaoning Institute of Technology (遼寧工學院), currently known as Liaoning University of Technology (遼寧工業大學), with a bachelor of engineering degree in July 1998. Dr. Zhang graduated from Liaoning University (遼寧大學) with a master's degree in finance in June 2003 and received a doctorate degree in product economics (產業經濟學) from Shandong University (山東大學) in June 2006. Dr. Zhang obtained the certificate of legal professional qualification of the PRC in March 2004.

Mr. Wong Ting Chung (王庭聰) *BBS, JP*, aged 64, was appointed as our independent non-executive Director in August 2025 with effect from the Listing Date. Mr. Wong is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Wong has over 40 years of experience in textile manufacturing industry. He established his business through Ever-Grow Knitwears Factory Limited (恒昌織造廠), a company mainly engaged in the knitwear production in 1982 and was responsible for overall management of the company. Mr. Wong founded Nameson Group Limited in September 1990. Mr. Wong served as the chairman of the board of directors, executive director and chief executive officer of Nameson Holdings Limited, a company listed on the Stock Exchange (stock code: 1982) from August 2015 to April 2021. Mr. Wong has been appointed as the chairman of the board of directors of Million Cities Holdings Limited, a company listed on the Stock Exchange (stock code: 2892) since November 2016 and he has been serving as an executive director of Million Cities Holdings Limited with effect from April 2021. Mr. Wong has been serving as the chairman of the board of directors and chief executive officer of Kings (H.K.) Health Food Limited (勁家莊(香港)健康食品有限公司) since September 2024.

Mr. Wong has been serving as a Hong Kong member of the 14th National Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議第十四屆全國委員會) and the chief president of Hong Kong Industrial and Commercial Association (香港工商總會) since 2023 and 2009 respectively. He served as a deputy to the 12th and 13th National People's Congress

of the PRC (中華人民共和國第十二及第十三屆全國人民代表大會) from 2013 to 2023. He was awarded a Bronze Bauhinia Star, Justice of Peace in Hong Kong and Silver Bauhinia Star by the government of the Hong Kong Special Administrative Region of the PRC in 2011, July 2015 and 2025 respectively.

SUPERVISORY COMMITTEE

Pursuant to our 2025 fourth extraordinary general meeting on August 15, 2025, our Shareholders approved a resolution that our Company would no longer set up the supervisory committee with effect from August 15, 2025, and the powers of the supervisory committee will be exercised by the Audit Committee. Accordingly, the term of our current supervisors and the supervisory committee has been terminated. Our PRC Legal Advisor has confirmed that such arrangements comply with the relevant PRC laws and regulations.

Each of our Directors confirms with respect to himself or herself, to the best of his or her knowledge, information and belief, that he or she (1) did not hold other long positions or short positions in the Shares, underlying Shares, debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) as at the Latest Practicable Date; (2) had no other relationship with any Directors, senior management or substantial Shareholders of our Company as at the Latest Practicable Date; (3) did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any securities market in Hong Kong and/or overseas; and (4) there are no other matters concerning our Director's appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The table below sets out certain information in respect of the senior management of our Group:

Name	Position(s)	Age	Date of Appointment	Date of joining the Group	Role and responsibilities	Relationship with other Directors and senior management
Mr. Zhao Qixiang (趙啟祥)	President	48	August 2024	October 2008	Overseeing business and daily operations of our Group	Nil
Mr. Chen Yong (陳勇)	Vice president	46	December 2010	January 2003	Responsible for the management of the sales department of our Group	Mr. Chen Tao is his brother and Ms. Liu Chunlan is his sister-in-law.
Mr. Wang Hui (王輝)	Executive vice president	50	January 2025	August 2019	Responsible for our Company's operating system, including production, technology research and development and quality management	Nil
Mr. Victor Jose Taveras.	Vice president and chief technology officer	66	July 2025	August 2024	Responsible for research and development of our Group's technology	Nil
Mr. Zhou Dingzhong (周定忠)	Vice president	43	January 2025	September 2004	Responsible for productions of our Group	Nil

Name	Position(s)	Age	Date of Appointment	Date of joining the Group	Role and responsibilities	Relationship with other Directors and senior management
Ms. Zhu Xiyao (朱溪瑤)	Vice president, secretary to the Board and a joint company secretary	31	August 2024	June 2021	Responsible for corporate governance and compliance of our Group	Nil
Mr. Zhu Guoqiang (朱國強)	Chief financial officer	53	February 2012	November 2008	Overseeing the overall financial management of our Group	Nil

Mr. Zhao Qixiang (趙啟祥) and **Mr. Chen Yong (陳勇)**, please refer to sub-section headed "*— Board of Directors — Executive Directors*" for details.

Mr. Wang Hui (王輝), aged 50, is our executive vice president since January 2025. Mr. Wang is primarily responsible for our Company's operating system, including production, technology research and development and quality management. Mr. Wang joined our Group in August 2019 and has held various positions in the Company including, vice president of our general manager's office and vice president of the Company.

From April 2000 to July 2018, Mr. Wang served for Compeq Manufacturing (Hui Zhou) Co., Ltd. (華通電腦(惠州)有限公司).

Mr. Wang graduated from Xi'an Jiaotong University (西安交通大學) with a bachelor's degree in material forming and control engineering in July 1999.

Mr. Victor Jose Taveras, aged 66, has been serving as our vice president and chief technology officer since July 2025 and August 2024, respectively. Mr. Taveras is primarily responsible for research and development of our Group's technology.

Mr. Taveras worked in Sanmina Corporation Sdn. Bhd with his last position being its managing director. From 2003 to 2009, Mr. Taveras was appointed as a business unit director of PCB Business Unit of Unimicron Technology Corporation, a company listed on the Taiwan Stock Exchange (stock code: 3037). From 2009 to 2014, Mr. Taveras served as the general manager of Viasystems Group* (惠亞集團). From 2016 to 2021, Mr. Taveras served as the general manager of Blue Technology Limited.

Mr. Taveras graduated from Cornell University with a bachelor of arts degree in May 1982.

Mr. Zhou Dingzhong (周定忠), aged 43, is our vice president. Mr. Zhou joined our Group in September 2004 and has been serving as our vice president since January 2025. Mr. Zhou is primarily responsible for productions of our Group.

Mr. Zhou graduated from Sun Yat-sen University (中山大學) by way of online learning in January 2017. Mr. Zhou has been certified as a senior engineer by China Printed Circuit Association (CPCA) in November 2018.

Ms. Zhu Xiyao (朱溪瑤), aged 31, is our vice president and secretary to our Board since August 2024 and one of the joint company secretaries since July 2025. Ms. Zhu joined our Group in June 2021 and is primarily responsible for corporate governance and compliance of our Group.

Ms. Zhu has worked in Donghai Funds Management Co., Ltd.* (東海基金管理有限責任公司).

Ms. Zhu graduated from Xiamen University (廈門大學) in July 2016 and from the University of Southampton with a master's degree in finance and economics in December 2018.

Mr. Zhu Guoqiang (朱國強), aged 53, has been serving as our chief financial officer since February 2012. Mr. Zhu joined our Group in November 2008. Mr. Zhu is primarily responsible for overseeing the overall financial management of our Group.

Mr. Zhu graduated from Central South University of Technology (中南工業大學) now known as Central South University (中南大學) in June 1995.

FURTHER INFORMATION ABOUT OUR DIRECTORS

In September 2018, Ms. Liu Chunlan ("**Ms. Liu**") received a regulatory letter from the Shenzhen Stock Exchange ("**2018 Regulatory Letter**"), in relation to an inadvertent operational error that resulted in the disposal of 10,600 A Shares. Pursuant to applicable securities laws in the PRC, disposal of A shares after acquisition within six months, or acquisition of A shares subsequent to disposal within six months constitute short-swing trading which is prohibited for a Director of an A-share listed company. In March 2021, the Shenzhen Stock Exchange issued a regulatory letter (the **"2021 Regulatory Letter", together with the 2018 Regulatory Letter, "the Regulatory Letters"**) to Shenghua Xinye and Hong Kong Victory Giant, Ms. Liu, and Mr. Chen Yong, brother of Mr. Chen Tao (the "**Relevant Shareholders**"), reminding them of their obligation to file their notification report when their shareholdings reduced by 5%. This incident arose due to Shenghua Xinye's previous understanding of the requirements acquired during the Company's A Share Listing and was unintentional. The Relevant Shareholders have promptly corrected its approach and fully complied with the relevant requirement thereafter. For details of the incident from 2018 Regulatory Letter, please refer to the Company's A-Share announcements dated July 19, 2018 and July 26, 2018. For details of the incident from the 2021 Regulatory Letter, please refer to the Company's A-Share announcements dated December 30, 2020 and January 21, 2021. For details of the contents of the Regulatory Letters, please refer to the Company's A-Share announcement dated April 29, 2021.

As advised by our PRC Legal Advisor, the Regulatory Letters were not regarded as a form of administrative penalty and were not considered a material non-compliance. The incident referenced in the 2018 Regulatory Letter resulted from an inadvertent operational error, while the incident addressed in the 2021 Regulatory Letter stemmed from Shenghua Xinye's prior interpretation of the relevant disclosure requirements during the Company's A Share listing process and was likewise unintentional. Remediation measures have been promptly taken by the parties involved and there have been no other instances of non-compliances with the rules or regulations of the Shenzhen Stock Exchange or the relevant laws and regulations in the PRC in all material respects. Accordingly, the Company is of the view that the aforementioned incidents would not affect Ms. Liu and/or Mr. Chen Yong's suitability to continue to act as Directors of the Company.

Based on the view of the Directors and the PRC Legal Advisor above and the key due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention to cause the Joint Sponsors to disagree with the Company's view set out above.

JOINT COMPANY SECRETARIES

Ms. Zhu Xiyao (朱溪瑤), please refer to sub-section headed "Senior Management" above for details.

Ms. Lin Sio Ngo (練少娥) is a manager of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specializing in corporate services. Ms. Lin has over 20 years of experience in the corporate secretarial and administration management fields. She has been providing professional corporate services to Hong Kong listed companies as well as private companies. Ms. Lin is currently serving as the company secretary or joint company secretary of several companies listed on the Main Board of the Stock Exchange.

Ms. Lin obtained a bachelor's degree in business administration and a master's degree in corporate governance from Hong Kong Metropolitan University in June 2000 and June 2004 respectively. Ms. Lin is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various Board committees. In accordance with the relevant PRC laws and regulations, the Articles and the Listing Rules, we have established the Audit Committee, Remuneration and Appraisal Committee, Nomination Committee and Strategy and Investment Committee.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. The Audit Committee consists of Dr. Xie Lingmin, Mr. Xie Lanjun and Dr. Zhang Jihai, with Dr. Xie Lingmin serving as the chairperson of the committee.

The primary function of the Audit Committee is to assist our Board in providing an independent view of our financial reporting process, internal control and risk management system, overseeing the audit process and performing other duties and responsibilities as assigned by our Board.

Remuneration and Appraisal Committee

We have established the Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the Corporate Governance Code. The Remuneration and Appraisal Committee consists of Dr. Zhang Jihai, Mr. Xie Lanjun and Mr. Zhao Qixiang, with Dr. Zhang Jihai serving as the chairperson of the committee. The primary function of the Remuneration and Appraisal Committee is to develop remuneration policies for our Directors, evaluate the performance, make recommendations on the remuneration packages of our Directors and senior management and evaluate and make recommendations on employee benefit arrangements.

Nomination Committee

We have established the Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of the Corporate Governance Code. The Nomination Committee consists of Mr. Xie Lanjun, Dr. Xie Lingmin and Mr. Chen Tao, with Mr. Xie Lanjun serving as the chairperson of the committee. The primary function of the Nomination Committee is to make recommendations to our Board in relation to the appointment and removal of Directors.

Strategy and Investment Committee

We have established the Strategy and Investment Committee with written terms of reference. The primary duties of the Strategy and Investment Committee are to conduct research and make recommendations to our Board on the Company's medium and long-term development strategies, major investment decisions, sustainable development, and ESG policies. The Strategy and Investment Committee comprises three members, namely Mr. Chen Tao, Mr. Zhao Qixiang and Dr. Zhang Jihai, with Mr. Chen Tao serving as the chairperson of the Strategy and Investment Committee.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors (other than the independent non-executive Directors) confirms that as at 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 on July 29, 2025, and (ii) understands all the requirements under the Listing Rules that are applicable to him or her as a director of a listed issuer and the possible consequences of making a false statement or providing false information to the Stock Exchange.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he or she 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 or her independence at the time of his or her appointment.

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 complies or intends to comply with the corporate governance requirements under the Corporate Governance Code after the Listing.

Our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability. Our Company intends to comply with all code provisions in the Corporate Governance Code after the Listing.

Board Diversity

The Board has adopted a board diversity policy (the "**Board Diversity Policy**") prior to the Listing in order to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Our Company recognizes and embraces the benefits of having a diverse Board. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director of the Company, the Nomination Committee will consider a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, age, language, cultural and educational background, professional qualifications, skills, knowledge, industry and experience and/or length of service. All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. As at the Latest Practicable Date, our Board consists of six male members and three female members with ages ranging from 40 years old to 64 years old. Our Directors have a balanced portfolio of knowledge and skills, including production of electronic components and products, property investment, property development, legal and education. They obtained degrees in various fields such as business administration, engineering, law and finance. Our Company has reviewed the membership, structure and composition of the Board, and is of the opinion that the structure of the Board is reasonable, and the experiences and skills of the Directors in various aspects and fields can enable our Company to maintain high standard of operation.

Upon the Listing, the Nomination Committee will from time to time review the Board Diversity Policy, develop and review measurable objectives for implementing the policy, and monitor the progress on achieving these measurable objectives in order to ensure that the policy

remains effective. The Company will (i) disclose the biographical details of each Director and (ii) report on the implementation of the Board Diversity Policy (including whether we have achieved board diversity) in its annual corporate governance report.

EMOLUMENT OF DIRECTORS AND SENIOR MANAGEMENT

We offer our Directors and senior management members, emolument in the form of salaries, allowances, bonuses and benefits in kind. Our independent non-executive Directors receive emolument based on their responsibilities.

The aggregate amount of remuneration which was paid to our Directors for the three years ended December 31, 2023, 2024 and 2025 were approximately RMB8.7 million, RMB9.9 million and RMB16.0 million, respectively.

The aggregate amount of remuneration which was paid to our top five individuals for the three years ended December 31, 2023, 2024 and 2025 included three, four and four directors, respectively. The emoluments (including salaries and other benefits, performance based bonuses, retirement benefit scheme contributions and share-based payment expenses) of the remaining two, one and one individual(s) for the same years/period were RMB3.7 million, RMB1.5 million and RMB1.8 million, respectively.

It is estimated that the aggregate amount of remuneration payable to Directors for the year ending December 31, 2026 will be approximately RMB16.0 million under arrangements in force at the date of this prospectus.

None of our Directors, our former Director or any of our five highest paid individuals has been paid any sum of money for the three years ended December 31, 2023, 2024 and 2025 as (a) an inducement to join or upon joining the Company; or (b) for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

There has been no arrangement under which a Director has waived or agreed to waive any emoluments for the three years ended December 31, 2023, 2024 and 2025.

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 of our Group during the Track Record Period.

COMPLIANCE ADVISER

We have appointed China Securities (International) Corporate Finance Company Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us in the following circumstances:

(a) before the publication of any regulatory announcement, circular or financial report;

(b) where a transaction, which might constitute a notifiable or connected transaction under the Listing Rules, is contemplated, including share issues, sales or transfers of treasury shares 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 Stock Exchange makes an inquiry of us regarding unusual price movement and trading volume or other issues under Rule 13.10 of the Listing Rules.

The term of appointment of the compliance adviser 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 its financial results for the first full financial year commencing after the Listing Date.

So far as our Directors are aware, immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the following persons will have interests and/or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the issued voting shares of our Company.

Shareholder/ Ultimate Shareholder	Nature of Interest	Class and number of Shares directly or indirectly held	Approximate % of shareholding in our A Shares as at the Latest Practicable Date	Approximate % of shareholding in our A Shares immediately after the Global Offering[3]	Approximate % of shareholding in the total share capital of our Company immediately after the Global Offering[3]
Mr. Chen Tao	Interest in controlled corporation[1]	266,269,191 A Shares (L)	30.52%	30.52%	27.86%
	Interest of Spouse[2]	3,791,642 A Shares (L)	0.43%	0.43%	0.39%
Ms. Liu Chunlan . . .	Beneficial owner	3,791,642 A Shares (L)	0.43%	0.43%	0.39%
	Interest of Spouse[2]	266,269,191 A Shares (L)	30.52%	30.52%	27.86%
Shenghua Xinye. . . .	Beneficial owner[1]	134,837,190 A Shares (L)	15.45%	15.45%	14.11%
Hong Kong Victory Giant	Beneficial owner[1]	131,432,001 A Shares (L)	15.06%	15.06%	13.75%
Hongda Investment . .	Interest in controlled corporation[1]	131,432,001 A Shares (L)	15.06%	15.06%	13.75%

Notes:

(1) As at the Latest Practicable Date, (a) Mr. Chen Tao and Ms. Liu Chunlan (spouse of Mr. Chen Tao) holds 90% and 10% of Shenghua Xinye, which holds 134,837,190 A Shares; and (b) Mr. Chen Tao holds 70% of Hongda Investment, which in turns is the sole shareholder of Hong Kong Victory Giant which holds 131,432,001 A Shares. As such, Mr. Chen Tao will be deemed to be interested in the A Shares held by Shenghua Xinye and Hong Kong Victory Giant.

(2) As of the Latest Practicable Date, Ms. Liu Chunlan, the spouse of Mr. Chen Tao, is interested in 3,791,642 A Shares, while Mr. Chen Tao will be deemed to be interested in 266,269,191 A Shares. According to SFO, Ms. Liu Chunlan will be deemed to be interested in the A Shares held by Mr. Chen Tao and vice versa.

(3) The calculation is based on the total number of 955,905,313 Shares, consisting of 872,557,313 A Shares and 83,348,000 H Shares in issue immediately after completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). The calculation of the percentage includes 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

(4) The letter "L" denotes the person's long position in the Shares.

For further information on any person who will be, immediately following completion of the Global Offering, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of our Group, see section headed "*Appendix VI — Statutory and General Information — C. Further Information About Our Directors and Substantial Shareholders — 1. Disclosure of Interests — (b) Interests of Substantial Shareholders*" in this prospectus.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**" and collectively, the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**" and collectively, 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 Offer Shares (rounded down to the nearest whole board lot of 100 H Shares) that may be purchased for an aggregate amount of approximately US$996.75 million (or approximately HK$7,812.24 million), exclusive of brokerage fee, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy (the "**Cornerstone Placing**"). The calculations in this section, which are based on the exchange rates as disclosed in the section headed "Information about this Prospectus and the Global Offering", are for illustration purpose.

Pursuant to paragraph 3.2 of Practice Note 18 to the Listing Rules, at least 40% of the total number of Offer Shares initially offered in the Global Offering must be allocated to investors in the placing tranche (other than the Cornerstone Investors). As the Company is initially offering approximately 10% of the total number of Offer Shares in the Hong Kong Public Offering, no more than 50% of the total number of the Offer Shares initially offered in the Global Offering can be allocated to the Cornerstone Investors (the "**Cornerstone Placing Allocation Limit**"). Each of the Cornerstone Investors has agreed in its respective Cornerstone Investment Agreement that the Company, the Joint Sponsors and the Sponsor-Overall Coordinators shall have the right to, in their sole and absolute discretion, adjust the allocation of the number of Offer Shares to be subscribed for by the Cornerstone Investors to ensure compliance with the Listing Rules, including the Cornerstone Placing Allocation Limit. Accordingly, the Company, the Joint Sponsors and the Sponsor-Overall Coordinators will adjust the allocation of the number of Offer Shares to be subscribed for by the Cornerstone Investors in proportion to their respective initial subscription amounts set out in their respective Cornerstone Investment Agreements to ensure compliance with the Cornerstone Placing Allocation Limit and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of the Company to be published on or around April 20, 2026.

Based on an Offer Price of HK$209.88, being the maximum Offer Price, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 37,220,100 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering, assuming there is no other change made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

Assuming the Offer Size Adjustment Option is not exercised				**Assuming the Offer Size Adjustment Option is exercised in full**			
Assuming the Over-allotment Option is not exercised		**Assuming the Over-allotment Option is exercised in full**		**Assuming the Over-allotment Option is not exercised**		**Assuming the Over-allotment Option is exercised in full**	
Approximate % of the Offer Shares	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*
44.66%	3.89%	38.83%	3.84%	38.83%	3.84%	33.77%	3.79%

We believe that the Cornerstone Placing demonstrates our Cornerstone Investors' confidence in our Company and our business prospects, and that 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 the introduction by the Underwriters in the Global Offering.

The Cornerstone Placing will form part of the International Offering, and save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors (and, for Cornerstone Investors who will subscribe for the Offer Shares through qualified domestic institutional investor ("**QDII**"), the QDIIs) 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 (and, for Cornerstone Investors who will subscribe for our Offer Shares through QDII, the QDIIs) 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 (as amended and replaced by Rule 19A.13A) of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company, and none of the Cornerstone Investors and their close associates will become a substantial shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements compared with other public Shareholders. There are no side agreement or arrangements between our 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 final Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

To the best knowledge of our Company, save as disclosed in this section, (i) each of the Cornerstone Investors and their respective ultimate beneficial owners is independent from our Group, our connected persons and their respective associates, and is not an existing Shareholder or a close associate; (ii) each of the Cornerstone Investors is not accustomed to taking instructions from our Company, the Directors, our chief executive, our Largest Group of Shareholders, our substantial Shareholders, our existing Shareholders, the directors, chief executive or substantial shareholders of any of our subsidiaries, or any of 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 relevant Offer Shares by the Cornerstone Investors is financed by our Company, the Directors, our chief executive, our Largest Group of Shareholders, our substantial Shareholders, our existing Shareholders, the directors, chief executive or substantial shareholders of any of our subsidiaries, or any of their respective close associates. In addition, to the best knowledge of our Company, each of the Cornerstone Investors is independent from each other and makes independent investment decisions.

Among the Cornerstone Investors, MSIP, Foresight, Pinpoint, Tianhong Fund, Bosera International, Everbright Wealth Management, Jump Trading and Sunshine Life (each as defined below) are existing minority Shareholders of the Company or their close associates. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 and consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders. For further details, please refer to the section headed "Waivers — Allocation of H Shares to Existing Minority Shareholders and Their Close Associates".

Save for Hong Kong Mason and WSOF and as confirmed by each of the Cornerstone Investors, its subscription under the Cornerstone Placing would be financed by its own internal financial resources, financial resources of its shareholders or the assets managed for its investors (in the case of Cornerstone Investors which are funds or investment managers) and it has sufficient funds to settle its respective investment under the Cornerstone Placing. Each of the Cornerstone Investors 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) is required for the relevant Cornerstone Placing.

Each of the Cornerstone Investors has agreed to pay in full for the relevant Offer Shares that it has subscribed before dealings in the H Shares commence on the Stock Exchange. The Offer Shares to be subscribed by the Cornerstone Investors, in whole or in part, are subject to delayed delivery, at our Company's, the Joint Sponsors' and the Sponsor-Overall Coordinators' sole discretion. Where delayed delivery takes place, each of the Cornerstone Investors that may be affected by such delayed delivery arrangement has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. Delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering.

The total number of Offer Shares to be subscribed by the Cornerstone Investors (and, for Cornerstone Investors who will subscribe for our Offer Shares through QDII, the QDIIs) may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around April 20, 2026.

THE CORNERSTONE INVESTORS

The tables below set forth the details of the Cornerstone Placing:

			Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Cornerstone Investors	**Subscription Amount[1]**	**Number of Offer Shares[2]**	**Assuming the Over-allotment Option is not exercised**		**Assuming the Over-allotment Option is exercised in full**		**Assuming the Over-allotment Option is not exercised**		**Assuming the Over-allotment Option is exercised in full**	
	(USD in millions)		*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*
(each as defined below)										
CPE Rosewood	75	2,800,700	3.36%	0.29%	2.92%	0.29%	2.92%	0.29%	2.54%	0.28%
Janchor Fund	75	2,800,700	3.36%	0.29%	2.92%	0.29%	2.92%	0.29%	2.54%	0.28%
Yunfeng Capital										
New Alternative Limited	40	1,493,700	1.79%	0.16%	1.56%	0.15%	1.56%	0.15%	1.36%	0.15%
New Golden Future Limited	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Deliante	53	1,979,200	2.37%	0.21%	2.06%	0.20%	2.06%	0.20%	1.80%	0.20%
Hong Kong Mason	50	1,867,100	2.24%	0.20%	1.95%	0.19%	1.95%	0.19%	1.69%	0.19%
MSIP	35	1,307,000	1.57%	0.14%	1.36%	0.13%	1.36%	0.13%	1.19%	0.13%
Foresight	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
HHLRA	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
Pinpoint	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
Sunshine Life	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
Tanwan	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
Tropical Terrain Limited	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
YR Asset Management	30	1,120,300	1.34%	0.12%	1.17%	0.12%	1.17%	0.12%	1.02%	0.11%
Huizhou Huilian	28.75	1,073,500	1.29%	0.11%	1.12%	0.11%	1.12%	0.11%	0.97%	0.11%
HK Greenwoods	25	933,500	1.12%	0.10%	0.97%	0.10%	0.97%	0.10%	0.85%	0.09%
Bosera International	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Cloudview	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
CNCB Investment	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%

Cornerstone Investors	Subscription Amount[1]	Number of Offer Shares[2]	Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
	(USD in millions)		*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*	*Approximate % of the Offer Shares*	*Approximate % of the total issued share capital*
GBAHIL										
Mega Prime	12.5	466,700	0.56%	0.05%	0.49%	0.05%	0.49%	0.05%	0.42%	0.05%
Poly Platinum	7.5	280,000	0.34%	0.03%	0.29%	0.03%	0.29%	0.03%	0.25%	0.03%
Golden K2 Falcon	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Infore Capital	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Metazone	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
MY.Alpha	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Ovata Capital	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
SR Wealth	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Ruihua Investment	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Tianhong Fund	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
Ye Guofu	20	746,800	0.90%	0.08%	0.78%	0.08%	0.78%	0.08%	0.68%	0.08%
CloudAlpha Capital	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Everbright Wealth Management	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Jump Trading	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Luhua Daosheng	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Mirae Asset	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Panjing Fund	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
WSOF	15	560,100	0.67%	0.06%	0.58%	0.06%	0.58%	0.06%	0.51%	0.06%
Black Dragon	10	373,400	0.45%	0.04%	0.39%	0.04%	0.39%	0.04%	0.34%	0.04%
Huaqin Singapore	10	373,400	0.45%	0.04%	0.39%	0.04%	0.39%	0.04%	0.34%	0.04%
Total	**996.75**	**37,220,100**	**44.66%**	**3.89%**	**38.83%**	**3.84%**	**38.83%**	**3.84%**	**33.77%**	**3.79%**

Notes:

(1) The investment amount excludes brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, and is calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Currency Translations" in this Prospectus. The actual number of Offer Shares to be subscribed may change due to the exchange rate to be used as prescribed in the relevant Cornerstone Investment Agreements.

(2) Rounded down to the nearest whole board lot of 100 H Shares.

The information about each of the Cornerstone Investors set forth below has been provided by them respectively in connection with the Cornerstone Placing.

CPE Rosewood

CPE Rosewood Investment Limited ("**CPE Rosewood**") is a business company incorporated under the laws of the BVI and its primary business activity is investment holding. It is a subsidiary of CPE Global Opportunities Fund II, L.P. ("**CPE GOF II**"), an exempted limited partnership formed under the laws of the Cayman Islands. The general partner of CPE GOF II is CPE GOF GP Limited, a company incorporated in the Cayman Islands with limited liability. CPE GOF GP Limited is directly and wholly owned by CPE Management International Limited, which is in turn wholly owned by CPE Management International II Limited, both of which are companies incorporated in the Cayman Islands with limited liability. CPE Management International II Limited is owned by a number of shareholders that are natural persons and none of whom holds 30% or more interest in CPE Management International II Limited. CPE GOF II's investor base comprises both corporate and entrepreneurial investors, none of the limited partners holds 30% or more interest in CPE GOF II.

Janchor Fund

Janchor Partners Pan-Asian Master Fund ("**Janchor Fund**") is a discretionary investment fund established in the Cayman Islands. Janchor Partners Limited ("**Janchor Partners**") serves as investment manager of the Janchor Fund. Established in 2009, Janchor Partners is a long-term industrialist investor, partnering with companies that have superior business models, favourable growth prospects and the potential to be part of long-term positive structural dynamics of Asian countries and economies.

Janchor Partners is licensed by the SFC to conduct asset management and is an experienced institutional investor with a track record of investing in technology companies. Janchor Partners is founded and controlled by John Ho, an independent third party. None of the participating shareholders of the Janchor Fund or its feeder funds holds an interest of 30% or more of the Janchor Fund's total capital.

Yunfeng Capital

New Alternative

New Alternative Limited ("**New Alternative**") is a limited liability company incorporated in the British Virgin Islands and is wholly-owned by Yunfeng Capital Limited, a wholly owned subsidiary of Yunfeng Investments Limited ("**Yunfeng Capital**"). Yunfeng Capital is majority-owned and controlled by Mr. Yu Feng (虞鋒). The other minority shareholders are independent third parties.

New Golden Future Limited

New Golden Future Limited is a limited liability company incorporated in the BVI, which is wholly owned by Yunfeng Capital. Yunfeng Capital is majority-owned and controlled by Mr. Yu Feng, who is an independent third party. The other minority shareholders are independent third parties.

Deliante

Deliante Holdings Co., Ltd. ("**Deliante**") is a limited liability company incorporated in the British Virgin Islands on August 6, 2020. It is an investment holding company which is used to hold financial assets such as stocks and bonds for a family trust established by Mr. Tsai Eng-Meng ("**Mr. Tsai**"), as settlor for the benefit of Mr. Tsai and his family members. Mr. Tsai is the chairman of the board of Want Want Group, a company primarily engaged in the food and beverage industry in mainland China. Each of Deliante Holdings Co., Ltd. and its shareholders including Mr. Tsai is an independent third party. None of its shareholders holds 30% or more interest in Deliante Holdings Co., Ltd.

Hong Kong Mason

Hong Kong Mason Electronics Co., Ltd. (香港麥遜電子有限公司) ("**Hong Kong Mason**") is a limited company incorporated under the laws of Hong Kong in 2021. The company is primarily engaged in the sales of PCB inspection equipment and related components. Hong Kong Mason is a wholly-owned subsidiary of Shenzhen Han's CNC Technology Co., Ltd. ("**Han's CNC**"), a company listed on the Shenzhen Stock Exchange (stock code: 301200) and the Hong Kong Stock Exchange (stock code: 3200). Han's CNC focuses on AI computing power scenarios and maintains deep partnerships with industry-leading clients. Its main business includes the R&D, production, and sales of specialized equipment for PCB and advanced packaging, covering key processes such as lamination, drilling, exposure, forming, and inspection. Han's CNC provides differentiated one-stop process solutions for clients in various niche scenarios and is the world's largest supplier of specialized PCB equipment. Han's CNC is a subsidiary of one of the top 5 suppliers of the Group

during the Track Record Period. As confirmed by the Company, the investments from Hong Kong Mason as a Cornerstone Investor and the investment of minority interest by Hongxing International, our wholly-owned subsidiary, in Han's CNC as a cornerstone investor are not inter-conditional. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with the Company's confirmation that the investments from Hong Kong Mason as a Cornerstone Investor and the investment of minority interest by Hongxing International in Han's CNC as a cornerstone investor are not inter-conditional.

Hong Kong Mason may obtain external financing by entering into a loan facility with a financial institution to finance its subscription of H Shares. The loan, if obtained, will be on normal commercial terms after arm's length negotiations. The H Shares to be subscribed for by Hong Kong Mason will not be charged to any third party including such financial institution as security for such loan.

MSIP

Morgan Stanley & Co. International plc ("**MSIP**") is a company incorporated in the United Kingdom. MSIP is an existing shareholder of our Company and its shareholding in our Company is less than 1% as of the Latest Practicable Date. The ultimate parent undertaking and controlling entity is Morgan Stanley. Morgan Stanley together with its subsidiary undertakings forms the "Morgan Stanley Group". Morgan Stanley is a global financial services firm authorized as a Financial Holding Company and regulated by the Board of Governors of the Federal Reserve System in the United States of America. The Morgan Stanley Group operates within the financial services industry and is subject to extensive supervision and regulation.

The principal activity of the Morgan Stanley Group is the provision of financial services to a global client base consisting of corporations, governments and financial institutions. Financial services include investment banking, sales and trading, and other services to clients. MSIP is trading on a principal basis.

Foresight

Foresight Global Superior Choice SPC — Global Superior Choice Fund 1 SP ("**GSC Fund 1**"), Foresight Global Superior Choice SPC — Vision Fund 1 SP ("**Vision Fund 1**"), and Foresight Global Superior Choice SPC — Horizon Fund 1 SP ("**Horizon Fund 1**", together, the "**Funds**") are all sub funds of Foresight Global Superior Choice SPC, which was incorporated in the Cayman Islands on October 17, 2016. The Funds are currently managed in full discretion by Foresight Fund (Hong Kong) Limited ("**Foresight HK**"), a wholly owned subsidiary of Foresight Fund Management Company. Foresight HK was incorporated in Hong Kong on April 26, 2022, and has been a licensed corporation as defined under the SFO for Type 4 (Advising on Securities) and Type 9 (Asset management) since March 24, 2023. Foresight Fund Management Company is the investment advisor of the Funds and is a Shanghai-based asset management company and was founded by Mr. Chen Guangming. No ultimate beneficial owner of any limited partner or general partner holds more than 30% interests in the Funds. Apart from Mr. Chen Guangming (陳光明), no other ultimate beneficial owner holds 30% or more interest in Foresight Fund Management Company.

HHLRA

HHLR Advisors, Ltd. ("**HHLRA**"), is an exempted company incorporated in the Cayman Islands that acts as the investment manager of investment funds (collectively the "**HHLRA Funds**"), which are limited partnerships formed under the laws of the Cayman Islands. There is no individual limited partner investor who holds an economic interest of 30% or more in the HHLRA Funds. HHLRA intends to hold the Offer Shares through one of the HHLRA Funds, namely HACF, L.P., a discretionary fund.

HHLRA collaborates with industry-defining enterprises, aiming to establish alignment with sustainable, forward-thinking companies across industrial, consumer, healthcare and business services sectors. HHLRA manages capital for global institutions, including non-profit foundations, endowments, and pensions. HHLRA is entering the cornerstone investment agreement with the Company in its capacity as an investment manager and on behalf of the HHLRA Funds.

Pinpoint

Pinpoint Asset Management Limited ("**Pinpoint**") is the investment advisor of the funds under its management, which comprise solely of exempted companies incorporated in Cayman Islands, namely Pinpoint China Fund and Pinpoint Multi-Strategy Master Fund, both of which are discretionary investment funds. Pinpoint is a limited liability company incorporated in Hong Kong on June 4, 2010. It is an independent investment research and management company that provides active asset management services to institutional investors, pension funds, private banking, fund of funds, family offices and high net worth individuals. It is licensed to conduct asset management business (type 9 regulated activities as defined under the SFO) by the SFC. It is directly held by Pinpoint Capital Management Group as to 100%, and is ultimately held as to 84.1% by Mr. Wang Qiang (王強), and as to 15.9% by Ms. Bao Jiarong (鮑佳溶). Apart from Mr. Wang Qiang who holds 30% or more of Pinpoint China Fund and Pinpoint Multi-Strategy Master Fund, no other ultimate beneficial owner holds 30% or more interest in Pinpoint China Fund or Pinpoint Multi-Strategy Master Fund. Mr. Wang Qiang and Ms. Bao Jiarong are both independent third parties.

Sunshine Life

Sunshine Life Insurance Corporation Limited ("**Sunshine Life**") will subscribe for and hold the relevant number of Offer Shares under the Cornerstone Investment Agreement. Sunshine Life is a joint stock company established in the PRC on December 17, 2007, primarily engaged in various insurance and securities investment businesses. Sunshine Life is owned as to 99.9999% by Sunshine Insurance Group Co., Ltd., a company listed on the Stock Exchange (stock code: 6963) which none of its shareholders holds 30% or more equity interest, and 0.0001% by Lhasa Huiju Enterprise Management Consulting Co., Ltd., a company ultimately controlled by Mr. Song Ning (宋寧), an independent third party.

Tanwan

Tanwan Inc. ("**Tanwan**") is a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange (Stock Code: 9890.HK). Tanwan engages in online gaming business across China and overseas markets, covering game publishing, operation and development. Driven by AI technology, Tanwan is committed to creating enjoyment for its users and providing high-quality services for game developers. Tanwan adheres to its long-term core strategy of "AI + Gaming", deepening the integration of AI technologies into its gaming ecosystem. With the global publishing and operation of IP-based products as its core business strategy, Tanwan leverages precise marketing and long-cycle operational capabilities to maximize the value of its game products.

Tropical Terrain Limited

Tropical Terrain Limited is a limited company incorporated under the laws of the British Virgin Islands and a controlled subsidiary of Boyu Capital Opportunities Master Fund. Boyu Capital Opportunities Master Fund is an exempted company incorporated under the laws of the Cayman Island and an investment fund managed by Boyu Capital Management (Singapore) Pte. Ltd. ("**Boyu**"). Boyu holds a capital markets services license and is regulated by the Monetary Authority of Singapore. Boyu provides catalytic capital and strategic support for leading companies in sectors including high technology, healthcare, consumer and sustainable energy. Boyu is 100% indirectly

owned by Boyu Group, LLC, which is in turn ultimately controlled by Mr. Xiaomeng Tong, an independent third party. There is no single investor holding 30% or more interest in Tropical Terrain Limited through Boyu Capital Opportunities Master Fund.

YR Asset Management

Yong Rong (HK) Asset Management Limited (涌容(香港)資產管理有限公司) ("**YR Asset Management**") is an asset management company founded in 2012 and is licensed to carry out type 9 (asset management) regulated activities under the SFO. YR Asset Management currently manages with sole discretion and act on behalf of its multiple sub-hedge funds namely Yong Rong Global Excellence Fund, Double AI Fund and Everfund which were formed in Cayman Islands and are regulated by Cayman Islands Monetary Authority. Such hedge funds primarily invest in U.S. and Hong Kong stock markets, A share market and futures in global market. YR Asset Management is wholly-owned by Mr. Huang Yong (黃勇), an independent third party.

Huizhou Huilian

Huizhou Huilian Investment Partnership (Limited Partnership) (惠州市惠聯投資合夥企業(有限合夥)) ("**Huizhou Huilian**"), a limited partnership established under the laws of the PRC on December 19, 2025. As of the Latest Practicable Date, Huizhou Huilian is held as 1.89% by Huizhou Guohe Investment Co., Ltd.* (惠州市國合投資有限公司) ("**Huizhou Guohe**") as a general partner, 54.91% by Huizhou Huicheng District State Owned Capital Investment and Operation Co., Ltd.* (惠州市惠城區國有資本投資運營集團有限公司) ("**Huicheng Group**") as a limited partner, and 43.20% by Huizhou Industrial Investment Development Master Fund Co., Ltd.* (惠州產業投資發展母基金有限公司) ("**Huizhou Industrial**") as a limited partner.

Huizhou Guohe is held as 90.00% by Huizhou Industrial and 10.00% Huizhou Huicheng District Investment Management Co., Ltd.* (惠州市惠城區投資管理有限公司) ("**Huicheng Investment**"). Huicheng Investment is wholly owned by Huicheng Group. Huizhou Industrial is ultimately controlled by State-owned Assets Supervision and Administration Commission of the People's Government of Huizhou Municipality (惠州市人民政府國有資產監督管理委員會). Huicheng Group is wholly owned by Huizhou Huicheng District State-owned Assets Supervision and Administration Commission (惠州市惠城區國有資產監督管理局).

HK Greenwoods

Greenwoods Asset Management Hong Kong Limited ("**HK Greenwoods**") is a private fund management company incorporated in Hong Kong with limited liability. Established in 2005, HK Greenwoods is one of the largest and earliest China-focused asset managers mainly specializing in investing into companies in the Greater China region. HK Greenwoods focuses on fundamental research, value investments, and local due diligence. Investors of funds and accounts managed by HK Greenwoods includes institutional investors and high-net-worth individuals professional investors. Mr. Jiang Jinzhi (蔣錦志) is the Chairman and an ultimate beneficial owner of HK Greenwoods.

As confirmed by HK Greenwoods, the subscription of the Offer Shares as a cornerstone investor will be made by HK Greenwoods in its capacity as the investment manager of Golden China Master Fund and Greenwoods Value Income Fund. As of 28 February 2026, (i) no single ultimate beneficial owner holds 30% or more interest in the Golden China Master Fund; and (ii) no single ultimate beneficial owner other than Mr. Yang Xianxiang (楊現祥), an independent third party, holds 30% or more interest in the Greenwoods Value Income Fund.

Bosera International

Bosera Asset Management (International) Co., Limited ("**Bosera International**") was incorporated in Hong Kong in 2010 and holds Type 1 (dealing in securities), Type 4 (advising on securities), and Type 9 (asset management) licenses issued by the Securities and Futures

Commission. Bosera International is owned as to 55% by Bosera Asset Management Co., Limited and as to 45% by China Merchants Fund Management Co., Limited. Bosera Asset Management Co., Limited is owned as to 49% by China Merchants Securities Co., Ltd. ("**China Merchants Securities**"), a company listed on the Stock Exchange (stock code: 6099) and the Shanghai Stock Exchange (stock code: 600999), with no other single beneficial owner holding 30% or more interest in the company. China Merchants Fund Management Co., Limited is owned as to 55% by China Merchants Bank Co., Ltd., a company listed on the Stock Exchange (stock code: 3968) and the Shanghai Stock Exchange (stock code: 600036), with the remaining 45% interest held by China Merchants Securities. Bosera International has participated in the Global Offering for and on behalf of certain cayman funds and mandates accounts under its management on discretionary basis. These cayman funds and mandates accounts include Bosera Growth Premium Global Equity Strategy Fund SP, the ultimate beneficial owner of which is Guo Feng; Bosera Growth Premium Global Equity Strategy Fund SP2, the ultimate beneficial owner of which is Guangdong Dongfang Precision Science & Technology Co., Ltd; Bosera Growth Premium Global Equity Strategy Fund SP 3, the ultimate beneficial owner of which is Huang Liya; Bosera China New Opportunities Fund SP which has no ultimate beneficial owner owing more than 30% interest therein; Bosera Global Select Equity Fund SP, the ultimate beneficial owner of which is Zhang Lei and KB China Mainland Fund which has no ultimate beneficial owner owing more than 30% interest therein.

Cloudview

Cloudview Capital Limited ("**Cloudview**") is a private company incorporated in the Cayman Islands on June 24, 2014 (formerly known as RT Capital Investment Management LLC) and operates as an investment holding company. Cloudview is wholly owned by Profit Rainbow Holdings Limited, and its ultimate beneficial owner is Mr. Chen Jinsong (陳勁松), an independent third party who controls the voting rights of Cloudview through the holding structure. No other shareholder holds 30% or more of the equity interest in Cloudview. Cloudview focuses on investments in sectors including semiconductors, new energy and advanced manufacturing, and participates in investments and capital market transactions.

Profit Rainbow Holdings Limited ("**Profit Rainbow**") is a private company incorporated in the British Virgin Islands on January 17, 2011 and operates as an investment holding company. Profit Rainbow is wholly owned by Cheer Harvest Holdings Limited, and its ultimate beneficial owner is Mr. Chen Jinsong, who controls the voting rights of Cloudview through the holding structure. No other shareholder holds 30% or more of the equity interest in Profit Rainbow. Profit Rainbow focuses on participates in investments and capital market transactions.

CNCB Investment

CNCB (Hong Kong) Investment Limited (信銀(香港)投資有限公司) ("**CNCB Investment**"), was incorporated in Hong Kong in 1984 as a wholly-owned subsidiary of China CITIC Bank Corporation Limited ("**China CITIC Bank**", 中信銀行股份有限公司), with a registered share capital of HKD1.87 billion. CNCB Investment holds a Hong Kong Money Lenders Licence. Its principal business scope encompasses lending operations and various investment activities including but not limited to investments in bonds, funds, equities, and long-term equity investments. Through its subsidiaries, CNCB Investment has established a presence in diversified sectors, including overseas licensed investment banking operations and domestic equity investment fund management businesses.

As the core overseas investment banking platform of China CITIC Bank, CNCB Investment is committed to deepening its footprint in core licensed businesses, dedicating efforts to building specialized and systematic competitive business capabilities, and establishing an investment banking service system with comprehensive product coverage. As of the end of the 2025 reporting period, the total assets of CNCB Investment amounted to USD5.841 billion, representing an increase of 11.95% from the end of the previous year; net assets attributable to the parent company reached USD824 million, representing an increase of 6.89% from the end of the previous year, demonstrating a robust and steady trend of operational development.

GBAHIL

Greater Bay Area Homeland Investments Limited ("**GBAHIL**") is a company incorporated in Hong Kong with limited liability and is jointly owned by ten shareholders, each of which holds less than 13% equity interest therein. GBAHIL's business encompasses investment, investment holding and the establishment or management of private equity funds through its subsidiaries to grasp the historical opportunities of the development of Guangdong-Hong Kong-Macao Greater Bay Area, and the construction of an international innovation and technology hub, focusing on technological innovation, industrial upgrading, quality of life, smart city and all other related industries.

Each of Mega Prime Development Limited ("**Mega Prime**") and Poly Platinum Enterprises Limited ("**Poly Platinum**") has entered into a Cornerstone Investment Agreement with our Company to subscribe, respectively, for the Offer Shares. Mega Prime (via a discretionary account), Poly Platinum and GBA Fund (as defined below) are managed by Greater Bay Area Development Fund Management Limited (大灣區發展基金管理有限公司) ("**GBADFML**"), a company wholly owned by GBAHIL and licensed under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities in Hong Kong. No single ultimate beneficial owner holds 30% or more interests in GBADFML. GBADFML's internal investment committee is responsible for making its investment decisions.

Mega Prime

Mega Prime is a company incorporated in the British Virgin Islands with limited liability. It is an investment company with active participation in Hong Kong IPOs as a cornerstone investor. Its investment portfolio includes, among others, GigaDevice (stock code: 3986), Zijin Gold Intl (stock code: 2259) and Edge Medical-B (stock code: 2675). Mega Prime is a wholly-owned subsidiary of GBA Homeland Limited, which in turn is wholly owned by GBAHIL.

Poly Platinum

Poly Platinum is a company incorporated in the British Virgin Islands with limited liability and is wholly-controlled by Greater Bay Area Homeland Development Fund LP ("**GBA Fund**"). GBA Fund is a private fund established in the Cayman Islands and has nine limited partners, each of which holds less than 16% equity interest therein. The general partner of the GBA Fund is Greater Bay Area Homeland Development Fund (GP) Limited (大灣區共同家園發展基金(GP)有限公司), which is ultimately wholly-controlled by GBAHIL.

Golden K2 Falcon

Golden K2 Falcon Open-ended Fund Company ("**Golden K2 Falcon**") — Golden K2 Falcon 2 Investment Fund is a segregated sub-fund of Golden K2 Falcon, an open-ended fund company with variable capital incorporated with limited liability in Hong Kong under the Securities and Futures Ordinance. Golden K2 Falcon has appointed Golden K2 Investment Management Ltd., a corporation licensed by the Securities and Futures Commission to conduct Type 9 (Asset Management) regulated activities, as its investment manager. Golden K2 Falcon is principally engaged in the management of a globally diversified portfolio, including equities, fixed income, derivatives, and other eligible securities, targeting professional and institutional investors. The ultimate beneficial owners of Golden K2 Falcon and Golden K2 Investment Management Ltd. are Wang Zhenjun (王振軍), Qian Zhe (錢喆) and Liu Miao (劉淼).

Infore Capital

Infore Funds Series 1 Open-ended Fund Company — Infore Global Equity Fund ("**Sub-Fund**") is a sub-fund of Infore Funds Series 1 Open-ended Fund Company, an open-ended fund company incorporated under the Securities and Futures Ordinance (Cap. 571) of Hong Kong and managed by Infore Capital Management (Hong Kong) Company Limited (盈峰資本管理(香港)

有限公司) ("**Infore Capital Management HK**"). Infore Capital Management HK is wholly owned by Infore Capital Management Co., Ltd., which is in turn ultimately controlled by Mr. He Jianfeng (何劍鋒). The Sub-Fund is ultimately owned by Mr. He Jianfeng, an independent third party.

The investment objective of the Sub-Fund is to achieve capital appreciation by primarily investing in securities, including initial public offerings (IPOs), of companies that are incorporated or organized in the PRC, or that have their principal place of business in the PRC, or whose business operations or revenues are primarily derived from, or are expected to be primarily derived from, the PRC.

Metazone

Metazone Link (HK) Limited ("**Metazone**") is a wholly owned subsidiary of TCL Industries Holdings Co., Ltd. TCL Industries Holdings Co., Ltd is a company established under the laws of the PRC, and it is one of the major home appliance and consumer electronics conglomerates with a global presence. Mr. Li Dongsheng (李東生), an independent third party, is the Chairman and the ultimate beneficial owner of TCL Industries Holdings Co., Ltd.

MY.Alpha

MY Asian Opportunities Master Fund, L.P. ("**MY Asian**") is a fund established in the Cayman Islands and managed by MY.Alpha Management HK Advisors Limited ("**MY.Alpha**"), a hedge fund manager having a Type 4 (Advising on Securities) license and a Type 9 (Asset Management) license with the SFC. MY.Alpha is headquartered in Hong Kong and manages assets on behalf of institutions, endowments, foundations, funds of funds, wealthy individuals and their families. MY.Alpha's investment strategy is to invest in Asian companies using a catalyst-driven, fundamental value approach and to provide consistent, superior risk-adjusted investment returns relatively independent of the overall market. MY Asian has more than 100 investors and none of the investors holds more than 10% of the fund interests. The ultimate beneficial owner of MY.Alpha is Mr. Masahiko Yamaguchi. Each of MY Asian and MY.Alpha is an independent third party.

Ovata Capital

Ovata Capital Management Limited ("**Ovata Capital**") is incorporated in Hong Kong and licensed by the SFC to carry out type 9 asset management business. Ovata Capital deploys multiple public security strategies for investors globally. Ovata Capital is the discretionary investment manager of Ovata Equity Strategies Master Fund, with authority to make investment decisions. The Fund is a collective investment scheme incorporated in the Cayman Islands. Ovata Capital was founded in 2017 by Mr. James Chen, who is also the ultimate beneficial owner. Except for a pension fund, there is no other ultimate beneficial owner holding 30% or more of the participating interest in Ovata Equity Strategies Master Fund.

SR Wealth

SR Wealth Securities Limited ("**SR Wealth**") was established in 2015 as a licensed intermediary approved by the Securities and Futures Commission of Hong Kong. SR Wealth holds licenses for Type 1 (dealing in Securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), and Type 9 (asset management) regulated activities, with CE number BHF761. SR Wealth is committed to providing comprehensive investment and asset management services to financial institutions, high-net-worth individuals, and professional investors, assisting clients in making prudent decisions in the complex market environments to achieve steady wealth management and capital appreciation. SR Wealth, acting as the investment manager for and on behalf of retail clients and professional investors namely Shi Andong (施安東), Zhong Xiaocun (鍾孝存) and Zheng Junjie (鄭俊杰) and save as Shi Andong (施安東), no other ultimate beneficial owner holds 30% or more interests, on discretionary basis, is ultimately owned by Ms. Hong Wanling (洪婉玲), an independent third party.

Ruihua Investment

Ruihua (International) Investment Limited ("**Ruihua Investment**") is a limited company incorporated in the British Virgin Islands and is principally engaged in equity investment activities in global markets. Ruihua Investment is wholly owned by HongKong Ruihua Investment Management Limited, which is ultimately controlled by Mr. Zhang Jianbin (張建斌), an independent third party, and is primarily engaged in securities market investments.

Tianhong Fund

Tianhong Asset Management Co., Ltd. (天弘基金管理有限公司) ("**Tianhong Fund**") was established on November 8, 2004 as is one of the national mutual fund management companies approved by the CSRC, with a current registered capital of RMB514.3 million. Tianhong Fund's controlling shareholder is Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), which holds a 51.0% equity interest and has no actual controller. Adhering to the business philosophy of "prudent wealth management and trustworthiness", Tianhong Fund has been forging ahead with continuous innovation over the 21 years since its establishment, gaining widespread market recognition. In 2013, Tianhong Fund partnered with Alipay to launch Yu'ebao, and it acts as the fund manager of the Tianhong Yu'ebao money market fund. In recent years, the assets under management of Tianhong Fund has experienced rapid growth. Tianhong Fund, acting in its capacity as the fund manager on behalf of the mutual funds under its management, namely Tianhong Global High-End Manufacturing Hybrid Securities Investment Fund and Tianhong Global New Energy Vehicle Stock Securities Investment Fund, both are discretionary funds and no single ultimate beneficial owner holds 30% or more interests in those funds.

Ye Guofu

Ye Guofu (葉國富) is the chairman and chief executive officer of MINISO Group. As the world's largest private-label comprehensive retailer, MINISO Group is the first retailer dual-listed on the New York Stock Exchange and the Hong Kong Stock Exchange. As of June 30, 2025, MINISO Group has entered 112 countries and regions, with nearly 8,000 stores worldwide, and was the first Chinese brand to have a presence in the Times Square in New York City and on the Champs-Élysées in France. Leveraging its retail foundation, MINISO Group has successfully incubated a new brand "TOP TOY", a world-class pop toy brand. MINISO Group also acquired a 29.4% stake in Yonghui Superstores Co., Ltd (永輝超市股份有限公司), the largest supermarket chain in China, becoming its largest shareholder.

CloudAlpha Capital

CloudAlpha Capital Management Limited ("**CloudAlpha Capital**") was founded in 2014 and is now a global-leading hedge fund manager that focuses on investment in technologies. CloudAlpha Capital is headquartered in Hong Kong, with teams also spread across Shenzhen, Shanghai, Taipei, Hsinchu, and Tokyo. CloudAlpha Capital currently manages equity long or short hedge funds with total assets under management of approximately US$2 billion. CloudAlpha Capital is fully controlled by Yang Jin (楊晉), Wang Yen Kang (王彥康) and Yan Peide (閆沛德), all of whom are independent third parties. CloudAlpha Capital acts as the investment manager to two funds, namely Singularity Master Fund and Singularity Winners Master Fund, managed by it on a discretionary basis. There is no single investor holding 30% or more interests in the funds.

Everbright Wealth Management

Everbright Wealth Management Co., Ltd. ("**Everbright Wealth Management**") is a wholly-owned subsidiary of China Everbright Bank Company Limited. China Everbright Bank Company Limited is listed on the Shanghai Stock Exchange (stock code: 601818) and the Hong Kong Stock Exchange (stock code: 6818). Established in September 2019, Everbright Wealth Management has a registered capital of RMB5 billion. The principal business activities of Everbright Wealth

Management include offering wealth management products to the general public, investment and management of entrusted investor assets, private placement of wealth management products to qualified investors, investment and management of entrusted investor assets, wealth management advisory and consulting services and other businesses approved by the China Banking and Insurance Regulatory Commission.

Jump Trading

Jump Trading Pacific Pte. Ltd. ("**Jump Trading**") is part of Jump Trading Group. Founded in 1999, Jump Trading Group is one of the largest global financial trading groups. Jump Trading Group is headquartered in Chicago and has offices in Chicago, New York, London, Hong Kong, Shanghai, Singapore, India, Amsterdam in addition to other major financial centers. As part of its investment activities, Jump Trading Group, Capital Markets Investment Team engages and invests in high-quality companies through equity raisings, and relies on the firm's best-in-class execution and strong corporate governance to make strategic investments. The Capital Markets Investments team is based in Hong Kong and consists of seasoned investment professionals with strong focus and understanding of company fundamentals. The team focuses and invests extensively across the Asia Pacific region. Jump Trading is controlled by two revocable trusts. No single ultimate beneficial owner holds 30% or more interests in Jump Trading. Each of Jump Trading and Jump Trading Group is an independent third party.

Luhua Daosheng

Luhua Daosheng (Beijing) Enterprise Management & Development Co., Ltd. (魯花道生(北京)企業管理發展有限公司) ("**Luhua Daosheng**") is a wholly-owned subsidiary of Shandong Luhua Investment Co., Ltd. (山東魯花投資有限公司), serving as a specialized platform under Shandong Luhua Holding Group Co., Ltd. (山東魯花控股集團有限公司) ("**Luhua Holding**"), focusing on equity investment. The ultimate beneficial owner of Luhua Holding is Mr. Sun Mengquan (孫孟全), who is an independent third party. Luhua Investment actively practices corporate mission of "serving the nation through industrial development and benefiting people's livelihood" and its core values of "understanding the way, cultivating virtue, benefiting others, and serving the public good", and is committed to becoming a specialized investment institution that empowers industries through capital and fulfills responsibilities through investments. Luhua Investment continuously focuses on sectors including but not limited to artificial intelligence, robotics, new materials, advanced manufacturing, and new energy, identifying high-potential enterprises with distinctive technological attributes and outstanding management capabilities. Adhering to the philosophy of "benefiting others is benefiting oneself", Luhua Investment strives to grow alongside its investee companies to achieve mutual benefit and win-win outcomes.

Mirae Asset

Mirae Asset Securities Co., Ltd. ("**Mirae Asset**") is one of the largest investment banks in the Republic of Korea, providing a comprehensive range of financial services, including brokerage, wealth management, investment banking, sales & trading, and principal investments. It is ultimately controlled by Mirae Asset Capital Co., Ltd., a financial investment company in the Republic of Korea. Mirae Asset engages primarily in corporate lending, structured finance, and strategic investments. Mirae Asset is listed on the Korea Exchange under stock code 006800.KS.

Panjing Fund

Panjing Harbourview Investment Fund (盤京港景投資基金) ("**Panjing Fund**") is an exempted company incorporated with limited liability in the Cayman Islands under the Companies Act of the Cayman Islands and a discretionary fund. It is ultimately controlled by Mr. Xiao Jian (蕭建), an independent third party. The Panjing Fund is managed solely by its Investment Manager, Harbourview Investment Pte. Ltd. ("**Harbourview Investment**") at its sole discretion, who holds

a Capital Markets Services Licence issued by the Monetary Authority of Singapore. Mr. Xiao Jian (蕭建) and Mr. Huang Jinwei (黃勁為), each an independent third party, are the ultimate beneficial owners of Harbourview Investment, holding 60% and 40% of its interests, respectively.

Harbourview Investment pursues a long-short investment strategy in managing the assets of the Panjing Fund and focuses on equities which are temporarily under-appreciated by the market but whose companies display great upside potential. The Panjing Fund invests in a diverse portfolio comprising global listed equity securities and equity-related securities. The Fund's investments are not subject to any geographic limitation.

WSOF

Wind Sabre Fund SPC on behalf of Wind Sabre Opportunities Fund SP ("**WSOF**") will subscribe for and hold the relevant number of Offer Shares under the Cornerstone Investment Agreement. WSOF is a fund established in the Cayman Islands holding securities on a discretionary basis on behalf of its investors who are independent third parties, among which only Well Smart Developments Limited holds more than 30% interests in WSOF. Wind Sabre Fund SPC is a Segregated Portfolio Company incorporated in the Cayman Islands with limited liabilities and is an independent third party, and Wind Sabre Opportunities Fund SP is a segregated portfolio of Wind Sabre Fund SPC. Wind Sabre Fund SPC is controlled by Wind Sabre Capital Limited as the investment manager, which is a company incorporated in Hong Kong and licensed to carry out type 9 (asset management) regulated activities under the SFO in Hong Kong by the SFC. Well Smart Developments Limited, which is wholly owned by Mr. Tsang On Yip Patrick, an independent third party.

WSOF may obtain external financing from a prime broker to finance its subscription of H Shares. The loan(s), if obtained, will be on normal commercial terms after arm's length negotiations. The H Shares to be subscribed for by WSOF will not be charged to such prime broker as security for such loan(s).

Black Dragon

Black Dragon AP SPV1 ("**Black Dragon**") is a discretionary multi-strategy investment fund formed in the Cayman Islands. The fund aims to achieve long-term, stable and attractive risk-adjusted returns by investing in a diversified portfolio. The fund is managed by Black Dragon Asset Management Limited, which is a company incorporated in Hong Kong with limited liability and licensed with the SFC to conduct Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities. The only investor holding more than 30% interests in Black Dragon is a wholly-owned entity indirectly held by Mr. Soopakij Chearavanont, an independent third party. The ultimate beneficial owner of Black Dragon Asset Management is Mr. Soopakij Chearavanont, the chairman of a Thailand-based conglomerate operating a diverse range of business across different segments including food and beverages.

Huaqin Singapore

HQ TELECOM SINGAPORE PTE. LTD. ("**Huaqin Singapore**") was incorporated as a limited liability company in Singapore under the laws of Singapore in 2019, and is principally engaged in the sales of electronic products and equity investment. Huaqin Singapore is a wholly-owned subsidiary of Huaqin Co., Ltd. ("**Huaqin**"), a company listed on the Shanghai Stock Exchange (stock code: 603296). Huaqin is a global leading, technology-driven smart product platform company, providing leading global technology companies with smart products covering mobile terminals, computing and data center businesses, AIoT, and innovative business sectors. It offers end-to-end solutions across the entire value chain to its customers. As a global leading full-stack smart product ODM platform, it has achieved the global number one position in multiple smart product categories. The Company is a supplier of Huaqin Co., Ltd. during the Track Record Period.

CLOSING CONDITIONS

The obligation of each of the Cornerstone Investors to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(i) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional (in accordance with their 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 Hong Kong Underwriting Agreement and the International Underwriting Agreement, and neither the Hong Kong Underwriting Agreement nor the International Underwriting Agreement having been terminated;

(ii) the Offer Price having been agreed according to the Underwriting Agreements and price determination agreement among the parties thereto in connection with the Global Offering;

(iii) the Listing Committee having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares subscribed under the Cornerstone Placing) as well as other applicable waivers and approvals and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(iv) no laws having been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or the respective Cornerstone Investment Agreement, and there being no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(v) the respective representations, warranties, acknowledgements, undertakings, and confirmations of the relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are and will be accurate, true and complete in all respects and not misleading or deceptive and that there is no material breach of the Cornerstone Investment Agreement on the part of the Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the "**Lock-up Period**"), dispose of any of the Offer Shares it has purchased pursuant to the respective 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 the respective Cornerstone Investor, including the Lock-up Period restriction, as the case may be.

SHARE CAPITAL

Immediately before the Global Offering

As at the Latest Practicable Date, the total issued share capital of the Company was 872,557,313 A Shares of nominal value of RMB1.00 each, which are listed on the ChiNext Market of Shenzhen Stock Exchange.

Description of Shares	Number of Shares	Approximate % of issued share capital
A Shares in issue*(Note)*	872,557,313	100%

Note: Including 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

Upon the Completion of the Global Offering

Immediately following the completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the Global Offering
A Shares in issue*(Note)*	872,557,313	91.28%
H Shares to be issued pursuant to the Global Offering	83,348,000	8.72%
Total	955,905,313	100%

Note: Including 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

Immediately following the completion of the Global Offering, assuming that the Offer Size Adjustment Option is fully exercised but the Over-allotment Option is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the Global Offering
A Shares in issue*(Note)*	872,557,313	90.10%
H Shares to be issued pursuant to the Global Offering	95,850,000	9.90%
Total	968,407,313	100%

Note: Including 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

Immediately following the completion of the Global Offering, assuming that the Over-allotment Option is fully exercised but the Offer Size Adjustment Option is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the Global Offering
A Shares in issue*(Note)*	872,557,313	90.10%
H Shares to be issued pursuant to the Global Offering	95,850,000	9.90%
Total	968,407,313	100%

Note: Including 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

Immediately following the completion of the Global offering, assuming that the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate % of the enlarged issued share capital after the Global Offering
A Shares in issue*(Note)*	872,557,313	88.78%
H Shares to be issued pursuant to the Global Offering	110,227,500	11.22%
Total	982,784,813	100%

Note: Including 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

OUR SHARES

Our H Shares in issue upon completion of the Global Offering, and our A Shares, are ordinary Shares in our share capital and are considered as one class of Shares. Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between Chinese mainland and Hong Kong. Our A Shares can be subscribed for and traded by mainland Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be subscribed for and traded by mainland Chinese investors in accordance with the rules and limits of Shenzhen-Hong Kong Stock Connect or Shanghai-Hong Kong Stock Connect.

RANKING

Our H Shares and A Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of A Shares will receive dividends in the form of A Shares.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR LISTING AND TRADING ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the Global Offering. The Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請"全流通"業務指引》) announced by the CSRC are not applicable to companies dual-listed in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A Shares held by them into H Shares for Listing and trading on the Hong Kong Stock Exchange.

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE GLOBAL OFFERING

Approval from holders of A Shares is required for our Company to issue H Shares and seek the listing of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the 2025 fourth extraordinary general meeting of our Company held on August 15, 2025 and is subject to the following conditions:

(i) ***Size of the offer***. The proposed number of H Shares to be offered shall not exceed 10% of the total issued share capital enlarged by the H Shares to be issued pursuant to the Global Offering (before the exercise of the Over-allotment Option). The number of H Shares to be issued pursuant to the full exercise of the Over-allotment Option shall not exceed 15% of the number of H Shares to be offered initially under the Global Offering.

(ii) ***Method of offering***. The method of offering shall be by way of an international offering to institutional investors and a public offer for subscription in Hong Kong.

(iii) ***Target investors***. The H Shares shall be issued to public investors in Hong Kong under the Hong Kong Public Offering and international investors, qualified domestic institutional investors in Chinese mainland and other investors who are approved by mainland Chinese regulatory bodies to invest abroad in the International Offering.

(iv) ***Price determination basis***. Fully considering the interests of the Company's existing shareholders, the acceptability of investors, the risks related to the offering, and adopting a market-based pricing method in line with the domestic and international capital market conditions at the time of issuance, the general valuation level of the Company's industry, market subscriptions, roadshows and bookkeeping results.

(v) ***Validity period***. The issue of H Shares and listing of H Shares on the Hong Kong Stock Exchange shall be completed within 24 months from the date when the 2025 fourth extraordinary general meeting was held on August 15, 2025.

Save as disclosed in the section headed "History, Development and Corporate Structure — Our Major Shareholding Changes — (iii) Private Placements", there are no other approved offering plans for our Shares except the Global Offering.

SHAREHOLDERS' GENERAL MEETINGS

For details of the circumstances under which a Shareholders' general meeting is required, please refer to "Appendix IV — Summary of Principal Laws and Regulations" to this prospectus.

SHARE SCHEMES

For details of our 2022 A Share Incentive Scheme, see "Appendix VI — Statutory and General Information — D. 2022 Restricted A Share Incentive Scheme" in Appendix VI to this prospectus.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes included in the Accountants' Report in Appendix I to this prospectus. Our consolidated financial statements have been prepared in accordance with IFRS.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us 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. You should not place undue reliance on any such statements. Our actual future results and timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors," "Forward-Looking Statements" and elsewhere in this prospectus.

For the purpose of this section, unless the context otherwise requires, reference to the years of 2023, 2024 and 2025 refer to the years ended December 31, 2023, 2024 and 2025, respectively.

OVERVIEW

We are one of the key players in advanced PCB products for AI and high-performance computing in terms of sales revenue in the first half of 2025, specializing in research and development, manufacturing and sales of high-build-up HDIs and high-layer-count MLPCBs. Our industry-leading technologies, product quality and robust production capabilities position us as a crucial supplier to leading global technology companies. We offer a comprehensive range of products used in a variety of applications. We have expanded our presence in key sectors including AI and high-performance computing, smart devices, automotive electronics, telecommunications, and medical devices, with a focus on technologies supporting AI computing such as GPUs and CPUs.

In 2023, 2024 and 2025, our revenue amounted to RMB7,931.2 million, RMB10,731.5 million and RMB19,292.3 million, respectively. In 2023, 2024 and 2025, our profit for the period amounted to RMB671.3 million, RMB1,154.4 million and RMB4,312.0 million, respectively.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition are affected by a number of general factors influencing the overall performance of the industry where we operate. These factors include macroeconomic trends, industry development and competitive landscape in the market. Any adverse development can have a negative impact on our results of operations. In addition to these general factors, our results of operations are affected by the following specific factors:

Product Application

Our products are designed for applications across a wide spectrum of end markets, including AI and high-performance computing, smart devices, automotive electronics, telecommunications, medical devices and other applications. The development and market acceptance of end products within these markets can have a significant and direct impact on our business and financial results. These markets are characterized by intense competition and are largely driven by the evolving needs and preferences of the end users.

The continuous innovation and evolution of end products often introduce new and more complex technical requirements for our high-performance PCBs. For example, the rise of AI and high-performance computing in recent years created significant demand for PCBs supporting

high-speed, low-latency data transmission. In response, we have developed specialized high-density, high-frequency PCBs tailored for AI accelerator cards, AI servers, data center switches, and optical modules to meet these needs. This led to a significant growth in our revenue in the year ended December 31, 2025 compared with the same period in 2024, particularly that attributable to our high-layer-count MLPCBs and high-build-up HDIs. To stay ahead in this dynamic environment, we have been proactively developing and launching new or enhanced products that meet these emerging demands and maintain our competitive edge. Moreover, our success remains subject to the commercial success of end products incorporating our products, which in turn depends on broader factors such as end-user preferences, pricing, brand reputation, and overall economic conditions affecting end users. Development of new products and end uses can generate significant growth opportunities for us. See "*Industry Overview*" for further details. Conversely, a decline in demand for certain end products could lead to reduced orders for our products.

Customer Base Expansion

The industries we serve, including smart devices, automotive electronics, telecommunications, and, increasingly, AI and high-performance computing, are characterized by rapid product cycles and constant pressure on customers to launch or upgrade products or services that reflect technological advancement and cater to market demand. In particular, we have seen a notable increase in revenue from AI-related products and customers, driven by the growing demand for high-frequency and high-density PCBs used in AI servers, data centers and other related applications. This, in turn, requires us to continue enhancing our production technologies to help customers bring next generation products to the market. Our ability to consistently deliver high quality products that meet our customers' performance and delivery expectations will directly impact our success in strengthening existing customer relationships.

The PCB industry is highly competitive, with global production centered in China while a growing number of manufacturers are also establishing facilities in Southeast Asia to enhance supply chain resilience. The market remains fragmented, with many players across segments. To maintain and grow our business, we must continue to meet our customers' requirements and deliver differentiated, high-performance products that meet their evolving needs. To better meet the delivery and localization requirements of our leading global customers, we are also expanding our overseas production footprint and are currently developing new facilities in Thailand and Vietnam. In addition to deepening relationships with existing customers, our business performance and financial results also depend on our ability to win new customers. We actively seek to expand our customer base by offering our products designed to meet customized technical requirements. Our ability to attract new customers is further influenced by our marketing and branding efforts, as well as the broader competitive landscape within the global PCB market.

Product Mix and Pricing

Our revenue and profitability are affected by the mix of products we sell across various applications. We currently offer (i) single- and double-layer PCBs, (ii) MLPCBs, (iii) HDIs, and (iv) FPCs used in AI accelerator cards, computing servers, smart devices, automotive electronics, telecommunications equipment and medical devices. Our product mix may vary in response to changes in market conditions, customer preferences and technological advancements in end products that contain our PCBs.

These product categories have different selling prices and margin profiles, influenced by differences in technical complexity, production requirements, customer specifications, market competition, raw material costs and product positioning. For example, in recent years, our overall gross margin has consistently improved, driven by a shift toward higher-margin products and increased production scale. This trend has been supported in particular by growing sales of HDIs used in high-end applications such as AI servers, which typically have higher prices and deliver stronger margins. For example, we recorded a gross margin of 43.5% for our HDIs for the year ended December 31, 2025 as a result of the substantial increases in revenue contribution from sales

of HDIs for AI and high-performance computing. Meanwhile, we recorded a gross margin of 19.9% for our single- and double-layer PCBs for the same period, which was lower than our overall gross margin, reflecting the stronger pricing pressure attributable to their respective end-use industries. While we strive to maintain competitive pricing to support market share and volume growth, we also focus on optimizing our product mix toward higher margin and value-added products. As we deepen our relationship with our existing downstream customers and further enhance our market-leading position, we expect to be able to optimize our portfolio of products sold to these downstream customers by supplying more premium products to them. If we are unable to effectively manage our product portfolio, satisfy changing customer demands or price our products appropriately, our business operations, profitability and financial condition could be adversely affected.

Raw Material Supply and Price Volatility

Our results of operations are influenced by the availability and pricing of key raw materials used in our production, including copper-clad laminates, copper anodes and copper foil, which together represent a significant portion of our product costs. In 2023, 2024 and 2025, raw material costs represented approximately 58.6%, 62.7% and 65.9% of our cost of sales, respectively. These raw material costs are a critical factor in determining our product pricing. However, our selling prices may not fluctuate entirely in tandem with raw material costs, which may contribute to fluctuation in our results of operations.

The prices and supply of our raw materials are closely linked to international commodity markets and global supply-demand dynamics. If we encounter tightened raw material supply or substantial price surges and are unable to offset them through technological improvements or process innovations, we may face supply constraints or margin compression. Such developments could materially and adversely affect our production efficiency, profitability and overall financial performance.

Research and Development Capabilities

Research and development are critical to our long-term competitiveness and sustained business growth. We collaborate closely with customers to co-develop products tailored to their requirements, and our ability to meet customer needs depends on our ability to develop and implement new technologies, advance product performance, improve reliability and enhance production efficiency. Therefore, we have been investing and will continue to invest in research and development. In 2023, 2024 and 2025, our research and development expenses amounted to RMB348.3 million, RMB449.8 million and RMB777.6 million, representing 4.4%, 4.2% and 4.0% of our total revenue in the same period, respectively.

Our research and development are aligned with strategic priorities aimed at reinforcing our position as a key player in advanced PCB technologies in terms of sales revenue in 2024 and the first half of 2025, particularly in emerging industries and high-growth application areas. Therefore, our R&D achievements affect our business in multiple ways, such as (i) whether we will be successful in maintaining our relationships with our existing customers and acquiring new customers, (ii) whether we can expand our portfolio of products and services and (iii) whether we can increase production efficiency by employing more advanced and automated production equipment.

Foreign Exchange Fluctuations

Our reporting currency is the RMB. Several of our subsidiaries have foreign currency sales, trade and other receivables, bank deposits and cash and bank balances, trade and other payables, and borrowings which expose us to foreign currency risk. Such foreign currencies include the U.S.

dollar ("**USD**"), euro ("**EUR**"), Hong Kong dollar ("**HKD**"), Thai baht ("**THB**") and New Zealand dollar ("**NZD**"). Consequently, foreign currency exchange rates have a significant impact on our consolidated financial information.

Foreign currency transactions are translated into the functional currency using the exchange rates at the end of the previous month. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. In 2023, 2024 and 2025, we recorded net foreign exchange gain of RMB11.7 million, RMB78.2 million and a net foreign exchange loss of RMB1.9 million, respectively.

BASIS OF PRESENTATION

Our historical financial information has been prepared based on the accounting policies set out in Note 4 to "*Appendix I — Accountants' Report*" which conform with all applicable IFRS Accounting Standards issued by International Accounting Standards Board ("**IASB**"). In addition, our historical financial information also complies with the applicable disclosures requirements of the Hong Kong Companies Ordinance and the Listing Rules.

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing our historical financial information, we have adopted the accounting policies which conform with all applicable new and revised IFRS Accounting Standards that are effective during the Track Record Period, consistently throughout the Track Record Period.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

Please refer to Note 4 to "*Appendix I — Accountants' Report*" to this prospectus, which sets forth certain material accounting policy information that are important for understanding our financial conditions and results of operations.

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments relating 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 results of operations. Our management continually evaluates such estimates, assumptions and judgments based on historical experience and other factors that are considered to be relevant. There has not been any material deviation between 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. See Note 5 to "*Appendix I — Accountants' Report*".

Impairment test for goodwill and trademark with an indefinite useful life

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of our Group's cash generating units ("**CGUs**"), that are expected to benefit from the synergies of the combination, irrespective of whether our other assets or liabilities are assigned to those units.

Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill relates. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

We conducted an impairment review on our goodwill and trademark with an indefinite useful life according to IAS36 Impairment of Assets.

For the purpose of impairment review, the recoverable amount of Pole Star Limited and its subsidiaries ("**MFS CGU**") and Victory Giant Technology (Thailand) Co., Ltd ("**VGT Thailand CGU**") is determined based on value-in-use calculations. The calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the respective industry in which the CGU operates.

The following tables set out the key assumptions used for value in use calculations of MFS CGU and VGT Thailand CGU:

MFS CGU:

	Year ended December 31,		
	2023	**2024**	**2025**
Revenue growth rate over the forecast period	0%-24%	9%-12%	0%-42%
Terminal revenue growth rate	0%	0%	0%
Net profit margin before tax and interests	9%-11%	13%	13%-14%
Pre-tax discount rate	12%	13%	13%

VGT Thailand CGU:

	Year ended December 31,		
	2023	**2024**	**2025**
Revenue growth rate over the forecast period	N/A	13%-49%	16%-59%
Terminal revenue growth rate	N/A	0%	0%
Net profit margin before tax and interests	N/A	5%-11%	3%-17%
Pre-tax discount rate	N/A	15%	16%

As of December 31, 2023, 2024 and 2025, the recoverable amount of MFS CGU and VGT Thailand CGU was determined based on discount cash flow method. Various factors were taken into consideration when determine the appropriate terminal revenue growth rate beyond the five-year forecasting period. This growth rate does not exceed the long-term average growth rate for the market in which the relative business operates. Management determined budgeted profit margins and revenue growth rates based on historical performance and its expectations of the market development. The pre-tax discount rates reflected the current market assessment of the time value of money and the risks specific to the business.

As of December 31, 2023, 2024 and 2025, the recoverable amount of MFS CGU were approximately RMB3,402.2 million, RMB3,203.2 million and RMB3,451.8 million respectively. The headroom measured by the excess of the recoverable amount over the carrying amount of MFS CGU were RMB568.6 million, RMB531.6 million and RMB549.5 million as of December 31, 2023, 2024 and 2025 respectively. Based on the results of the impairment assessments, no impairment loss on the goodwill and trademark with an indefinite useful life relating to MFS CGU was recognised as of December 31, 2023, 2024 and 2025.

As of December 31, 2024 and 2025, the recoverable amount of VGT Thailand CGU were approximately RMB383.4 million and RMB1,059.4 million. The headroom measured by the excess of the recoverable amount over the carrying amount of VGT Thailand CGU were RMB114.0 million and RMB210.8 million as of December 31, 2024 and 2025 respectively. Based on the results of the impairment assessments, no impairment loss on the goodwill relating to MFS CGU was recognised as of December 31, 2024 and 2025.

We performed sensitivity analysis based on the assumption that the pre-tax discount rate and the annual growth rate of revenue have been changed. Has the estimated key assumptions during the forecast period been changed as below, headroom would have decreased to the following:

MFS CGU	**December 31, 2023**	**December 31, 2024**	**December 31, 2025**
	RMB'000	*RMB'000*	*RMB'000*
Annual growth rate of revenue decreased by 1%	482,372	381,599	445,364
Pre-tax discount rate increased by 1%	278,829	206,269	449,498

VGT Thailand CGU	**December 31, 2023**	**December 31, 2024**	**December 31, 2025**
	RMB'000	*RMB'000*	*RMB'000*
Annual growth rate of revenue decreased by 1%	N/A	74,591	131,064
Pre-tax discount rate increased by 1%	N/A	68,145	3,338

Considering there was sufficient headroom based on the assessment, the Directors believe that any reasonable possible change in any of the key assumptions would not cause the carrying amount of the MFS CGU or VGT Thailand CGU to exceed its recoverable amount as of December 31, 2023, 2024 and 2025, respectively.

RESULTS OF OPERATIONS

	Year Ended December 31,					
	2023		**2024**		**2025**	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Revenue	**7,931,248**	**100.0**	**10,731,469**	**100.0**	**19,292,313**	**100.0**
Cost of sales	(6,287,951)	(79.3)	(8,292,806)	(77.3)	(12,496,889)	(64.8)
Gross profit	**1,643,297**	**20.7**	**2,438,663**	**22.7**	**6,795,424**	**35.2**
Other (losses)/gains, net	(11,413)	(0.1)	41,846	0.4	(67,840)	(0.4)
Other income	43,829	0.6	49,981	0.5	72,589	0.4
Selling and marketing expenses	(154,408)	(1.9)	(200,815)	(1.9)	(257,347)	(1.3)
Research and development expenses	(348,304)	(4.4)	(449,827)	(4.2)	(777,643)	(4.0)
(Provision)/reversal of impairment losses on financial assets, net	(15,329)	(0.2)	2,303	0.0	(36,415)	(0.2)
Administrative expenses	(320,286)	(4.0)	(456,705)	(4.3)	(563,528)	(2.9)
Listing expenses	–	–	–	–	(1,031)	(0.0)
Operating profit	**837,386**	**10.6**	**1,425,446**	**13.3**	**5,164,209**	**26.8**
Finance costs	(88,172)	(1.1)	(113,623)	(1.1)	(142,493)	(0.7)
Profit before income tax	**749,214**	**9.4**	**1,311,823**	**12.2**	**5,021,716**	**26.0**
Income tax expenses	(77,868)	(1.0)	(157,392)	(1.5)	(709,728)	(3.7)
Profit for the year attributable to owners of the Company	**671,346**	**8.5**	**1,154,431**	**10.8**	**4,311,988**	**22.4**

Our net profit increased by 72.0% from RMB671.3 million in 2023 to RMB1,154.4 million in 2024, primarily due to the increase in our gross profit from RMB1,643.3 million in 2023 to RMB2,438.7 million in 2024. Our net profit increased by 273.5% from RMB1,154.4 million in 2024 to RMB4,312.0 million in 2025, primarily due to the increase in our gross profit from RMB2,438.7 million in 2024 to RMB6,795.4 million in 2025.

PRINCIPAL COMPONENTS OF RESULTS OF OPERATIONS

Revenue

By product category

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Single- and double-layer PCB	647,790	8.2	1,046,788	9.8	1,027,869	5.3
MLPCB	5,788,391	73.0	6,172,756	57.5	8,316,217	43.1
HDI	929,978	11.7	1,520,773	14.2	7,424,728	38.5
FPC	92,422	1.2	1,310,445	12.2	1,314,875	6.8
Others*	472,667	5.9	680,707	6.3	1,208,624	6.3
Total	**7,931,248**	**100.0**	**10,731,469**	**100.0**	**19,292,313**	**100.0**

Note:

* In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

During the Track Record Period, MLPCBs were our largest revenue contributor. We also derived increasingly significant revenue from the sales of HDIs, especially HDIs with a build-up of 4+N+4 or above, which we expect to continue to be a major contributor to our total revenue going forward. We also provided single- and double-layer PCBs and FPCs to address customers' diverse needs. Going forward, with the proliferation of AI technologies, we expect the demand for our high-layer-count MLPCBs and HDIs to remain strong.

By geographical location

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Chinese Mainland (excluding special supervision territory)	**2,582,247**	**32.6**	**3,517,936**	**32.8**	**3,286,380**	**17.0**
Offshore						
Special supervision territory in China	2,610,628	32.9	2,451,044	22.8	2,471,087	12.8
Taiwan	193,176	2.4	334,165	3.1	4,915,760	25.5
Hong Kong	589,521	7.4	389,051	3.6	433,220	2.2
Vietnam	559,152	7.0	1,078,642	10.1	3,233,672	16.8
Asia (Excluding special supervision territory in China, Taiwan, Hong Kong and Vietnam)	520,104	6.7	1,216,949	11.3	2,107,802	10.9

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
North America and Europe[1]	332,851	4.2	868,077	8.1	1,535,074	8.0
Other regions and overseas countries[2]	70,902	0.9	194,898	1.9	100,694	0.5
Total PCB products[3]	**7,458,581**	**94.1**	**10,050,762**	**93.7**	**18,083,689**	**93.7**

Notes:

(1) In 2023, 2024 and 2025, revenue generated from the U.S. accounted for less than five percent of our revenue in the same periods, respectively.

(2) Primarily including sales to South America and Oceania.

(3) In addition to generating revenue from the sale of PCB products, we also generated revenues from the sales of scrap materials, primarily copper-bearing etching solutions, which accounted for the majority of our other revenue. Others represented 5.9%, 6.3% and 6.3% of our revenue in 2023, 2024 and 2025, respectively. The revenue of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

During the Track Record Period, a majority of our revenue was from customers outside Chinese mainland, for whom we completed the customs declarations. A substantial portion of our sales to such customers occurs in special supervision territory in China, which are special customs supervision zones in China that are approved by the State Council of the PRC with specific tax and regulatory policies. Products entering the special supervision territory from places other than the special supervision territory in China are treated as exports and thus eligible for export tax rebates. Our customs-related obligations, liabilities or responsibilities are fully released and discharged upon completion of delivery within the special supervision territory in China. All subsequent customs-related obligations, including any tariffs imposed by the United States if the customer determines to import their products to the United States, shall become the sole responsibility of the downstream customers, instead of ours.

Our revenue from Taiwan increased from RMB334.2 million in 2024 to RMB4,915.8 million in 2025, and our revenue from Vietnam increased from RMB1,078.6 million in 2024 to RMB3,233.7 million in 2025, primarily as a result of higher order volumes placed by customers through their Taiwan and Vietnam entities with delivery to those jurisdictions. This growth reflects the ongoing expansion of major customers' production capacity in Southeast Asian countries, which has led to a sustained increase in local delivery demand.

Sales Volume and Average Selling Price ("ASP")*

	Year Ended December 31,					
	2023		2024		2025	
	Sales volume	**ASP**	**Sales volume**	**ASP**	**Sales volume**	**ASP**
	'000 sq m	*RMB/ sq m*	*'000 sq m*	*RMB/ sq m*	*'000 sq m*	*RMB/ sq m*
Single- and double-layer PCB	1,420	456	1,779	589	1,653	622
MLPCB	5,814	996	6,018	1,026	5,965	1,394
HDI	508	1,831	647	2,351	551	13,475
FPC	35	2,641	462	2,836	494	2,662

Notes:

* For MLPCBs, HDIs and FPCs, sales volume is calculated as the aggregate of the area of specific product types. Within the same product category, products with a higher number of layers or build-up typically have a higher ASP, assuming the same sales area.

* ASP is calculated by dividing the revenue in a given product category by the corresponding sales volume.

The changes in sales volume and ASP were primarily attributable to shifts in market demand and changes in product mix. It should be noted that our ASP is calculated on a per-square-meter basis. As the number of layers increases, the yield of finished square meters from the same amount of input material decreases. As a result, the ASP per square meter tends to increase more rapidly for higher-layer products. The ASP of HDI increased significantly from 2024 to 2025 mainly due to an increased proportion of higher build-up HDIs and higher prices of such higher build-up HDIs, which feature more advanced designs, processes and materials.

We expect the ASP of our HDI products to remain at a relatively high level in the near term, supported by continued demand for high-end HDI products used in AI computing and other advanced applications.

Cost of Sales

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Cost of raw materials	3,687,558	58.6	5,197,105	62.7	8,236,815	65.9
Cost of manufacturing	1,692,755	27.0	1,952,565	23.5	2,751,275	22.0
Cost of labor	907,638	14.4	1,143,136	13.8	1,508,799	12.1
Total	**6,287,951**	**100.0**	**8,292,806**	**100.0**	**12,496,889**	**100.0**

Gross Profit and Gross Profit Margin

By product category

	Year Ended December 31,					
	2023		2024		2025	
	Gross Profit	**Gross Profit Margin**	**Gross Profit**	**Gross Profit Margin**	**Gross Profit**	**Gross Profit Margin**
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Single- and double-layer PCB	88,926	13.7	195,975	18.7	204,387	19.9
MLPCB	933,890	16.1	940,864	15.2	2,025,263	24.4
HDI	136,891	14.7	342,598	22.5	3,231,680	43.5
FPC	24,093	26.1	315,831	24.1	310,056	23.6
Others[(1)]	459,497	97.2	643,395	94.5	1,024,038	84.7
Total/Overall[(2)]	**1,643,297**	**20.7**	**2,438,663**	**22.7**	**6,795,424**	**35.2**

Notes:

(1) Mainly attributable to the sale of scrap materials, primarily copper-bearing etching solutions. The gross profit of other products was primarily derived from sales to customers in Chinese mainland (excluding special supervision territory).

(2) The overall gross profit margin is calculated as gross profit for the year divided by revenue for the corresponding year and multiplied by 100%.

Our gross profit increased significantly from RMB2,438.7 million for the year ended December 31, 2024 to RMB6,795.4 million for the year ended December 31, 2025, primarily due to an increase in our revenue and an improvement of our gross profit margin from 22.7% to 35.2%. In particular, driven by the strong demand from AI computing-related applications, we experienced

a significant boost in demand for our high-end HDIs and MLPCBs that carry higher gross profit margin than our other products. Our gross profit increased from RMB1,643.3 million in 2023 to RMB2,438.7 million in 2024, primarily attributable to the consolidation of the results of operations of PSL upon completion of our acquisition in November 2023 and increased demand for products used in AI-related applications.

Other (Losses)/Gains, Net

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Fair value change on financial assets at FVTPL	2,346	20.6	(3,491)	(8.3)	–	–
Interest income from wealth management product	40,561	355.4	8,638	20.6	1,489	2.2
Net foreign exchange gain/(loss)[1]	11,731	102.8	78,156	186.8	(1,886)	(2.8)
Write-back of provision[2]	–	–	55,115	131.7	–	–
Impairment loss on property, plant and equipment	–	–	(10,741)	(25.7)	(253)	(0.4)
Donation	(6,750)	(59.1)	(4,382)	(10.5)	(10,387)	(15.3)
Loss on disposal/written off of property, plant and equipment	(7,778)	(68.2)	(47,615)	(113.8)	(21,589)	(31.8)
Loss on disposal of intangible assets	(2)	(0.0)	(103)	(0.2)	–	–
Loss on disposal of land use rights	(32,418)	(284.0)	–	–	–	–
Written down of inventories	(16,135)	(141.4)	(13,177)	(31.3)	(33,630)	(49.6)
Gain on early termination of leases	–	–	114	0.3	(716)	(1.1)
Others	(2,968)	(26.1)	(20,668)	(49.6)	(868)	(1.3)
Total	**(11,413)**	**100.0**	**41,846**	**100.0**	**(67,840)**	**100.0**

Notes:

(1) Net foreign exchange gain/(loss) represents the exchange differences arising from the settlement of foreign currency transactions and the translation of monetary balances in accordance with our accounting policies.

(2) We had write-back of provisions for litigation claims amounted to RMB55.1 million during 2024 due to the finalization of certain legal proceedings.

Other Income

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Interest income	23,126	52.8	14,328	28.7	24,510	33.8
Government subsidies*	20,703	47.2	23,891	47.8	42,195	58.1
VAT input tax deduction	–	–	7,482	15.0	4,959	6.8
Others	–	–	4,280	8.5	925	1.3
Total	**43,829**	**100.0**	**49,981**	**100.0**	**72,589**	**100.0**

Note:

* Government subsidies recognized here primarily represent income-related government subsidies, which are generally not subject to specific conditions and are one-off in nature.

Selling and Marketing Expenses

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Salaries and compensations	81,230	52.6	111,340	55.4	152,917	59.4
Promotion and advertising expenses	33,691	21.8	31,501	15.7	34,025	13.2
Insurance expenses	14,430	9.3	20,206	10.1	30,929	12.0
Travel, transportation and vehicle expenses	14,475	9.4	15,420	7.7	17,039	6.6
Consultancy fees	4,596	3.0	3,599	1.8	3,998	1.6
Warehousing expenses	563	0.4	1,351	0.7	1,094	0.4
Depreciation	212	0.1	239	0.1	1,424	0.6
Others	5,211	3.4	17,159	8.5	15,921	6.2
Total	**154,408**	**100.0**	**200,815**	**100.0**	**257,347**	**100.0**
as % of total revenue		*1.9*		*1.9*		*1.3*

Research and Development Expenses

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Salaries and compensations	184,427	53.0	229,683	51.1	303,756	39.1
Product R&D expenses	159,057	45.7	201,575	44.8	458,354	58.9
Depreciation of properties and equipment	3,817	1.1	8,017	1.8	11,757	1.5
Others	1,003	0.2	10,552	2.3	3,776	0.5
Total	**348,304**	**100.0**	**449,827**	**100.0**	**777,643**	**100.0**
as % of total revenue		*4.4*		*4.2*		*4.0*

(Provision)/Reversal of Impairment Losses on Financial Assets, Net

Our impairment losses under expected credit loss model, net of reversal, represent net impairment losses recognized on trade and bills receivables and other receivables. In 2024, our reversal of impairment loss amounted to RMB2.3 million; in 2023 and 2025, our provision of impairment loss amounted to RMB15.3 million and RMB36.4 million, respectively.

Administrative Expenses

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Salaries and compensations	123,369	38.5	176,521	38.7	240,121	42.6
Depreciation	40,953	12.8	55,559	12.2	58,826	10.4
Consultancy fees	26,734	8.3	34,459	7.5	18,661	3.3
Amortization of low-value consumables	4,421	1.4	6,484	1.4	19,880	3.5
Insurance expenses	7,548	2.4	11,181	2.5	13,572	2.4
Business hospitality expenses	12,887	4.0	10,752	2.4	21,110	3.7
Amortization of intangible assets	5,839	1.8	32,254	7.1	41,226	7.3

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Environmental protection fees	3,764	1.2	3,839	0.8	4,244	0.8
Office expenses	5,328	1.7	8,414	1.8	9,710	1.7
Repair and maintenance expenses	3,888	1.2	5,959	1.3	5,222	0.9
Travel and transportation expenses	3,675	1.1	7,099	1.6	10,761	1.9
Depreciation of right-of-use assets	403	0.1	1,231	0.3	1,236	0.2
Business and other tax	52,133	16.3	64,467	14.1	64,120	11.4
Others	29,344	9.2	38,486	8.4	54,839	9.7
Total	**320,286**	**100.0**	**456,705**	**100.0**	**563,528**	**100.0**
as % of total revenue		*4.0*		*4.3*		*2.9*

Finance Cost

	Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)					
Interest expenses on borrowings	83,676	94.9	107,234	94.4	132,984	93.3
Interest expenses on lease liabilities	1,624	1.8	3,197	2.8	4,794	3.4
Others	2,872	3.3	3,192	2.8	4,715	3.3
Total	**88,172**	**100.0**	**113,623**	**100.0**	**142,493**	**100.0**
as % of total revenue		*1.1*		*1.1*		*0.7*

Income Tax Expenses

For tax rates in the jurisdictions in which we operate, see Note 12 to "*Appendix I — Accountants' Report*".

We recorded income tax expenses of RMB77.9 million, RMB157.4 million, and RMB709.7 million in 2023, 2024 and 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, we had fulfilled all our tax obligations and did not have any unresolved tax disputes.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased from RMB10,731.5 million in 2024 to RMB19,292.3 million in 2025 due to an increase in revenue for all our product categories, primarily driven by rising demand for high-performance PCB products attributable to the rapid development of AI-related applications, including MLPCBs with more than 14 layers and HDIs with a build-up of 4+N+4 or above, which typically have higher ASP.

Single- and Double-layer PCB

Our revenue from sales of single- and double-layer PCBs decreased from RMB1,046.8 million in 2024 to RMB1,027.9 million in 2025, primarily due to a change in product mix, as we sold a higher portion of advanced products for year ended December 31, 2025, leading to a decrease in the sales volume from 1,779 thousand square meters in 2024 to 1,653 thousand square meters in 2025 as a result of strategic capacity optimization initiatives to prioritize the production of high-end MLPCBs, partially offset by an increase in ASP from RMB589 per square meter in 2024 to RMB622 per square meter in 2025, mainly as a result of a higher proportion of advanced products in our sales mix.

MLPCB

Our revenue from sales of MLPCBs increased from RMB6,172.8 million in 2024 to RMB8,316.2 million in 2025, primarily due to a shift in product mix toward MLPCBs with more than 14 layers, which generally have higher unit prices, leading to an increase in the ASP from RMB1,026 per square meter in 2024 to RMB1,394 per square meter in 2025, partially offset by a decrease in the sales volume from 6,018 thousand square meters in 2024 to 5,965 thousand square meters in 2025, mainly as a result of strategic capacity optimization initiatives to prioritize the production of high-end MLPCBs with more layers.

HDI

Our revenue from sales of HDIs increased significantly from RMB1,520.8 million in 2024 to RMB7,424.7 million in 2025, primarily because HDIs used for AI computing and other advanced applications, particularly high-build-up HDIs, are typically high-end products with significantly higher prices, leading to an increase in the ASP from RMB2,351 per square meter in 2024 to RMB13,475 per square meter in 2025 mainly due to an increased proportion of higher build-up HDIs with more advanced designs, processes and materials, partially offset by a decrease in sales volume from 647 thousand square meters in 2024 to 551 thousand square meters for year ended December 31, 2025, mainly due to our strategic focus on producing higher build-up HDIs and the fact that we shifted our capacity towards these products.

FPC

Our revenue from sales of FPCs remained stable in 2024 and 2025 as a result of an increase in sales volume from 462 thousand square meters in 2024 to 494 thousand square meters in 2025, partially offset by a decrease in ASP from RMB2,836 per square meter in 2024 to RMB2,662 per square meter in 2025.

Others

Our revenue from sales of other products increased from RMB680.7 million in 2024 to RMB1,208.6 million in 2025, primarily due to an increase in sales volume driven by increased production volume of high-layer-count MLPCBs and high-build-up HDIs and an increase in price of scrap materials.

Cost of Sales

Our cost of sales increased from RMB8,292.8 million in 2024 to RMB12,496.9 million in 2025, primarily due to (i) a 58.5% increase in the cost of raw materials, (ii) a 40.9% increase in the cost of manufacturing and (iii) a 32.0% increase in the cost of labor. Such increases were due to an increase in our production volume and a shift toward more advanced PCBs.

Gross Profit and Gross Profit Margin

Our gross profit increased significantly from RMB2,438.7 million in 2024 to RMB6,795.4 million in 2025, primarily due to an increase in our revenue and an improvement of our gross profit margin from 22.7% to 35.2%. In particular, driven by the strong demand from AI computing related applications, we experienced a significant boost in demand for our high-end HDIs and MLPCBs that carry higher gross profit margin than our other products.

Single- and Double-layer PCB

Our gross profit from single- and double-layer PCBs increased by 4.3% from RMB196.0 million in 2024 to RMB204.4 million in 2025, primarily due to an increase in gross profit margin from 18.7% in 2024 to 19.9% in 2025, driven by a change in product mix as we sold a higher proportion of higher-margin single- and double-layer PCBs in 2025, partially offset by a 1.8% decrease in revenue from sales of single- and double-layer PCBs.

MLPCB

Our gross profit from MLPCBs increased by 115.3% from RMB940.9 million in 2024 to RMB2,025.3 million in 2025, primarily due to (i) a 34.7% increase in revenue from sales of MLPCBs and (ii) an increase in gross profit margin from 15.2% in 2024 to 24.4% in 2025, driven by a higher proportion of high-performance MLPCBs in our product mix. In particular, we experienced strong demand for high-layer-count MLPCBs that carries higher sales price and profit margins used in AI-related applications in 2025.

HDI

Our gross profit from HDIs increased significantly by 843.3% from RMB342.6 million in 2024 to RMB3,231.7 million in 2025, primarily due to (i) a 388.2% increase in revenue from sales of HDIs and (ii) an increase in gross profit margin from 22.5% in 2024 to 43.5% in 2025, driven by a higher proportion of high-build-up HDIs in our product mix. In particular, we saw a surge in demand for high-end HDIs used in AI-related applications, which generally have higher average sales prices and profit margin in 2025.

FPC

Our gross profit from FPCs decreased by 1.8% from RMB315.8 million in 2024 to RMB310.1 million in 2025, primarily due to a decrease in gross margin from 24.1% in 2024 to 23.6% in 2025.

Others

Our gross profit from other products increased by 59.2% from RMB643.4 million in 2024 to RMB1,024.0 million in 2025, primarily due to an increase in our production volume and the price of scrap materials.

Other (Losses)/Gains, Net

We recorded other gains of RMB41.8 million in 2024 and other losses of RMB67.8 million in 2025, primarily due to (i) an increase of RMB80.0 million in net foreign change loss, (ii) a decrease of RMB55.1 million in write-back of provisions and (iii) an increase of RMB20.5 million in written down of inventories, partially offset by a decrease of RMB26.0 million in loss on disposal/written off of property, plant and equipment.

Other Income

Our other income increased from RMB50.0 million in 2024 to RMB72.6 million in 2025, primarily due to (i) an increase of RMB18.3 million in government subsidies and (ii) an increase of RMB10.2 million in interest income, partially offset by a decrease of RMB3.4 million in others.

Selling and Marketing Expenses

Our selling and marketing expenses increased from RMB200.8 million in 2024 to RMB257.3 million in 2025, primarily due to (i) an increase of RMB41.6 million in salaries and compensations, (ii) an increase of RMB10.7 million in insurance expenses and (iii) an increase of RMB1.6 million in travel, transportation and vehicle expense. As a percentage of our revenue, our selling and marketing expenses decreased from 1.9% in 2024 to 1.3% in 2025 as we benefited from improved economies of scale.

Research and Development Expenses

Our research and development expenses increased from RMB449.8 million in 2024 to RMB777.6 million in 2025, primarily due to (i) a RMB256.8 million increase in product R&D expenses, driven by increased spending on the development of high-end MLPCBs and HDIs and (ii) a RMB74.1 million increase in salaries and compensations driven by increased headcount. Our research and development expenses as a percentage of our total revenue remained stable during the period.

(Provision)/Reversal of Impairment Losses on Financial Assets, Net

Our impairment losses under expected credit loss model, net of reversal, shifted from reversal of impairment loss of RMB2.3 million in 2024 to a provision of impairment loss of RMB36.4 million in 2025, primarily due to provision made on increasing balance of our trade and notes receivables and other receivables as of December 31, 2025 compared to December 31, 2024.

Administrative Expenses

Our administrative expenses increased from RMB456.7 million in 2024 to RMB563.5 million in 2025, primarily due to (i) an increase of RMB63.6 million in salaries and compensations, (ii) an increase of RMB13.4 million in amortization of low-value consumables and (iii) an increase of RMB10.4 million in business hospitality expenses, partially offset by a decrease of RMB15.8 million in consultancy fees. Our administrative expenses as a percentage of our total revenue decreased from 4.3% in 2024 to 2.9% in 2025 due to improved economies of scale.

Finance Costs

Our finance costs increased from RMB113.6 million in 2024 to RMB142.5 million in 2025, primarily due to an increase in borrowings to support our business growth.

Profit for the Year

As a result of the foregoing, our profit for the period increased from RMB1,154.4 million in 2024 to RMB4,312.0 million in 2025, and our net profit margin increased from 10.8% in 2024 to 22.4% in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased from RMB7,931.2 million in 2023 to RMB10,731.5 million in 2024, due to an increase in revenue in all our product categories. We experienced an across-the-board increase in sales volume for all our product categories, primarily due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023.

Single- and Double-layer PCB

Our revenue from sales of single- and double-layer PCBs increased from RMB647.8 million in 2023 to RMB1,046.8 million in 2024 primarily due to an increase in sales volume from 1,420 thousand square meters in 2023 to 1,779 thousand square meters in 2024, and a change in product mix, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, and to a lesser extent, an increase in demand for PCB products used in smart devices, leading to an increase in the ASP from RMB456 per square meter in 2023 to RMB589 per square meter in 2024.

MLPCB

Our revenue from sales of MLPCBs increased from RMB5,788.4 million in 2023 to RMB6,172.8 million in 2024, primarily due to an increase in sales volume from 5,814 thousand square meters in 2023 to 6,018 thousand square meters in 2024, and a change in product mix, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, leading to an increase in the ASP from RMB996 per square meter in 2023 to RMB1,026 per square meter in 2024.

HDI

Our revenue from sales of HDIs increased from RMB930.0 million in 2023 to RMB1,520.8 million in 2024, primarily due to an increase in sales volume from 508 thousand square meters in 2023 to 647 thousand square meters in 2024, primarily driven by a sharp increase in demand for HDIs used in AI computing and other advanced applications in the fourth quarter of 2024 and a change in product mix as HDIs used for AI computing and other advanced applications are typically high-end products with higher selling prices, leading to an increase in the ASP from RMB1,831 per square meter in 2023 to RMB2,351 per square meter in 2024.

FPC

Our revenue from sales of FPCs increased from RMB92.4 million in 2023 to RMB1,310.4 million in 2024, primarily attributable to an increase in the sales volume from 35 thousand square meters in 2023 to 462 thousand square meters in 2024 and an increase in the ASP from RMB2,641 per square meter in 2023 to RMB2,836 per square meter in 2024, primarily due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023.

Others

Our revenue from other products increased from RMB472.7 million in 2023 to RMB680.7 million in 2024, primarily due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023 and an increase in price of scrap materials.

Cost of Sales

Our cost of sales increased from RMB6,288.0 million in 2023 to RMB8,292.8 million in 2024, primarily due to (i) a 40.9% increase in the cost of raw materials driven by higher production volume and a shift toward more advanced, higher-cost PCBs, (ii) a 15.3% increase in costs of manufacturing and (iii) a 25.9% increase in cost of labor. Such increases were due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023.

Gross Profit and Gross Profit Margin

Our gross profit increased from RMB1,643.3 million in 2023 to RMB2,438.7 million in 2024, primarily attributable to the consolidation of the results of operations of PSL upon completion of our acquisition in November 2023 and increased demand for products used in AI-related applications.

Single- and Double-layer PCB

Our gross profit from single- and double-layer PCBs increased by 120.5% from RMB88.9 million in 2023 to RMB196.0 million in 2024, primarily due to (i) a 61.6% increase in revenue from sales of single- and double-layer PCBs and (ii) an increase in gross profit margin from 13.7% in 2023 to 18.7% in 2024, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, whose products are used in applications with higher profit margins.

MLPCB

Our gross profit from MLPCBs increased by 0.7% from RMB933.9 million in 2023 to RMB940.9 million in 2024, primarily due to a 6.6% increase in revenue from sales of MLPCBs, mainly attributable to higher sales volume due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, partially offset by a slight decrease in gross margin due to raw material price fluctuations.

HDI

Our gross profit from HDIs increased by 150.3% from RMB136.9 million in 2023 to RMB342.6 million in 2024, primarily due to (i) a 63.5% increase in revenue from sales of HDIs and (ii) an increase in gross profit margin from 14.7% in 2023 to 22.5% in 2024, reflecting increasing demand for HDIs used in AI and other advanced applications.

FPC

Our gross profit from FPCs increased by 1,210.4% from RMB24.1 million in 2023 to RMB315.8 million in 2024, primarily due to a 1,317.9% increase in revenue from sales of FPCs, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023, which significantly expanded our FPC products and production scale, partially offset by a slight decrease in gross margin due to raw material price fluctuations.

Others

Our gross profit from other products increased by 40.0% from RMB459.5 million in 2023 to RMB643.4 million in 2024, primarily due to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023 and an increase in price of scrap materials.

Other (Losses)/Gains, Net

We recorded other losses of RMB11.4 million in 2023 and other gain of RMB41.8 million in 2024, primarily due to (i) an increase of RMB66.4 million in net foreign exchange gain, (ii) a RMB55.1 million in reversal of provision and (iii) a decrease of RMB32.4 million in loss on disposal of land use rights, partially offset by (i) an increase of RMB39.8 million in loss on disposal of property, plant and equipment and (ii) a decrease of RMB31.9 million in interest income from wealth management product.

Other Income

Our other income increased from RMB43.8 million in 2023 to RMB50.0 million in 2024, primarily due to (i) an increase of RMB7.5 million in VAT input tax deduction and (ii) an increase of RMB3.2 million in government subsidies, partially offset by a decrease of RMB8.8 million in interest income.

Selling and Marketing Expenses

Our selling and marketing expenses increased from RMB154.4 million in 2023 to RMB200.8 million in 2024, primarily due to (i) an increase of RMB30.1 million in salaries and compensations, (ii) an increase of RMB11.9 million in other expenses and (iii) an increase of RMB5.8 million in insurance expenses, mainly attributable to the consolidation of the results of operations of PSL upon the completion of our acquisition in November 2023. As a percentage of our revenue, our selling and marketing expenses remained stable.

Research and Development Expenses

Our research and development expenses increased from RMB348.3 million in 2023 to RMB449.8 million in 2024, primarily due to (i) an increase of RMB45.3 million in salaries and compensations and (ii) an increase of RMB42.5 million in product R&D expenses, mainly attributable to R&D investments by PSL due to the consolidation of the results of operations of PSL upon completion of our acquisition in November 2023. As a percentage of our revenue, our research and development expenses remained stable.

(Provision)/Reversal of Impairment Losses on Financial Assets, Net

Our impairment losses under expected credit loss model, net of reversal, shifted from a provision of impairment loss of RMB15.3 million in 2023 to reversal of impairment loss of RMB2.3 million in 2024, primarily due to the reversal of losses on trade and other receivables as of December 31, 2024 compared to December 31, 2023.

Administrative Expenses

Our administrative expenses increased from RMB320.3 million in 2023 to RMB456.7 million in 2024, primarily due to (i) an increase of RMB53.2 million in salaries and compensations, (ii) an increase of RMB26.4 million in amortization of intangible assets related to administrative function and (iii) an increase of RMB14.6 million in depreciation of properties and equipment, and (iv) an increase of RMB12.3 million in business and other tax. These increases were driven by the acquisition of PSL, which resulted in additional administrative costs related to its operations. As a percentage of our total revenue, our administrative expenses increased slightly for the same reason.

Finance Costs

Our finance costs increased from RMB88.2 million in 2023 to RMB113.6 million in 2024, primarily due to an increase in interest expenses on borrowings attributable to higher proportion of unpledged borrowings, which generally bear higher interest rates.

Profit for the Year

As a result of the foregoing, our profit for the year increased from RMB671.3 million in 2023 to RMB1,154.4 million in 2024, and our net profit margin increased from 8.5% in 2023 to 10.8% in 2024.

DISCUSSION OF SELECTED ITEMS FROM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As of December 31,		
	2023	**2024**	**2025**
		(in RMB thousands)	
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	7,184,377	7,476,552	12,876,416
Right-of-use assets	209,358	211,026	469,943
Intangible assets	616,181	615,123	587,624
Goodwill	1,156,331	1,217,339	1,193,532
Financial assets at fair value through other comprehensive income	765,228	1,116,269	2,854,295
Deferred tax assets	76,739	52,466	343,263
Other non-current assets	112,282	406,540	3,405,621
Total non-current assets	10,120,496	11,095,315	21,730,694
Current assets			
Inventories	1,376,834	2,045,403	3,162,360
Financial assets at fair value through profit or loss	3,549	–	137,000
Derivative financial assets	31,318	15,796	–
Trade and other receivables	3,655,625	4,271,749	6,560,911
Other current assets	54,498	85,024	373,877
Restricted bank deposits	1,391,920	735,280	73,075
Cash and cash equivalents	749,376	926,746	3,206,572
Total current assets	**7,263,120**	**8,079,998**	**13,513,795**
Current liabilities			
Borrowings	3,294,401	1,907,771	2,473,826
Lease liabilities	16,536	14,832	22,114
Trade and other payables	4,005,013	5,473,479	11,143,930
Other current liabilities	177,146	18,846	15,108
Contract liabilities	5,222	3,798	11,423
Deferred income	7,244	6,076	8,085
Income tax payable	77,569	111,761	370,774
Derivative financial liabilities	58	–	1,736
Total current liabilities	**7,583,189**	**7,536,563**	**14,046,996**
Net current (liabilities)/assets	**(320,069)**	**543,435**	**(533,201)**
Total assets less current liabilities	**9,800,427**	**11,638,750**	**21,197,493**

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Non-current liabilities			
Borrowings	1,777,135	2,310,038	3,867,436
Lease liabilities	53,673	60,231	82,320
Trade and other payables	–	5,585	5,171
Provisions	58,252	13,936	10,891
Deferred income	41,847	35,654	72,186
Other non-current liabilities	1,227	1,192	1,172
Deferred tax liabilities	242,563	284,181	540,709
Total non-current liabilities	**2,174,697**	**2,710,817**	**4,579,885**
Net assets	**7,625,730**	**8,927,933**	**16,617,608**
EQUITY			
Equity attributable to owners of the Company			
Share capital	862,689	862,689	870,349
Other reserves	3,830,180	4,234,220	7,861,823
Retained profit	2,932,861	3,831,024	7,885,436
Total equity	**7,625,730**	**8,927,933**	**16,617,608**

Property, Plant and Equipment

Property, plant, and equipment primarily consisted of property and buildings, land, machinery, transportation vehicle, electronic equipment, construction in progress and leasehold improvement.

Property, plant, and equipment increased from RMB7,184.4 million as of December 31, 2023 to RMB7,476.6 million as of December 31, 2024, primarily due to increase in our property and buildings and the acquisition of land, which reflected the further expansion of our production capacity to meet the increasing demand. Property, plant, and equipment increased from RMB7,476.6 million as of December 31, 2024 to RMB12,876.4 million as of December 31, 2025, primarily due to increase in our construction in progress and machinery, which reflected the further expansion of our production capacity to meet the increasing demand. For details on our production facilities, see "*Business — Manufacturing — Production Centers*" for further details.

Inventories

Our inventories include raw materials, finished goods, and work in progress. The table below sets forth the breakdown of our inventories as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Raw materials	321,118	520,413	935,219
Work in progress	435,020	879,227	1,275,517
Finished goods	713,781	739,159	1,051,302
Less: write-down of inventory	(93,085)	(93,396)	(99,678)
Total	**1,376,834**	**2,045,403**	**3,162,360**

Our inventories increased from RMB1,376.8 million as of December 31, 2023 to RMB2,045.4 million as of December 31, 2024, primarily due to (i) an increase in work in progress from RMB435.0 million as of December 31, 2023 to RMB879.2 million as of December 31, 2024 and (ii) an increase in raw materials from RMB321.1 million as of December 31, 2023 to RMB520.4 million as of December 31, 2024 due to a build-up of inventory in anticipation of future sale as our operational scale continued to grow.

Our inventories increased from RMB2,045.4 million as of December 31, 2024 to RMB3,162.4 million as of December 31, 2025, primarily due to (i) an increase in raw materials from RMB520.4 million as of December 31, 2024 to RMB935.2 million as of December 31, 2025, (ii) an increase in work in progress from RMB879.2 million as of December 31, 2024 to RMB1,275.5 million as of December 31, 2025 and (iii) an increase in finished goods from RMB739.2 million as of December 31, 2024 to RMB1,051.3 million as of December 31, 2025 generally in line with the substantial growth in our orders.

The table below sets forth an aging analysis of our inventory as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
		(in RMB thousands)	
Within 1 year	1,304,250	1,986,913	3,006,053
Over 1 year to 2 years	60,241	44,107	146,761
Over 2 years to 3 years	8,740	6,496	5,356
Over 3 years	3,603	7,887	4,190
Total	**1,376,834**	**2,045,403**	**3,162,360**

In 2023, 2024 and 2025, our inventory turnover days were 72.6 days, 75.3 days and 76.1 days, respectively. Inventory turnover days for each year equals the average of the beginning and ending balances of inventory for that period divided by cost of sales for that year and multiplied by 365 days. Through out the Track Record Period, our inventory turnover days remained relatively stable. According to Frost & Sullivan, our inventory turnover days during the Track Record Period are in line with industry norm.

As of February 28, 2026, 64.6% of our total inventories as of December 31, 2025, or RMB2,042.0 million, were utilized or sold. Based on our assessments during the Track Record Period, we have made adequate provisions for our inventories to account for potential uncertainties.

Trade and Other Receivables

Trade receivables mainly arise from sales of our products on credit. We periodically conduct credit evaluations of customers who trade on credit. We usually grant credit periods ranging from 30 to 150 days to our customers, depending on their operating situations, financial condition and expected transaction volume.

The table below sets forth the breakdown of our trade and other receivables as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
		(in RMB thousands)	
Trade receivables			
– Third parties	3,250,758	3,927,102	5,933,087

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Less: loss allowance for trade receivables	(44,967)	(40,498)	(61,908)
Notes receivables			
– Commercial	49,148	60,516	96,526
– Bank	168,072	133,960	95,166
Less: loss allowance for notes receivables	(2,009)	(1,945)	(1,917)
Bills receivables measured at fair value through other comprehensive income	122,797	37,371	69,600
Other receivables			
– Third parties	90,108	133,350	380,887
Less: loss allowance for other receivables	(15,779)	(12,502)	(28,789)
Prepayments	37,497	34,395	78,259
Total	**3,655,625**	**4,271,749**	**6,560,911**

Our trade and other receivables increased from RMB3,655.6 million as of December 31, 2023 to RMB4,271.7 million as of December 31, 2024 and further increased to RMB6,560.9 million as of December 31, 2025, primarily due to an increase in the sales of our products in line with our business growth. Our other receivables mainly comprise export tax rebate receivables and deposits and security margins. Our other receivables increased from RMB133.4 million to RMB380.9 million, primarily due to an increase in receivables relating to export tax rebates.

The table below sets forth an aging analysis of our trade receivables as of the dates indicated. For further details, see Note 26 to "*Appendix I — Accountants' Report*".

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Within 90 days	2,436,195	3,047,146	4,682,181
91 to 180 days	755,003	851,855	1,211,208
181 days to 1 year	16,630	25,193	35,973
Over 1 year to 2 years	36,632	988	1,817
Over 2 year to 3 years	6,298	1,920	78
Over 3 years to 4 years	–	–	1,830
Total	**3,250,758**	**3,927,102**	**5,933,087**

In 2023, 2024 and 2025, our trade receivables turnover days were 135.6 days, 122.1 days and 93.3 days, respectively. Trade receivables turnover days for each year equals the average of the beginning and ending balances of trade receivables for that year divided by revenue for that year and multiplied by 365 days for 2023, 2024 and 2025. In 2023 and 2024, our trade receivables turnover days remain relatively stable. Our trade receivables turnover days decreased to 93.3 days in 2025, primarily due to following the negotiation of shorter payment terms with our customers.

As of February 28, 2026, 49.5% of our total trade and other receivables as of December 31, 2025, or RMB3,245.7 million, were settled.

Trade and Other Payables

Our trade and other payables primarily represent outstanding amounts owed to third parties, including suppliers, salary and bonus payables, utilities, dividends, and taxes. Our suppliers usually grant us a credit period ranging from 30 to 180 days from invoice date.

The table below sets forth the breakdown of our trade and other payables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Trade payables	1,860,242	2,760,653	7,141,945
Notes payables	1,745,068	2,202,380	3,383,996
Other payables	399,703	516,031	623,160
Less: non-current portion	–	(5,585)	(5,171)
Total	**4,005,013**	**5,473,479**	**11,143,930**

Our trade and other payables increased from RMB4,005.0 million as of December 31, 2023 to RMB5,473.5 million as of December 31, 2024, primarily due to increases in (i) trade and notes payables as a result of increased payables for raw material purchases and a build-up of inventory in anticipation of future sale and (ii) salary and bonus payables as a result of increased employee compensation expenses, in line with our business growth and increase in orders.

Our trade and other payables increased from RMB5,473.5 million as of December 31, 2024 to RMB11,143.9 million as of December 31, 2025, primarily due to increases in trade and notes payables as a result of increased procurement in line with our overall business expansion.

The table below sets forth the aging analysis of the trade payables.

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Within 90 days	1,204,904	2,047,020	5,510,401
91 days to 180 days	560,071	580,570	1,195,150
181 days to 1 year	57,366	112,028	419,775
Over 1 year to 2 years	31,992	11,499	7,343
Over 2 years to 3 years	3,167	5,012	2,532
Over 3 years to 4 years	2,742	4,524	2,751
Over 4 years to 5 years	–	–	3,993
Total	**1,860,242**	**2,760,653**	**7,141,945**

In 2023, 2024 and 2025, our trade payables turnover days were 101.5 days, 101.7 days and 144.6 days, respectively. Trade payables turnover days for each year equals the average of the beginning and ending balances of trade payables for that year divided by cost of sales for that year and multiplied by 365 days. Our trade payables turnover days increased to 144.6 days in 2025, primarily due to the extension of supplier payment terms.

As of February 28, 2026, 31.0% of our trade and other payables outstanding as of December 31, 2025, or RMB3,455.8 million, were settled.

Goodwill

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Carrying values	1,156,331	1,217,339	1,193,532

Goodwill acquired in a business combination of PSL and Thailand VGT is tested for impairment annually. For the purposes of impairment testing, goodwill has been allocated to CGU that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units.

Our management conducted an impairment review on the goodwill according to IAS 36 Impairment of assets, which requires the Company to allocate the goodwill to the CGU and compare the unit's carrying amount with its recoverable amount. The goodwill represented to the CGU attributed from PSL is RMB1,156.3 million, RMB1,170.4 million and RMB1,144.4 million as of December 31, 2023, 2024 and 2025, respectively. The goodwill represented to the CGU attributed from Thailand VGT is RMB46.9 million and RMB49.1 million as of December 31, 2024 and 2025, respectively.

Restricted Bank Deposits

We had restricted bank deposits of RMB1,391.9 million, RMB735.3 million and RMB73.1 million as of December 31, 2023, 2024 and 2025, respectively, primarily related to pledged borrowings, with fluctuations mainly due to the expiration of existing arrangements and the signing of new contracts.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we financed our operations primarily through a combination of cash generated from operations and borrowings. As of December 31, 2025, we had cash and cash equivalents of RMB3,206.6 million. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of cash generated from operations and net proceeds from the Global Offering.

Taking into account the net proceeds from the Global Offering and cash generated from our operating activities available to us, our Directors believe that we have sufficient working capital to meet our present and future cash requirements for at least the next 12 months from the date of publication of this prospectus.

Cash Flows

The table below sets forth our cash flows for the years indicated.

	Year Ended December 31,		
	2023	2024	2025
		(in RMB thousands)	
Operating cash flows before movements in working capital	1,525,958	2,209,674	6,169,982
Cash generated from operations	1,499,449	2,190,934	5,036,278
Interest received	23,126	14,328	24,510
Income tax paid	(54,753)	(134,146)	(440,714)

	Year Ended December 31,		
	2023	2024	2025
		(in RMB thousands)	
Net cash generated from operating activities	1,467,822	2,071,116	4,620,074
Net cash used in investing activities	(2,710,207)	(646,872)	(5,697,525)
Net cash generated from/(used in) financing activities	1,263,997	(1,253,919)	3,344,582
Net increase in cash and cash equivalents	**21,612**	**170,325**	**2,267,131**
Cash and cash equivalents at beginning of the year	726,013	749,376	926,746
Effects of foreign exchange rate changes	1,751	7,045	12,695
Cash and cash equivalents at end of the year	**749,376**	**926,746**	**3,206,572**

Operating Activities

In 2025, we had net cash generated from operating activities of RMB4,620.1 million. This was primarily attributable to our profit before income tax of RMB5,021.7 million, adjusted by items mainly including (i) non-cash and non-operating items, primarily comprising (a) depreciation of property, plant and equipment and (b) interest expenses, and (ii) change in working capital, primarily including (a) increase in trade and notes payables, (b) increase in trade and notes receivables and (c) decrease in inventories.

In 2024, we had net cash generated from operating activities of RMB2,071.1 million. This was primarily attributable to our profit before income tax of RMB1,311.8 million, adjusted by items mainly including (i) non-cash and non-operating items, primarily comprising (a) depreciation of property, plant and equipment and (b) interest expenses, and (ii) change in working capital, primarily including (a) increase in trade and notes payables, (b) increase in inventories, and (c) increase in trade and notes receivables.

In 2023, we had net cash generated from operating activities of RMB1,467.8 million. This was primarily attributable to our profit before tax of RMB749.2 million, adjusted by items mainly including (i) non-cash and non-operating items, primarily comprising (a) depreciation of property, plant and equipment and (b) interest expenses, and (ii) change in working capital, primarily including (a) decrease in trade and notes payables and (b) increase in other current liabilities.

Investing Activities

In 2025, we had net cash used in investing activities of RMB5,697.5 million, primarily consisting of purchase of property, plant and equipment, partially offset by (i) net redemption of restricted bank deposits and (ii) proceeds from disposal of property, plant and equipment.

In 2024, we had net cash used in investing activities of RMB646.9 million, primarily consisting of (i) purchase of property, plant and equipment and (ii) net cash outflow arising from acquisitions of subsidiaries, partially offset by (i) net redemption of restricted bank deposits and (ii) proceeds from disposal of derivative financial instruments.

In 2023, we had net cash used in investing activities of RMB2,710.2 million, primarily consisting of (i) net cash outflow arising from the acquisitions of subsidiaries, (ii) net placement of restricted bank deposits and (iii) purchase of property, plant and equipment, partially offset by (i) proceeds from disposal of financial assets at amortized cost and (ii) proceeds from disposal of financial assets at fair value through profit or loss.

Financing Activities

In 2025, we had net cash generated from financing activities of RMB3,344.6 million, primarily consisting of (i) proceeds from bank borrowings and (ii) proceeds from issue of new shares, partially offset by repayment of bank borrowings.

In 2024, we had net cash used in financing activities of RMB1,253.9 million, primarily consisting of (i) repayment of bank borrowings and (ii) dividend paid, partially offset by proceeds from bank borrowings.

In 2023, we had net cash generated from financing activities of RMB1,264.0 million, primarily consisting of proceeds from bank borrowings, partially offset by (i) repayment of bank borrowings, (ii) dividends paid and (iii) interest paid.

Net Current Assets/Liabilities

The table below sets forth our current assets and liabilities as of the dates indicated.

	As of December 31,			As of February 28,
	2023	2024	2025	2026
	(in RMB thousands)			*(unaudited)*
Current assets:				
Inventories	1,376,834	2,045,403	3,162,360	3,968,999
Financial assets at fair value through profit or loss	3,549	–	137,000	543,674
Derivative financial assets	31,318	15,796	–	–
Trade and other receivables	3,655,625	4,271,749	6,560,911	6,409,947
Other current assets	54,498	85,024	373,877	464,301
Restricted bank deposits	1,391,920	735,280	73,075	193,309
Cash and cash equivalents	749,376	926,746	3,206,572	1,985,482
Total current assets	**7,263,120**	**8,079,998**	**13,513,795**	**13,565,712**
Current liabilities:				
Borrowings	3,294,401	1,907,771	2,473,826	3,767,511
Lease liabilities	16,536	14,832	22,114	19,438
Trade and other payables	4,005,013	5,473,479	11,143,930	11,140,865
Other current liabilities	177,146	18,846	15,108	9,931
Contract liabilities	5,222	3,798	11,423	23,059
Deferred income	7,244	6,076	8,085	8,727
Income tax payable	77,569	111,761	370,774	179,769
Derivative financial liabilities	58	–	1,736	–
Total current liabilities	**7,583,189**	**7,536,563**	**14,046,996**	**15,149,300**
Net current (liabilities)/assets	**(320,069)**	**543,435**	**(533,201)**	**(1,583,588)**

Comparison between December 31, 2025 and December 31, 2024

Our net current assets/liabilities changed from net current assets of RMB543.4 million as of December 31, 2024 to net current liabilities of RMB533.2 million as of December 31, 2025, primarily due to an increase of trade and other payables from RMB5,473.5 million to RMB11,143.9 million, a decrease of restricted bank deposits from RMB735.3 million to RMB73.1 million and an increase of borrowings from RMB1,907.8 million to RMB2,473.8 million, partially offset by an increase of trade and other receivables from RMB4,271.7 million to RMB6,560.9 million and an increase of cash and cash equivalents from RMB926.8 million to RMB3,206.6 million.

Comparison between December 31, 2024 and December 31, 2023

We turned from net current liabilities of RMB320.1 million as of December 31, 2023 to net current assets of RMB543.4 million as of December 31, 2024, primarily due to decrease in borrowings from RMB3,294.4 million to RMB1,907.8 million, an increase in inventories from RMB1,376.8 million to RMB2,045.4 million, and an increase in trade and other receivables from RMB3,655.6 million to RMB4,271.7 million partially offset by an increase in trade and other payables from RMB4,005.0 million to RMB5,473.5 million.

INDEBTEDNESS

The table below sets forth the indebtedness as of the dates indicated.

	As of December 31,			As of February 28,
	2023	2024	2025	2026
		(in RMB thousands)		*(unaudited)*
Current				
Borrowings	3,294,401	1,907,771	2,473,826	3,767,511
Lease liabilities	16,536	14,832	22,114	19,438
Subtotal	3,310,937	1,922,603	2,495,940	3,786,949
Non-current				
Borrowings	1,777,135	2,310,038	3,867,436	4,087,986
Lease liabilities	53,673	60,231	82,320	82,490
Subtotal	1,830,808	2,370,269	3,949,756	4,170,476
Total	**5,141,745**	**4,292,872**	**6,445,696**	**7,957,425**

Borrowings

The table below sets for the categories of our borrowings as of the dates indicated.

	As of December 31,			As of February 28,
	2023	2024	2025	2026
		(in RMB thousands)		*(unaudited)*
Current Portion				
Pledged bank and other borrowings	1,554,834	838,412	527,516	705,869
Unpledged bank and other borrowings	1,736,472	1,066,474	1,941,827	3,042,549
Interest payables	3,095	2,885	4,483	19,093
Subtotal	**3,294,401**	**1,907,771**	**2,473,826**	**3,767,511**
Non-current Portion				
Pledged bank borrowings	1,002,840	835,680	820,490	770,149
Unpledged bank borrowings	774,295	1,474,358	3,046,946	3,317,837
Subtotal	**1,777,135**	**2,310,038**	**3,867,436**	**4,087,986**
Total	**5,071,536**	**4,217,809**	**6,341,262**	**7,855,497**

During the Track Record Period, our borrowings primarily represented bank borrowings. As of December 31, 2023, 2024 and 2025, our borrowings amounted to RMB5,071.5 million, RMB4,217.8 million and RMB6,341.3 million respectively. We recorded borrowings of RMB7,855.5 million as of February 28, 2026, being the most recent practicable date for determining our indebtedness.

During the Track Record Period, our borrowings were obtained from commercial banks and financial institutions, with the effective interest rates ranging from 0.6% to 2.7% per annum. Our bank borrowings agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. For details, see Note 29 to "Appendix I — Accountants' Report".

As of February 28, 2026, 30.5% of our total banking facilities as of December 31, 2025, or RMB6,634.4 million, were utilized in the borrowings.

Lease Liabilities

Our lease liabilities, including current and non-current portions, were primarily in relation to our lease of land use rights and buildings used in its operations.

As of December 31, 2023, 2024, and 2025 and February 28, 2026, the balance of our lease liabilities, including both current and non-current portions, was RMB70.2 million, RMB75.1 million, RMB104.4 million and RMB101.9 million, respectively. These changes primarily reflect the expansion of our facilities in line with business growth, as well as adjustments to our leasing portfolio over time, including the termination or renewal of certain leases, addition of new leased spaces, and modifications to lease terms.

CONTINGENT LIABILITIES

As of February 28, 2026, we did not have any material contingent liabilities. During the Track Record Period and up to the Latest Practicable Date, save as disclosed above, we did not have any bank and other loans, or any issued and outstanding or agreed to be issued loan capital, bank overdrafts, borrowings or similar indebtedness, liabilities under acceptances (other than ordinary trade bills), acceptance credits, debentures, mortgages, charges, hire purchase commitments or finance lease commitments, guarantees or other material contingent liabilities.

Our Directors confirm that we have not experienced any difficulty in obtaining additional debt or equity financing during the Track Record Period and up to the Latest Practicable Date. Our Directors confirm that there has not been any material change in our indebtedness since January 15, 2026, and up to the Latest Practicable Date. Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we did not have any material defaults or breaches of covenants in repayment of indebtedness.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital Expenditure

The table below sets forth the capital expenditure for the periods indicated.

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Purchase of property, plant and equipment	261,683	1,116,063	6,363,688
Purchase of intangible assets	7,975	5,469	25,297
Total	**269,258**	**1,121,532**	**6,388,985**

During the Track Record Period, our capital expenditure was primarily for purchase of property, plant and equipment used in our production.

We plan to continue capital expenditures to support our business growth and expansion strategy. See "*Future Plans and Use of Proceeds — Use of Proceeds*" for further details. We intend to fund these expenditures with available financial resources, including cash generated from operations, net proceeds from the Global Offering, and potential future equity or debt financing.

Capital Commitments

The table below sets forth the capital commitments as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(in RMB thousands)	
Acquisition of property, plant and equipment	67,776	386,457	8,788,609

KEY FINANCIAL RATIOS

	Year Ended/As of December 31,		
	2023	2024	2025
Gross margin[(1)]	20.7%	22.7%	35.2%
Net profit margin[(2)]	8.5%	10.8%	22.4%
Return on equity[(3)]	8.8%	12.9%	25.9%
Gearing ratio[(4)]	67.4%	48.1%	38.8%
Current ratio[(5)]	1.0	1.1	1.0
Debt to equity ratio[(6)]	56.7%	36.9%	18.9%

Notes:

(1) Calculated as gross profit for the year divided by revenue for the corresponding year and multiplied by 100%.

(2) Calculated as net profit for the year divided by revenue for the corresponding year and multiplied by 100%.

(3) Calculated based on the total profit for the relevant year divided by the ending balance of total equity and multiplied by 100%.

(4) Calculated based on the borrowings and lease liabilities divided by the ending balance of total equity and multiplied by 100%.

(5) Calculated based on the total current assets divided by the total current liabilities as of the relevant dates.

(6) Calculated based on interest-bearing bank and other borrowings net of cash and cash equivalents divided by total equity as of the relevant date and multiplied by 100%.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT FINANCIAL RISK

The main risks arising from our financial instruments are currency risk, interest rate risk and price risk. See Note 39 to "*Appendix I — Accountants' Report*".

Currency Risk

Currency risk arises when recognized financial assets and liabilities are denominated in a currency that is not the same as an entity's functional currency. We have certain foreign currency sales, trade and other receivables, bank deposits and cash and bank balances, trade and other payables and borrowings, which exposes us to currency risk. We manage and monitor our exposure to currency risk to ensure appropriate measures are implemented in a timely and effective manner.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. We are exposed to cash flow interest rate risk in relation to our interest-bearing borrowings and fair value interest rate risk in relation to our fixed-rate borrowings and lease liabilities with fixed rates. We monitor the level of interest rates and regularly review our strategy on interest rate risk management in the light of the prevailing market condition.

Price Risk

Price risk refers to the risk of fluctuations in the fair value of financial instruments due to changes in market prices, whether caused by factors specific to individual instruments or general market movements. Our price risk exposures primarily relate to our financial investments at FVOCI. Specifically, if the price of the financial assets at FVOCI increase or decrease by 10%, our other comprehensive income would increase or decrease by RMB76.5 million, RMB111.6 million and RMB285.4 million for 2023 and 2024 and 2025, respectively. We monitor the pricing change of these equity securities during each reporting period to manage the price risk.

Capital Management

The primary objectives of our capital management are to safeguard our ability to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. Our overall strategy remains unchanged throughout the Track Record Period.

Our capital structure consists of lease liabilities, borrowings (net of cash and bank balances) and equity attributable to owners of the Company (comprising capital and reserves).

Our management regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. We will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts. See Note 38 to "*Appendix I — Accountants' Report*".

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into, nor do we expect to enter into, any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of manufacturing partners. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging or research and development services with us.

DIVIDEND POLICY

Subject to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號—上市公司現金分紅(2025年修訂)》), and the Articles of Association, we are required to pay cash dividends of no less than 10% of the distributable profits recorded in the fiscal year. The Group does not, in addition to this, maintain a general dividend policy or a fixed dividend payout ratio. In 2023, 2024 and 2025, we declared dividends amounting to RMB163.3 million, RMB163.3 million and RMB257.6 million, respectively. In April 2026, as approved at our Shareholders' meeting held on April 3, 2026, we declared a dividend of RMB1,740.3 million to our existing Shareholders prior to the Listing based on our consolidated retained profits as of December 31, 2025 (the "Dividend"). New shareholders

after the Listing will not be entitled to the Dividend. Subject to the satisfaction of the requirements under applicable laws and regulations, the Dividend is expected to be paid on April 15, 2026. See note 16 in Appendix I to this Prospectus.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant.

DISTRIBUTABLE RESERVE

As of December 31, 2025, our consolidated retained profit amounted to RMB7,885.4 million, which is available for distribution to our Shareholders.

DISCLOSURE REQUIRED UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to Rules 13.19 of the Listing Rules.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29 of the Listing Rules is set out to illustrate the effect of the Global Offering (as defined in this prospectus) on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 as if the Global Offering had taken place on that date. For details, see "Appendix II — Unaudited Pro Forma Financial Information".

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and fees incurred in connection with the Listing and the Global Offering. Our listing expenses are estimated to be approximately RMB182.6 million (including underwriting commission) accounting for 1.2% of the gross proceeds of the Global Offering, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised and based on an Offer Price of HK$209.88 per Share. Among our listing expenses, approximately RMB181.0 million is directly attributable to the issuance of Shares and will be charged to equity upon completion of the Listing, and approximately RMB1.6 million has been or will be charged to our consolidated statement of profit or loss and other comprehensive income. The listing expenses we incurred in the Track Record Period and expect to incur would consist of approximately RMB148.0 million underwriting related expenses and fees (including underwriting commissions), approximately RMB14.4 million non-underwriting-related expenses and fees including fees for the legal advisors and reporting accountant and approximately RMB20.2 million for other non-underwriting-related fees and expenses. During the Track Record Period, approximately RMB1.0 million was recognised during the year ended December 31, 2025. The remaining RMB0.6 million is expected to be recognised after December 31, 2025 until the completion of the Global Offering.

The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE AND RECENT DEVELOPMENTS

Our Directors confirmed that, as of the date of this prospectus, there has been no material adverse change in our financial position since December 31, 2025, and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this prospectus.

FUTURE PLANS

For a detailed description of our future plans, see "*Business — Our Growth Strategies*".

USE OF PROCEEDS

Assuming an Offer Price of HK$209.88 per H Share, we estimate that we will receive net proceeds of approximately HK$17,286.6 million from the Global Offering after deducting the underwriting commissions and other estimated expenses paid and payable by us in connection with the Global Offering and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised. In line with our strategies, we intend to use our proceeds for the purposes and in the amounts set forth below.

- approximately 74.0% of the net proceeds, or approximately HK$12,792.1 million, is expected to be used to expand our production in Chinese mainland:
  - approximately 59.3%, or approximately HK$10,251.0 million, is expected to be used to purchase and install manufacturing equipment. Specifically,
    - ❖ approximately 47.3%, or approximately HK$8,176.6 million, is expected to be used in further enhancing our smart factory infrastructure in Huizhou through the construction of new production lines at a pace of approximately 40% : 60% in a two-year period. We expect such efforts to complete ramping up three years after construction completion. Once fully ramped up, we expect to increase the annual production capacity of our Huizhou production center by approximately 1,020 thousand square meters of high-layer-count MLPCBs.

      We expect to purchase new manufacturing equipment for our infrastructure enhancement effort in Huizhou, primarily including exposure and imaging systems, coating and lamination equipment, and automated inspection systems to increase our production efficiency.

    - ❖ approximately 6.7%, or approximately HK$1,158.2 million, is expected to be used in further enhancing our smart factory infrastructure in Changsha and Yiyang, with net proceeds allocated at a ratio of approximately 60% : 40% between Changsha and Yiyang. For each production facility, the usage of net proceeds is expected to occur at a pace of approximately 40% : 60% in a two-year period. We expect such efforts to complete ramping up three years after construction completion. Once fully ramped up, we expect to increase the annual production capacity of our Changsha and Yiyang production centers primarily by approximately 1,392 thousand square meters of single- and double- layer PCBs, 72 thousand square meters of HDIs and approximately 360 thousand square meters of MLPCBs.

      We expect to purchase new manufacturing equipment for infrastructure enhancement efforts in Changsha and Yiyang that is functionally substantially similar to the equipment that we purchase for our infrastructure enhancement efforts in Huizhou; and

    - ❖ approximately 5.3%, or approximately HK$916.2 million, is expected to be used for the upgrade and transformation of our existing production lines in Huizhou to expand our production capacity for high-layer-count MLPCB and high-build-up HDI at a pace of approximately 40% : 60% in a two-year period. We expect the production capacity expansion in Huizhou to complete ramping up three years after construction completion. Once fully ramped up, we expect to expand the annual

production capacity of our Huizhou production center by approximately 150 thousand square meters of high-layer-count MLPCBs and approximately 100 thousand square meters of high-build-up HDIs.

We expect to purchase new manufacturing equipment for our new production facilities in Huizhou. Currently, we expect such purchases to primarily include drilling and laser systems, lamination and pressing equipment, plating and surface finishing lines and automated optical inspection and electrical test systems. After procurement and installation, such equipment is expected to empower high-precision microvia formation and layer alignment, secure multilayer bonding, advanced surface treatment, and automated inspection and testing.

- ○ approximately 14.7%, or approximately HK$2,541.1 million, is expected to be used for the construction of production and ancillary facilities, as well as other related expenses, such as upgrading the quality control and information security systems at our production centers in China. Specifically, approximately 12.0%, or approximately HK$2,074.4 million, is expected to be used in Huizhou for our infrastructure enhancement efforts, approximately 2.7%, or approximately HK$466.7 million, is expected to be used in Changsha and Yiyang at a ratio of approximately 60% : 40% between Changsha and Yiyang. The usage of net proceeds for all these projects is expected to occur at a pace of approximately 70% : 30% in a two-year period.

  As of the Latest Practicable Date, our production capacity expansion in Huizhou was under construction. As of the same date, our infrastructure enhancement in Huizhou was preparing for construction, and our infrastructure enhancement in Changsha and Yiyang was under construction.

- approximately 7.0% of the net proceeds, or approximately HK$1,210.1 million, is expected to be used to further diversify our product portfolio by purchasing smart manufacturing equipment for mSAP and other machines to maintain a competitive edge in advanced PCB technologies. Specifically, smart manufacturing equipment primarily include (i) approximately 250 laser and mechanical drilling-related machines, such as laser and mechanical drilling machines, at a total cost of approximately HK$516.6 million to enable microvia formation for mSAP HDIs, which is critical for high-density interconnects; (ii) approximately 100 photo-imaging and patterning-related machines, such as LDI exposure machines and develop-etch-strip machines, at a total cost of approximately HK$138.0 million to enhance dimensional control, yield, and reliability required for mSAP manufacturing; (iii) approximately 50 plating and surface treatment-related machines, such as via-filling and through-hole machines, at a total cost of approximately HK$255.3 million to support advanced copper filling and uniform plating for high-reliability PCBs; and (iv) approximately 150 lamination-related machines, such as single- and double-layer lamination systems, at a total cost of approximately HK$264.8 million to improve the yield and reliability of mSAP HDIs, ensuring signal integrity and mechanical robustness. Other machines primarily include around 150 machines used in other production processes and improve infrastructure & utilities at a total cost of approximately HK$35.4 million. The procurement of the aforementioned equipment will enhance our ability in ultra-fine line patterning, microvia accuracy, and plating uniformity, which are key for mSAP and HDI technologies. Such improvements are expected to enhance our products' competitiveness in AI, EV and high-speed telecommunications equipment applications because they enable higher circuit density, improve signal integrity, and lead to superior reliability, which are essential to improve the performance of PCBs. Enhanced product competitiveness is in turn expected to increase our customer recognition in help us increase our high-end PCB sales, which may further improve our profitability.

  As of the Latest Practicable Date, our mSAP project was under construction.

- approximately 9.0% of the net proceeds, or approximately HK$1,555.8 million, is expected to be used for R&D activities over a five-year period. Specifically,

  - o approximately 4.2%, or approximately HK$726.0 million, is expected to be used for R&D materials. The procurement of critical materials is expected to support prototype builds and process optimization that will not only advance our R&D projects but also improve our production lines' mass production readiness. Such materials primarily include advanced laminates and substrates, conductive elements, imaging and protective chemicals, and essential consumables used in the manufacturing and testing processes.

  - o approximately 3.0%, or approximately HK$518.6 million, is expected to be used for recruiting and training globally leading talents and experienced R&D personnel to drive innovation in both products and production processes. We will primarily focus on recruiting talents with substantial R&D and working experience, including the following: (i) Five R&D directors to oversee technology strategy and lead major R&D initiatives across AI computing, automotive electronics, and next-generation PCB technologies. We expect to recruit five of such R&D directors in total; (ii) 55 PCB design engineers to develop high-speed, high-density PCB layouts and ensure signal integrity for AI servers, automotive systems, and wireless communication boards; (iii) 91 hardware development engineers to design hardware architectures and integrate advanced PCB solutions for AI computing platforms, robotics, and smart devices; (iv) 144 process engineers to optimize HDI, mSAP, and rigid-flex manufacturing processes to support high-speed, high-reliability PCB production for emerging applications; (v) 180 testing engineers to conduct electrical, thermal, and mechanical testing to ensure reliability and compliance of PCBs for AI, automotive, and wireless communication applications; and (vi) 288 assistant engineers to provide technical support in design, process, and testing functions to accelerate R&D cycles and prototype validation. Subsequent to the recruitment of such R&D personnel, we are committed to using approximately 0.4%, or approximately HK$69.1 million of the net proceeds to provide them with ongoing training in technical skills, soft skills, and industry-specific training opportunities to keep their edge in the PCB industry. Therefore, we expect to incur training costs for our technical and R&D personnel averaging around RMB25 thousand per person per year.

  - o approximately 1.8%, or approximately HK$311.2 million, is expected to be used for advanced equipment procurement and installation, upgrading our core manufacturing and testing capabilities used in our R&D projects. Such procurement and installation relate to equipment for precision microvia formation and layer registration, multilayer bonding, surface treatment, and automated inspection and testing, all aimed at improving production quality, reliability, and efficiency in high-performance circuit board development. Installation costs are expected to cover the integration, utilities, and calibration of the aforementioned equipment in our production centers.

- approximately 10.0% of the net proceeds, or approximately HK$1,728.7 million, is expected to be used for working capital and general corporate purposes.

Certain regulatory approvals are applicable to our expansion of production capacity in the PRC. As advised by our PRC Legal Adviser, our proposed expansion and operation of our PCB manufacturing facility in the PRC may be subject to certain regulatory approvals, including without limitation, (i) the construction permit, (ii) the acceptance inspection of safety facilities upon completion; (iii) the fire safety acceptance inspection upon completion; and (iv) the approval of environmental impact report or an environmental impact statement prior to the commencement of the construction project, and the acceptance inspection on the supporting environmental protection facilities after the completion. According to our PRC Legal Advisor, there are no legal impediments under current laws and regulations that would prevent our relevant subsidiaries from obtaining the

necessary approvals or licenses, provided that all applicable requirements are duly complied with and there are no significant changes in current policies, regulations, local government supervision, and law enforcement requirements.

In total, the aforementioned production capacity expansion is currently expected to increase our annual production capacity primarily by approximately 1,392 thousand square meters of single- and double-layer PCBs, 1,530 thousand square meters of MLPCBs, 172 thousand square meters of HDIs, and 216 thousand square meters of FPCs once all fully ramped up. Such projections may be subject to proactive adjustment depending on layer count and build-up, as we proactively adjust our production capacity periodically based on the orders we receive and our sales forecast.

The additional net proceeds that we would receive if the Offer Size Adjustment Option and the Over-allotment Option were exercised in full would be HK$5,585.1 million. If the Over-allotment Option were exercised in full, we intend to apply the additional net proceeds to the above purposes on a pro rata basis. To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will only hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). We will issue an appropriate announcement if there is any material change to the above use of proceeds.

HONG KONG UNDERWRITERS

J.P. Morgan Securities (Asia Pacific) Limited
China Securities (International) Corporate Finance Company Limited
GF Securities (Hong Kong) Brokerage Limited
ABCI Securities Company Limited
China International Capital Corporation Hong Kong Securities Limited
Huatai Financial Holdings (Hong Kong) 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 Company expects the International Offering to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and the Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 8,334,800 Hong Kong Offer Shares and the International Offering of initially 75,013,200 International Offer Shares, subject to, in each case, reallocation on the basis as described in "Structure of the Global Offering" in this prospectus as well as the Offer Size Adjustment Option and the Over-allotment Option (in the case of the International Offering).

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, the Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including the H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), on the Main Board of the Stock Exchange and such approval not having been withdrawn and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

If any of the events set out below occur at any time prior to 8:00 a.m. on the Listing Date, the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in their sole and absolute discretion, shall have the right by giving a notice to the Company to terminate the Hong Kong Underwriting Agreement with immediate effect:

(a) there develops, occurs, exists or comes into force:

  (i) 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 authority

in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Cayman Islands, Singapore, Thailand, Malaysia and Vietnam, or other jurisdictions relevant to the Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(ii) any change or development involving a prospective material change, or any event or series of events or circumstances likely to result in a material change or prospective 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 significant 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

(iii) 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, accident or interruption or delay in transportation, 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)) in or affecting any of the Relevant Jurisdictions; or

(iv) the imposition or declaration of 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 Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, 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

(v) the imposition or declaration of 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

(vi) other than with the prior written consent of the Sponsor-Overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to this 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

(vii) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director or a senior management member of any members of the Group or announcing an intention to take any such action; or

(viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any members of the Group or any of the Largest Group of Shareholders or by or on any Relevant Jurisdiction, 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

(ix) 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

(x) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or

(xi) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or any Largest Group of Shareholders or any Director or senior management members as named in this prospectus; or

(xii) any contravention by any members of the Group or any Director of the Listing Rules or applicable Laws; or

(xiii) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and/or the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (A) has or will or may have a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement); (B) 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 (C) 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 (D) 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

(b) there has come to the notice of the Joint Sponsors and/or the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the Operative Documents, the CSRC Filings (each as defined in the Hong Kong Underwriting Agreement) and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Global Offering (including any supplement or amendment thereto) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate or incomplete 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

(ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(iii) any breach of, or any event or circumstance rendering untrue or incorrect or incomplete or misleading in any respect, any of the representations, warranties and undertakings given by the Company in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(iv) any event, act or omission which gives rise or is likely to give rise to any liability of the Indemnifying Party (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement or the International Underwriting Agreement (including any supplement or amendment thereto), as applicable; or

(v) any breach of any of the obligations or undertakings imposed upon the Company or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or

(vi) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect; or

(vii) that the chairman of the Board, any Director or any member of senior management of the Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(viii) any Director or any member of senior management of the Company named in this 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

(ix) the Company withdraws this 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

(x) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Offer Size Adjustment Option and the Over-allotment Option) 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, qualified (other than by customary conditions), revoked or withheld; or

(xi) any person (other than the Joint Sponsors) has withdrawn its consent to the issue of this prospectus or any of the Offering Documents 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

(xii) 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

(xiii) 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

(xiv) (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 Sponsor-Overall Coordinators, 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

(xv) that (A) a material portion of the orders placed or confirmed in the bookbuilding process or (B) any investment commitment made by any cornerstone investors under the cornerstone investment agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings to the Stock Exchange pursuant to the Listing Rules

(A) Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, the Company has undertaken to the Stock Exchange that it will not exercise its power to issue any further Shares, or securities convertible into Shares (whether or not of a class already listed) or enter into any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option); or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertakings by the Largest Group of Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each member of the Largest Group of Shareholders has undertaken to the Stock Exchange and to the Company that, he shall not and shall procure that the relevant registered holder(s) shall not, in the period commencing on the date by reference to which disclosure of his shareholding in the Company is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities in respect of which its/his is shown by this prospectus to be the beneficial owner(s).

Note (2) to Rule 10.07(2) of the Listing Rules provides that Rule 10.07 does not prevent a member of the Largest Group of Shareholder from using the Shares beneficially owned by him as security (including a charge or pledge) 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.

Pursuant to Note (3) to Rule 10.07(2) of the Listing Rules, each member of the Largest Group of Shareholders has further undertaken to the Stock Exchange and to the Company that within the period commencing on the date by reference to which disclosure of his shareholding in the Company is made in this prospectus and ending on the date which is six months from the Listing Date, he shall:

(i) when he pledges or charges any securities of the Company beneficially owned by him 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 pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform the Company of such pledge/charge together with the number of securities so pledged/charged; and

(ii) when he receives indications, either verbal or written, from the pledgee/chargee that any of the pledged/charged securities of the Company will be disposed of, immediately inform the Company of such indications.

We will inform the Stock Exchange as soon as we have been informed of the matters referred to in paragraph (i) and (ii) above (if any) by any member of the Largest Group of Shareholders and subject to the requirements of the Listing Rules disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by the Company

The Company has undertaken to the each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediary, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters Except for the issue, offer or sale of the Offer Shares by the Company pursuant to the Global Offering (including pursuant to the Offer Size Adjustment Option and the Over-allotment Option), 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 Joint Sponsors and the Sponsor-Overall Coordinators (for themselves 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, assign, 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 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 legal or beneficial interest in the share capital, any Shares or any other securities of the 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 share capital, Shares or other securities of the Company, as applicable), or deposit any share capital, Shares 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 (legal or beneficial) of the Shares or any other securities of the 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

(c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in (a), (b) or (c) or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital, H Shares or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six Month Period).

The Company further agrees that, in the event the Company is allowed to enter into any of the transactions described in (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 First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of the Company will, create a disorderly or false market for any Shares or other securities of the Company.

Hong Kong Underwriters' Interests in the Company

Save for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any H Shares or any securities of any member of the Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any H Shares or any securities of any member of the Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Company's H Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

International Offering

International Underwriting Agreement

In connection with the International Offering, the Company expects to enter into the International Underwriting Agreement with, among others, the Joint Sponsors, the Sponsor-Overall Coordinators and the International Underwriters on or around the Price Determination Date. Under the International Underwriting Agreement and subject to the Offer Size Adjustment Option and the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offer Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See "*Structure of the Global Offering — The International Offering*" for details.

Offer Size Adjustment Option

The Company is expected to grant to the Sponsor-Overall Coordinators the Offer Size Adjustment Option, exercisable by the Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) on or before the second business day prior to the Listing Date and will lapse immediately thereafter, to require the Company to allot and issue up to an aggregate of 12,502,000 additional H Shares, representing approximately 15.0% of the initial number of Offer Shares offered under the Global Offering, at the same price per H Share under the International Offering to cover, among other things, any excess demand in the International Offering at the absolute discretion of the Sponsor-Overall Coordinators. The Offer Size Adjustment Option provides flexibility for the Sponsor-Overall Coordinators to increase the number of Offer Shares available for purchase under the International Offering to cover additional market demand. See "Structure of the Global Offering — Offer Size Adjustment Option."

Over-allotment Option

The Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Sponsor-Overall Coordinators on behalf of the International Underwriters at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, pursuant to which the Company may be required

to issue up to an aggregate of 12,502,000 H Shares, representing not more than 15.0% of the number of Offer Shares initially available under the Global Offering (assuming the Offer Size Adjustment Option is not exercised at all) or up to an aggregate of 14,377,500 H Shares, representing not more than 15.0% of the number of Offer Shares available under the Global Offering (assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price, to cover over- allocations in the International Offering, if any. See "*Structure of the Global Offering — Over-allotment Option*" for details.

Commissions and Expenses

The Capital Market Intermediaries will receive an underwriting commission of 0.8% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), out of which they will pay any sub-underwriting commissions and other fees.

The Capital Market Intermediaries may receive a discretionary incentive fee of up to 0.2% of the aggregate Offer Price of all the Offer Shares to be issued by the Company under the Global Offering (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option).

Assuming full payment of discretionary incentive fees, the fixed fees and discretionary fees payable to the Underwriters represent approximately 80.0% and 20.0%, respectively, of the aggregated fees payable to the Capital Market Intermediaries in connection with the Global Offering.

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 payable to the Capital Market Intermediaries in relation to the Global Offering, based on an Offer Price of HK$209.88 per H Share and assuming the full payment of the discretionary incentive fee and the exercise of the Offer Size Adjustment Option and the Over-allotment Option in full, will be approximately HK$231.3 million.

The aggregate underwriting commissions and fees together with the Stock Exchange listing fees, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be approximately HK$264.0 million based on an Offer Price of HK$209.88 per H Share and assuming the full payment of the discretionary incentive fee and the exercise of the Offer Size Adjustment Option and the Over-allotment Option in full, and will be paid by the Company.

Indemnity

The Company has agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by the Company of the Hong Kong Underwriting Agreement.

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, loan financing, 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 our assets, securities and/or instruments and/or persons and entities with relationships with the Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with the Group's loans and other debt.

In relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H 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 H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H 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 H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock 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 H Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering." Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- the Syndicate Members (other than the Stabilizing Manager or any person acting for it) 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

- 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, loan financing and other services to the Company and certain 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 the Offer Shares in the Global Offering.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The listing of the H Shares on the Main Board of the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of the Company to the Stock Exchange for the listing of, and permission to deal in, the H Shares to be issued as mentioned in this prospectus.

83,348,000 Offer Shares will initially be made available under the Global Offering comprising:

- the Hong Kong Public Offering of initially 8,334,800 Offer Shares (including 833,400 Overseas Employee Reserved Shares pursuant to the Overseas Employee Preferential Offering, and subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below; and

- the International Offering of initially 75,013,200 Offer Shares (including 7,501,300 PRC Employee Reserved Shares pursuant to the PRC Employee Preferential Offering, and subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option) (i) in the United States solely to QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S, as described in "— The International Offering" below.

Of the 8,334,800 Shares initially being offered under the Hong Kong Public Offering, 833,400 Shares (representing approximately 1.00% of the total number of Offer Shares initially being offered under the Global Offering) are available for subscription by Overseas Eligible Employees on a preferential basis under the Overseas Employee Preferential Offering, subject to the terms and conditions set forth in this prospectus.

Of the 75,013,200 Shares initially being offered under the International Offering, 7,501,300 Shares (representing approximately 9.00% of the total number of Offer Shares initially being offered under the Global Offering) are available for subscription by PRC Eligible Employees on a preferential basis under the PRC Employee Preferential Offering, subject to the terms and conditions set forth in this prospectus.

Investors may either (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or (ii) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both. All Overseas Eligible Employees may apply for Hong Kong Offer Shares in the Hong Kong Public Offering and Overseas Employee Reserved Shares in the Overseas Employee Preferential Offering but may not apply for or indicate an interest for the International Offer Shares under the International Offering.

The Offer Shares will represent approximately 8.72% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and no additional Shares are issued pursuant to our 2022 Restricted A Share Incentive Scheme. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 9.90% of the enlarged issued share capital of the Company (assuming the Offer Size Adjustment Option is not exercised at all) or approximately 11.22% of the enlarged issued share capital of our Company (assuming the Offer Size Adjustment Option is exercised in full) immediately following the completion of the Global Offering, assuming no additional Shares are issued pursuant to our 2022 Restricted A Share Incentive Scheme.

References in this prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

The Company is initially offering 8,334,800 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing 10.0% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 0.87% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and no additional Shares are issued pursuant to our 2022 Restricted A Share Incentive Scheme).

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, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "— Conditions of the Global Offering" below.

Allocation

Allocation of 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 could 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 Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) and after deducting the number of Overseas Employee Reserved Shares validly applied for under the Overseas Employee Preferential Offering will be divided equally into two pools: pool A and pool B, with any odd board lots being allocated to Pool A. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of HK$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed 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 the immediately preceding paragraph only, the "price" for 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 and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 3,750,700 Hong Kong Offer Shares (50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering excluding the Overseas Employee Reserved Shares) is liable to be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sponsor-Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Sponsor-Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Sponsor-Overall Coordinators 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 Offering 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 Sponsor-Overall Coordinators deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering 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 4,167,400 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 12,502,200 Offer Shares, representing 15% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Offer Size Adjustment Option and the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering 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 Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him/her that he/she and any person(s) for whose benefit he/she is making the application has 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 International Offer Shares under the International Offering. Such applicant's application under the International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering are required to pay, on application, the maximum Offer Price in addition to the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$21,199.67 for one board lot of 100 Offer Shares. If the Offer Price, as finally determined in the manner described in "— Pricing and Allocation" below, is less than the maximum Offer Price, appropriate refund payments (including the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out in "How to Apply for Hong Kong Offer Shares."

THE OVERSEAS EMPLOYEE PREFERENTIAL OFFERING

Of the 8,334,800 Shares initially being offered under the Hong Kong Public Offering, 833,400 Shares (representing approximately 1.00% of the total number of Offer Shares initially being offered under the Global Offering) are available for subscription by the Overseas Eligible Employees on a preferential basis, subject to the terms and conditions set forth in this prospectus.

The Overseas Employee Reserved Shares are being offered out of the Hong Kong Public Offering and are not subject to the clawback mechanism as set forth in "— The Hong Kong Public Offering — Reallocation" above. As of the Latest Practicable Date, there were 60 Overseas Eligible Employees being eligible to apply for the Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering.

Allocation of the Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering will be based on the written guidelines distributed to the Overseas Eligible Employees which are consistent with the allocation guidelines contained in Practice Note 20 of the Listing Rules.

The allocation of the Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering will, in any event, be made on an equitable basis and will not be based on the identity, the seniority, the length of service or the work performance of the Overseas Eligible Employees. No favour will be given to the Overseas Eligible Employees who apply for a large number of Overseas Employee Reserved Shares. Overseas Eligible Employees applying for Overseas Employee Reserved Shares will be subject to an allocation basis that is based on the level of valid applications received. The allocation basis will be determined by the Company based on the level of valid applications received under the Overseas Employee Preferential Offering and the number of Overseas Employee Reserved Shares validly applied for within each application tier. The allocation basis will be consistent with the allocation basis commonly used in the case of over-subscriptions in public offerings in Hong Kong, where a higher allocation percentage will be applied in respect of smaller applications.

Any Overseas Employee Reserved Shares not subscribed for by the Overseas Eligible Employees will be available for subscription by the public in Hong Kong under the Hong Kong Public Offering after the reallocation in pool A and pool B in equal proportion as described in "— The Hong Kong Public Offering" above.

If you are an Overseas Eligible Employee (other than Eligible Core Connected Person Participants and Eligible Existing Shareholder Employee Participants), in addition to being able to apply for Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering by the **Pink Form eIPO** service, you may also apply for Hong Kong Offer Shares as a member of the public in the Hong Kong Public Offering by submitting application online through the **White Form eIPO** service or the HKSCC EIPO channel, but you may not apply for or indicate an interest for International Offer Shares under the International Offering. Overseas Eligible Employees will receive no preference as to entitlement or allocation in respect of such further application for Hong Kong Offer Shares.

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

The International Offering will consist of an initial offering of 75,013,200 Offer Shares offered by the Company (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option), representing 90% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 7.85% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

Allocation

The International Offering will include selective marketing of Offer Shares to QIBs in the United States as well as 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 that 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 subsection headed "Pricing and Allocation" below 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 the relevant sector and whether or not it is expected that the relevant investor is likely to buy further H Shares and/or hold or sell its H Shares after the Listing. Such allocation is intended to result in a distribution of the H Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of the Group and the Shareholders as a whole.

The Sponsor-Overall Coordinators (for themselves 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 Sponsor-Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the clawback arrangement described in "— The Hong Kong Public Offering — Reallocation" above, the exercise of the Offer Size Adjustment Option and the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

THE PRC EMPLOYEE PREFERENTIAL OFFERING

Of the 75,013,200 Offer Shares initially being offered under the International Offering, no more than 7,501,300 Offer Shares, representing approximately 9.00% of the total number of Offer Shares initially being offered under the Global Offering, are available for subscription as PRC Employee Reserved Shares by the PRC Eligible Employees on a preferential basis under the PRC Employee Preferential Offering according to Rule 10.01 of the Listing Rules.

The PRC Employee Reserved Shares are being offered out of the International Offer Shares but will not be subject to the clawback mechanism as set out in "— The Hong Kong Public Offering — Reallocation."

The PRC Eligible Employees are selected by the Company by taking into consideration, among others, their seniority, length of employment with the Group, current position as well as contribution made to the Group. Since all the PRC Eligible Employees will be PRC residents and could not directly participate in the PRC Employee Preferential Offering according to relevant applicable PRC laws and regulations, the Company intends to place certain PRC Employee Reserved Shares to Guotai Junan Financial Products Limited ("**GTJA FP**"), to facilitate the PRC Eligible Employees in participating in the economic exposure to the Global Offering of the Company through OTC Swaps (as defined below) under the PRC Employee Preferential Offering.

GTJA FP shall hold the Offer Shares on a non-discretionary basis for hedging purposes as the single underlying asset of a delta one back-to-back total return swap transaction (the "**GTJA Back-to-back TRS1**") to be entered into between GTJA FP and Guotai Junan Investments (Hong Kong) Limited ("**GTJA INV**"), and GTJA INV shall for hedging purposes enter into a cross-border delta one back-to-back total return swap transaction (the "**GTJA Back-to-back TRS2**") with Guotai Haitong Securities Co., Ltd. ("**GTHTS**"), in connection with a total return swap order (the "**GTHT Client TRS**") to be entered into by GTHTS and the GTHTS onshore clients (the "**GTHT Onshore Clients**"). Such GTHT Client TRS is to be fully funded by the GTHT Onshore Clients. The full

economic exposure of the Offer Shares will be passed from GTJA FP to GTJA INV under the GTJA Back-to-back TRS1, from GTJA INV to GTHTS under the GTJA Back-to-back TRS2, and ultimately from GTHTS to the GTHT Onshore Clients under the GTHT Client TRS.

The GTHT Onshore Clients may exercise an early termination right to early terminate the GTHT Client TRS at any time from the trade date of the GTHT Client TRS, which should be on or after the date on which the Offer Shares are listed on the Stock Exchange. Accordingly, (i) GTHTS may exercise an early termination right to early terminate the GTJA Back-to-back TRS2 at any time from the trade date of the GTJA Back-to-back TRS2, and (ii) GTJA INV may exercise an early termination right to early terminate the GTJA Back-to-back TRS1 at any time from the trade date of the GTJA Back-to-back TRS1, which in each case should be on or after the date on which the Offer Shares are listed on the Stock Exchange. Upon the final maturity or early termination of (i) the GTHT Client TRS by the GTHT Onshore Clients, (ii) the GTJA Back-to-back TRS2 by GTHTS, and (iii) the GTJA Back-to-back TRS1 by GTJA INV, GTJA FP will dispose the Offer Shares on the secondary market and the GTHT Onshore Clients ultimately will receive a final termination amount of the GTHT Client TRS, which should have taken into account all the economic returns or economic loss in relation to the Offer Shares, the fixed amount in relation to the GTJA Back-to-back TRS1, the GTJA Back-to-back TRS2 and the GTHT Client TRS.

GTJA FP will hold the legal title and the voting right of the Offer Shares by itself and pass through the economic exposure to GTJA INV, GTHTS and ultimately the GTHT Onshore Clients. Due to its internal policy, GTJA FP will not exercise the voting right of the Offer Shares during the tenor of the GTJA Back-to-back TRS1 and GTJA Back-to-back TRS2.

The maximum subscription amount of the Offer Shares that any individual PRC Eligible Employee may indirectly apply for under the PRC Employee Preferential Offering will be limited to RMB20 million (excluding the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), representing approximately 1.44% of the Offer Shares available for subscription under the PRC Employee Preferential Offering and approximately 0.13% of the Offer Shares initially available for subscription under the Global Offering (based on the maximum Offer Price of HK$209.88 per Offer Share and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). Such measures will help to ensure that no single PRC Eligible Employee would hold an excessively large number of the Offer Shares under the PRC Employee Preferential Offering to the disadvantage of the other PRC Eligible Employees.

Each PRC Eligible Employee will also confirm that he/she:

(a) is and remains an employee as of the date of this prospectus;

(b) is not a core connected person of the Company (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable);

(c) is not any person whose acquisition of securities will be financed directly or indirectly by a core connected person (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable);

(d) is not any person who is accustomed to take instructions from a core connected person (other than by nature of being a director, supervisor or chief executive of the Company or its subsidiaries where applicable) in relation to the acquisition, disposal, voting or other disposition of securities of the Company registered in his/her name or otherwise held by him/her;

(e) is outside the U.S. and not a U.S. person (as defined in Rule 902 of Regulation S); and

(f) will only participate in the Global Offering through the subscription of the PRC Employee Reserved Shares under the PRC Employee Preferential Offering and will not subscribe for the Company's H Shares in the Global Offering through any other channels.

Allocation of the PRC Employee Reserved Shares under the PRC Employee Preferential Offering, where applicable, will be based on a pro rata basis in accordance with the allocation guidelines contained in Practice Note 20 of the Listing Rules.

Any PRC Employee Reserved Shares not subscribed for by the PRC Eligible Employees will be available for subscription by other investors in the International Offering after the reallocation as described in "— The Hong Kong Public Offering" in this prospectus.

OFFER SIZE ADJUSTMENT OPTION

In order to provide our Company with the flexibility to increase the number of Offer Shares available for purchase under the International Offering to cover additional market demand, our Company is expected to grant to the International Underwriters the Offer Size Adjustment Option, exercisable by the Sponsor-Overall Coordinators at their absolute discretion (on behalf of the International Underwriters) on or before the second business day prior to the Listing Date and will lapse immediately thereafter, to require our Company to issue and allot up to an aggregate of 12,502,000 additional H Shares, representing in aggregate approximately 15.0% of the total number of the Offer Shares initially available under the Global Offering, at the International Offer Price, to cover any excess demand in the International Offering.

In considering whether to exercise the Offer Size Adjustment Option, the Company and the Sponsor-Overall Coordinators will take into account a number of factors, including, among other things:

(a) whether the level of interest expressed by prospective professional and institutional investors during the book-building process under the International Offering is sufficient to cover:

  (i) the total number of Offer Shares, which represents the aggregate of the Offer Shares initially available under the Global Offering and the additional H Shares upon any exercise of the Offer Size Adjustment Option; and

  (ii) the corresponding number of H Shares under the Over-allotment Option;

(b) the prices at which prospective professional and institutional investors have indicated they would be prepared to acquire the Offer Shares in the course of the book-building process;

(c) the quality of investors, with a view to establishing a solid professional institutional and investor shareholder base to the benefit of the Company and its Shareholders as a whole; and

(d) general market conditions.

If the Offer Size Adjustment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.29% of the enlarged issued share capital immediately of the Company following the completion of the Global Offering (assuming the Over-allotment Option is not exercised). The dilution effect of the Offer Size Adjustment Option (assuming the Over-allotment Option is not exercised) is set out below:

Number of H Shares issued under the Global Offering before the exercise of the Offer Size Adjustment Option (the "Original Subscribers")	Approximate percentage of total issued share capital held by the Original Subscribers before the exercise of the Offer Size Adjustment Option	Number of H Shares issued under the Global Offering after the exercise of the Offer Size Adjustment Option in full	Approximate percentage of total issued share capital held by the Original Subscribers after the exercise of the Offer Size Adjustment Option in full
83,348,000	8.72%	95,850,000	8.61%

The Offer Size Adjustment Option will not be associated with any price stabilization activities and will not be subject to the Securities and Futures (Price Stabilizing) Rules of the SFO (Chapter 571W of the Laws of Hong Kong). The Offer Size Adjustment Option will be in addition to the Over-allotment Option.

The Company will disclose in the allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, where the Offer Size Adjustment Option had not been exercised by then, the Offer Size Adjustment Option has lapsed and cannot be exercised on any future date.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Sponsor-Overall Coordinators (on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Sponsor-Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 14,377,500 additional H Shares (representing approximately 15% of the Offer Shares initially offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full) or up to an aggregate of 12,502,000 additional H Shares (representing approximately 15% of the Offer Shares initially offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised), at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

If the Offer Size Adjustment Option is not exercised and the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.29% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering. If the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the additional Offer Shares to be issued pursuant to the Over-allotment Option will represent approximately 1.46% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering. If the Over-allotment Option is exercised, an announcement will be made by the Company.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the H Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager (or any person acting for it) reasonably regards as the best interest of the Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days after the last day for lodging applications under the Hong Kong Public Offering.

Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the H Shares, (b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the H Shares, (c) purchasing, or agreeing to purchase, the H Shares pursuant to the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares, (e) selling or agreeing to sell any H Shares in order to liquidate any position established as a result of those purchases, and (f) offering or attempting to do anything as described in clauses (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

- the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the H Shares;
- there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;
- liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the H Shares;
- no stabilizing action can be taken to support the price of the H Shares for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on Saturday, May 16, 2026, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the H Shares, and therefore the price of the H Shares, could fall;
- the price of the H Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and
- stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can, therefore, be done at a price below the price paid by applicants for, or investors in, the Offer Shares.

In order to effect stabilization actions, the Stabilizing Manager will arrange cover of up to an aggregate of 12,502,000 H Shares, representing up to 15.0% of the initial Offer Shares, through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be paid on the Listing Date.

The Company will ensure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

Over-Allocation

Following any over-allocation of H Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by exercising the Over-allotment Option in full or in part, using H Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price or a combination of these means.

PRICING AND ALLOCATION

Determining the Pricing of the Offer Shares

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be determined on the Price Determination Date, which is expected to be on or before Friday, April 17, 2026 and, in any event, no later than 12:00 noon on Friday, April 17, 2026, by agreement between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and the Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

We will determine the Offer Price by reference to, among other factors, the closing price of the A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date (which is accessible to the Shareholders and potential investors at **https://www.szse.cn/English/siteMarketData/siteMarketDatas/lookup/index.html?code=300476**) and the Offer Price will not be more than HK$209.88. The historical prices of our A Shares and trading volume on Shenzhen Stock Exchange are set out below.

Period	High	Low	ADTV[(1)]
	(RMB)	*(RMB)*	*(A Shares)*
Year ended December 31, 2022	30.91	12.58	15,711,512
Year ended December 31, 2023	28.00	13.26	41,401,719
Year ended December 31, 2024	51.00	14.84	37,703,838
Year ended December 31, 2025	346.99	40.37	46,925,255
Year of 2026 (up to the Latest Practicable Date)	315.25	251.00	32,985,527

Note:

(1) Average daily trading volume ("**ADTV**") represents daily average number of our A Shares traded over the relevant period.

Applicants under the Hong Kong Public Offering must pay, on application (subject to application channel), the maximum Offer Price plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK$21,199.67 for one board lot of 100 Offer Shares.

The International Underwriters will be soliciting from prospective investors' indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of 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 about, the last day for lodging applications under the Hong Kong Public Offering.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of the Company, reduce the number of Offer Shares offered as 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, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of the Company and the Stock Exchange at **www.shpcb.com** and **www.hkexnews.hk**, respectively, notices of the reduction, and the cancelation of the Global Offering and relaunch of the offer at the revised number of Offer Shares.

The Company will also, as soon as practicable following the decision to make such change, issue a supplemental or new prospectus updating investors of the details of the change in the number of Offer Shares, and giving investors at least three business days to consider the new information. 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 of a reduction in the number of Offer Shares may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so announced, the number of Offer Shares will not be reduced.

If there is any change to the offer size due to change in the number of Offer Shares offered in the Global Offering (other than pursuant to the reallocation mechanism as disclosed in this prospectus) as stated in this prospectus, or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering and relaunch the offer with a supplemental prospectus or a new prospectus in FINI.

Announcement of Final Pricing of the Offer Shares

The final pricing of the Offer Shares, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results."

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to, among other things, the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and the Company agreeing on the Offer Price.

The Company expects to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in "Underwriting."

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

- the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued as mentioned in this prospectus (including any H Shares that may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the Listing Date;

- the pricing of the Offer Shares having been agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and the Company;

- the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and

- the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement 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 Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and the Company on or before 12:00 noon on Friday, April 17, 2026, 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 unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by the Company on the websites of the Company and the Stock Exchange at **www.shpcb.com** and **www.hkexnews.hk**, respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies." In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

H Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on Tuesday, April 21, 2026, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, April 21, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, April 21, 2026.

The H Shares will be traded in board lots of 100 H Shares each and the stock code of the H Shares will be 2476.

NOTICE TO CAPITAL MARKET INTERMEDIARIES AND PROSPECTIVE INVESTORS PURSUANT TO PARAGRAPH 21 OF THE SFC CODE OF CONDUCT

Important Notice to CMIs (including private banks and broking companies)

This notice to CMIs (including private banks and broking companies) is a summary of certain obligations the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**Code**") imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks and broking companies). Certain CMI may also be acting as the Overall Coordinator for the Global Offering and is subject to additional requirements under the Code.

Prospective investors to whom the allocation of Offer Shares will be subject to restrictions or require prior consent from the Stock Exchange under the Listing Rules and other regulatory requirements or guidance issued by the Stock Exchange from time to time (the "**Stock Exchange Requirements**") would be considered under the Code as "Restricted Investors." Offer Shares may only be allocated to Restricted Investors in accordance with applicable Stock Exchange Requirements and be made with a view to achieving an open market, an adequate spread of shareholders and the orderly and fair trading of the shares in the secondary market. Prospective investors should provide all information required by the Stock Exchange to be submitted in the Stock Exchange's placee list template or under the Listing Rules and identify any placee categories set out in the template that apply when placing an order. Prospective investors who do not indicate that any of the placee categories apply will be deemed to confirm that none of them apply and represent that they and their respective ultimate beneficial owners are third parties independent from the Company.

CMIs should specifically disclose whether their investor clients are Restricted Investors or fall within any of the other placee categories set out in the Stock Exchange's placee list template or under the Listing Rules when submitting orders for the Offer Shares. In addition, private banks and broking companies should take all reasonable steps to identify whether their investor clients are Restricted Investors or fall within any of the placee categories set out in the Stock Exchange's placee list template or under the Listing Rules and inform the Underwriters accordingly.

CMIs are informed that the marketing and investor targeting strategy for the Global Offering includes institutional investors, long-only investors, sovereign wealth funds, pension funds, hedge funds, corporates, private banks/broking companies, family offices and high net worth individuals, in each case, subject to the applicable Stock Exchange Requirements and the selling restrictions set out in this prospectus.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should also ensure that investors (and their respective ultimate beneficial owners) procured by them are third parties independent of the Company and that the investors (and their respective ultimate beneficial owners) have the financial capacity to meet all obligations arising from the order and are not financed directly or indirectly by, or accustomed to taking instructions from, the Company, any of its Directors, chief executives, Largest Group of Shareholders, substantial Shareholder(s) or existing Shareholder(s) of the Company or any of its subsidiaries, or a close associate of any of them (as such terms are defined in the Listing Rules). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Offer Shares (except for omnibus orders where underlying investor information may need to be provided to the Overall Coordinators when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, will result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks and broking companies as the case may be) in the order book and book messages. Proprietary orders may only be allowed subject to the Stock Exchange Requirements.

CMIs (including private banks and broking companies) should not offer any rebates to prospective investors or pass on any rebates provided by the Company. In addition, CMIs (including private banks and broking companies) should not enter into arrangements which may enable any of its investor clients to pay less than the total consideration as specified in this prospectus for each of the Offer Shares allocated.

The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Underwriters in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Offer Shares, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Private banks who disclose that they are placing their order other than on a "principal" basis (i.e., they are acting as an agent) should note that such order may be considered to be an omnibus order pursuant to the Code. Private banks should be aware that if any of their group companies is a CMI of the Global Offering, placing an order on a "principal" basis may require the Underwriters to apply the "proprietary orders" requirements of the Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks and broking companies) are requested to provide the following underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information will result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of: (a) the name of each underlying investor; (b) a unique identification number for each investor; (c) whether an underlying investor is a "Restricted Investor" (as used in the Code); (d) whether any underlying investor order is a "Proprietary Order" (as used in the Code); (e) whether any underlying investor order is a duplicate order. Underlying investor information in relation to omnibus order should be sent to the Overall Coordinators.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks and broking companies) agree and warrant: (a) to take appropriate steps to safeguard the transmission of such information to the Overall Coordinators; and (b) that they have obtained the necessary consents from the underlying investors to disclose such information to the Overall Coordinators. By submitting an order and providing such information to the Overall Coordinators, each CMI (including private banks and broking companies) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the Overall Coordinators and/or any other third parties as may be required by the Listing Rules and/or the Code, including to the Company, relevant regulators and/or any other third parties as may be required by the Listing Rules and/or the Code, for the purpose of complying with the Listing Rules and/or the Code, during the bookbuilding process for the Global Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the Global Offering. The Underwriters may be asked to demonstrate compliance with their obligations under the Code, and may request other CMIs (including private banks and broking companies) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks and broking companies) are required to provide the Overall Coordinators with such evidence within the timeline requested.

Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of the Global Offering of the Offer Shares, including certain Underwriters, are CMIs subject to Paragraph 21 of the Code. This notice to prospective investors is a summary of certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as the Overall Coordinators for the Global Offering and are subject to additional requirements under the Code.

Prospective investors to whom the allocation of Offer Shares will be subject to restrictions or require prior consent from the Stock Exchange under the Stock Exchange Requirements would be considered under the Code as "Restricted Investors." Offer Shares may only be allocated to Restricted Investors in accordance with applicable Stock Exchange Requirements. Prospective investors who are Restricted Investors should specifically disclose whether they are Restricted Investors when placing an order for the Offer Shares. Prospective investors who do not disclose they are Restricted Investors are hereby deemed not to be Restricted Investors and not financed directly or indirectly by, nor accustomed to taking instructions from the Company or the Restricted Investors.

Prospective investors should provide all information required by the Stock Exchange to be submitted in the Stock Exchange's placee list template or under the Listing Rules and identify any placee categories as set out in the template that apply when placing an order. Prospective investors who do not indicate that any of the placee categories apply will be deemed to confirm that none of them apply and represent that they and their respective ultimate beneficial owners are third parties independent from the Company.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). Prospective investors should also ensure, and by placing an order are deemed to confirm, that they (and their respective ultimate beneficial owners) have the financial capacity to meet all obligations arising from the order and are not financed directly or indirectly by, or accustomed to taking instructions from, the Company, any of its Directors, chief executives, Largest Group of Shareholders, substantial Shareholder(s) or existing Shareholder(s) of the Company or any of its subsidiaries, or a close associate of any of them (as such terms are defined in the Listing Rules). If a prospective investor is an asset management arm affiliated with any Underwriter, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Underwriter or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the Code and the Listing Rules. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order." If a prospective investor is otherwise affiliated with any Underwriter, such that its order may be considered to be a "proprietary order" (pursuant to the Code), such prospective investor should indicate to the relevant Underwriter when placing such order and such orders will be subject to applicable requirements in accordance with the Code and the Listing Rules. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order."

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks and broking companies) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Underwriters and/or any other third parties as may be required by the Listing Rules and/or the Code, including to the Company, the Overall Coordinators, relevant regulators and/or any other third parties as may be required by the Listing Rules and/or the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Listing Rules and/or the Code, during the bookbuilding process for the Global Offering. Failure to provide such information will result in that order being rejected.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES
FULLY ELECTRONIC APPLICATION PROCESS

The Company has adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

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 the Company's website at www.shpcb.com.

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.

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 **White Form eIPO** service only*); and
- are outside the United States (within the meaning of Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S.

You may choose to apply for Overseas Employee Reserved Shares if you are also an Overseas Eligible Employee.

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to the Company, 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 the Company;
- are a Director, Supervisor or chief executive of the Company and/or a director, supervisor or chief executive of any of its subsidiaries;
- are a close associate (as defined in the Listing Rules) of any of the above persons;
- are a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon the completion of the Global Offering; or
- have been allocated or have applied for or indicated an interest in any International Offer Shares or otherwise participate in the International Offering.

2. Application Channels

The Hong Kong Public Offering period and the Overseas Employee Preferential Offering will begin at 9:00 am on Monday, April 13, 2026 and end at 12:00 noon on Thursday, April 16, 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
Pink Form eIPO service	www.eipo.com.hk	Overseas Eligible Employees who apply for Overseas Employee Reserved Shares under the Overseas Employee Preferential Offering only	From 9:00 a.m. on Monday, April 13, 2026 to 11:30 a.m. on Thursday, April 16, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, April 16, 2026, Hong Kong time.
White Form eIPO service	www.eipo.com.hk	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, April 13, 2026 until 11:30 a.m. on Thursday, April 16, 2026 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Thursday, April 16, 2026, the last day for application, or such later time as described in "— E. Severe Weather Arrangements" below.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel.	Your broker or custodian who is a HKSCC Participant will submit **electronic application instruction** on your behalf through HKSCC's FINI system in accordance with your instruction.	Applicants who would not like to receive a physical H 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.

The **Pink Form eIPO** service, the **White Form eIPO** 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 **Pink Form eIPO** service and the **White Form eIPO** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **Pink Form eIPO** service and the **White Form eIPO** 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 **Pink Form eIPO** service and the **White Form eIPO** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **Pink Form eIPO** service and the **White Form eIPO** service, you are deemed to have authorized the **Pink Form eIPO** Service Provider and the **White Form eIPO** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **Pink Form eIPO** service and the **White Form eIPO** 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 Overseas Eligible Employees and Individual/Joint Applicants	For Corporate Applicants
• Full name(s) as shown on your identity document	• Full name(s) as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority: i. HKID card; or ii. National identification document; or iii. Passport; and	• Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and
• Identity document number	• Identity document number

Notes:

1. If you are applying through the **Pink Form eIPO** service and the **White Form eIPO** 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.

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 Hong Kong Offer Shares. Similarly for corporate applicants, an LEI number must be used if an entity has an LEI certificate.

3. If the applicant is a trustee, the client identification data (the "**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 applicants 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, the Company and the Sponsor-Overall Coordinators have discretion to consider whether to accept it on any conditions they 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	:	100 H 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$209.88 per H Share. 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, the brokerage, the 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 **HKSCC EIPO** channel or the **White Form eIPO** service, you may refer to the table below for the amount payable for the number of H 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	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application
	HK$		*HK$*		*HK$*		*HK$*
100	21,199.67	1,500	317,994.96	8,000	1,695,973.12	90,000	19,079,697.58
200	42,399.32	2,000	423,993.28	9,000	1,907,969.75	100,000	21,199,663.98
300	63,598.99	2,500	529,991.61	10,000	2,119,966.40	200,000	42,399,327.95
400	84,798.66	3,000	635,989.91	20,000	4,239,932.80	300,000	63,598,991.95
500	105,998.32	3,500	741,988.23	30,000	6,359,899.19	400,000	84,798,655.92
600	127,197.98	4,000	847,986.56	40,000	8,479,865.59	500,000	105,998,319.90
700	148,397.65	4,500	953,984.88	50,000	10,599,831.99	1,000,000	211,996,639.80
800	169,597.31	5,000	1,059,983.19	60,000	12,719,798.39	1,500,000	317,994,959.70
900	190,796.97	6,000	1,271,979.84	70,000	14,839,764.79	2,000,000	423,993,279.60
1,000	211,996.64	7,000	1,483,976.48	80,000	16,959,731.19	3,750,700[1]	795,135,796.91

(1) Maximum number of Hong Kong Offer Share you may apply for.

(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) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

If you are an Overseas Eligible Employee and applying through the **Pink Form eIPO** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Overseas Employee Reserved Shares.

No. of Overseas Employee Reserved Shares applied for	Amount payable[2] on application	No. of Overseas Employee Reserved Shares applied for	Amount payable[2] on application	No. of Overseas Employee Reserved Shares applied for	Amount payable[2] on application	No. of Overseas Employee Reserved Shares applied for	Amount payable[2] on application
	HK$		*HK$*		*HK$*		*HK$*
100	21,199.67	2,000	423,993.28	30,000	6,359,899.19	250,000	52,999,159.96
200	42,399.32	3,000	635,989.91	40,000	8,479,865.59	300,000	63,598,991.95
300	63,598.99	4,000	847,986.56	50,000	10,599,831.99	350,000	74,198,823.94
400	84,798.66	5,000	1,059,983.19	60,000	12,719,798.39	400,000	84,798,655.92
500	105,998.32	6,000	1,271,979.84	70,000	14,839,764.79	450,000	95,398,487.91
600	127,197.98	7,000	1,483,976.48	80,000	16,959,731.19	500,000	105,998,319.90
700	148,397.65	8,000	1,695,973.12	90,000	19,079,697.58	550,000	116,598,151.89
800	169,597.31	9,000	1,907,969.75	100,000	21,199,663.98	600,000	127,197,983.88
900	190,796.97	10,000	2,119,966.40	150,000	31,799,495.96	700,000	148,397,647.85
1,000	211,996.64	20,000	4,239,932.80	200,000	42,399,327.95	833,400[1]	176,677,999.61

(1) Maximum number of Overseas Employee Reserved Shares you may apply for.

(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) and the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC; and in the case of the AFRC transaction levy, collected by the Stock Exchange on behalf of the AFRC).

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 **White Form eIPO** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **White Form eIPO** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any Offer Shares in the International Offering.

In addition, if you are an Overseas Eligible Employee, you may also make an additional application for the Overseas Employee Reserved Shares by the **Pink Form eIPO** service. Only one application for the Overseas Employee Reserved Shares is permitted per Overseas Eligible Employee under the Overseas Employee Preferential Offering. Multiple applications by any Overseas Eligible Employee are liable to be rejected.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the application channels specified in this prospectus, 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 the Company and/or the Sponsor-Overall Coordinators 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 **Pink Form eIPO** service and/or the **White Form eIPO** 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 H 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 Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (the "**Relevant Persons**"), the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) 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 the Company, the Relevant Persons, the H 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 paragraphs headed "— G. Personal Data — 3. Purposes" and "— 4. Transfer of personal data" in this section;

(viii) 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;

(ix) 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 H 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;

(x) 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;

(xi) 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;

(xii) agree to comply 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 the Company 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;

(xiii) 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, supervisors, chief executive, 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, supervisors, chief executive, 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 H Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that the Company and the Sponsor-Overall Coordinators 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;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) 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;

(xviii) (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 **Pink Form eIPO** service and the **White Form eIPO** service or by any one as your agent or by any other person; and

(xix) (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 (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 **Pink Form eIPO** service, **White Form eIPO** service or **HKSCC EIPO** channel:		
Website	The designated results of allocation website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function.	24 hours, from 11:00 p.m. on Monday, April 20, 2026 to Sunday, April 26, 2026
	The full list of (i) wholly or partially successful applicants using the **Pink Form eIPO** service, the **White Form eIPO** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed on the "Allotment Results" page of the **White Form eIPO** service at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**).	

Platform		Date/Time
	The Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.sunwoda.com** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, April 20, 2026 (Hong Kong time)
Telephone	+852 2862 8555 – the allocation results telephone inquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m. on Tuesday, April 21, 2026, Wednesday, April 22, 2026, Thursday, April 23, 2026 and Friday, April 24, 2026

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, April 17, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, April 17, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

The Company expects 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 Overseas Employee Preferential Offering and the basis of allocations of Hong Kong Offer Shares and Overseas Employee Reserved Shares on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.shpcb.com** by no later than 11:00 p.m. on Monday, April 20, 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 the Company or its agents exercise their discretion to reject your application:

The Company, the Sponsor-Overall Coordinators, the H 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 H 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 the Company 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. Application 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;
- the Company or the Sponsor-Overall Coordinators believe that by accepting your application, it or the Company would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Offer 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 banks will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer 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 Offer 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 the Company, the Relevant Persons, the H 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 H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H 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 H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Offer Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Tuesday, April 21, 2026 (Hong Kong time), provided that the Global Offering has become unconditional, and the right of termination described in the section headed "Underwriting" in this prospectus has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	White Form eIPO service/ Pink Form eIPO service	HKSCC EIPO channel
Despatch/collection of H Share certificate[1]		
For physical share certificates of equal or over 1,000,000 Offer Shares issued under your own name	Collection in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong	H 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, April 21, 2026 (Hong Kong time), or any other place or date notified by the Company	No action by you is required
	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 H Share Registrar	

	White Form eIPO service/ Pink Form eIPO service	HKSCC EIPO channel
	Note: If you do not collect your H 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 physical share certificates of less than 1,000,000 Offer Shares issued under your own name	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk Time: Monday, April 20, 2026	

	Pink Form eIPO service	White Form eIPO service	HKSCC EIPO channel
Refund mechanism for surplus application monies paid by you			
Date	Tuesday, April 21, 2026	Tuesday, April 21, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	H Share Registrar	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**Pink Form** e-Refund payment instructions to your designated bank account	**White Form** e-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 check(s) will be dispatched to the address as specified in your application instructions by ordinary post at your own risk	Refund check(s) will be dispatched to the address as specified in your application instructions by ordinary post at your own risk	

1 Except in the event any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on Monday, April 20, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— E. Severe Weather Arrangements" in this section.

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, April 16, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an Extreme Condition,

(collectively, the "**Severe Weather Signal(s)**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, April 16, 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 Severe 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 the Company's website at **www.shpcb.com** of the revised timetable.

If a Severe Weather Signal is hoisted on Monday, April 20, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Tuesday, April 21, 2026, and for physical H Share certificates of less than 1,000,000 Offer Shares issued under your own name, despatch will be made by ordinary post when the post office reopens after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, April 20, 2026 or on Tuesday, April 21, 2026).

If a Severe Weather Signal is hoisted on Tuesday, April 21, 2026, for physical H Share certificates of over 1,000,000 Offer Shares issued under your own name, you may collect your H Share certificates from the H Share Registrar's office after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Tuesday, April 21, 2026 or on Wednesday, April 22, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and the Company complies with the stock admission requirements of HKSCC, the H 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 H 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 the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H 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 H Share Registrar, the receiving banks 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 agreed 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 H 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 H 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 H 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 H 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 H 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 H 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 check and **Pink Form** and **White Form** e-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 H 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 H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H 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 H 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 H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H 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 banks and principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar 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 H Share Registrar in connection with their respective business operations;
- 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 H 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 was 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 H Share Registrar holds their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H 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 H 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 H 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-3, received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of 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.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF VICTORY GIANT TECHNOLOGY (HUIZHOU) CO., LTD., J.P. MORGAN SECURITIES (FAR EAST) LIMITED, CHINA SECURITIES (INTERNATIONAL) CORPORATE FINANCE COMPANY LIMITED AND GF CAPITAL (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Victory Giant Technology (HuiZhou) Co., Ltd. (the "Company") and its subsidiaries (together the "Group") set out on pages I-4 to I-84, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows of the Group for each of the years ended December 31, 2023, 2024 and 2025 (the "Track Record Period"), 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-84 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated April 13, 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 (the "Stock Exchange").

Directors' Responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of 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 Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 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 purposes of the accountants' report, a true and fair view of the Group's and the Company's financial position as at December 31, 2023, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 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 16 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

BDO Limited
Certified Public Accountants

Chan Wing Fai
Practising Certificate no. P05443

Hong Kong
April 13, 2026

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of 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 Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*6*	7,931,248	10,731,469	19,292,313
Cost of sales		(6,287,951)	(8,292,806)	(12,496,889)
Gross profit		1,643,297	2,438,663	6,795,424
Other (losses)/gains, net	*7*	(11,413)	41,846	(67,840)
Other income	*8*	43,829	49,981	72,589
Selling and marketing expenses		(154,408)	(200,815)	(257,347)
Administrative expenses		(320,286)	(456,705)	(563,528)
Research and development expenses		(348,304)	(449,827)	(777,643)
(Provision)/reversal of impairment losses on financial assets, net	*9*	(15,329)	2,303	(36,415)
Listing expenses		–	–	(1,031)
Operating profit		837,386	1,425,446	5,164,209
Finance costs	*10*	(88,172)	(113,623)	(142,493)
Profit before income tax	*11*	749,214	1,311,823	5,021,716
Income tax expenses	*12*	(77,868)	(157,392)	(709,728)
Profit for the year attributable to owners of the Company		671,346	1,154,431	4,311,988
Other comprehensive income, net of tax				
Items that will not be reclassified subsequently to profit or loss:				
Fair value change on financial assets at fair value through other comprehensive income, net of tax		84,741	298,385	1,477,322
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences		(1,896)	28,509	(50,478)
Other comprehensive income for the year		82,845	326,894	1,426,844
Total comprehensive income for the year attributable to owners of the Company		754,191	1,481,325	5,738,832
Earnings per share attributable to owners of the Company during the year (expressed in RMB)				
Basic earnings per share	*15*	0.79	1.34	5.01
Diluted earnings per share	*15*	0.79	1.34	5.00

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	18	7,184,377	7,476,552	12,876,416
Right-of-use assets	19	209,358	211,026	469,943
Intangible assets	20	616,181	615,123	587,624
Goodwill	21	1,156,331	1,217,339	1,193,532
Financial assets at fair value through other comprehensive income	22	765,228	1,116,269	2,854,295
Deferred tax assets	23	76,739	52,466	343,263
Other non-current assets	24	112,282	406,540	3,405,621
Total non-current assets		10,120,496	11,095,315	21,730,694
Current assets				
Inventories	25	1,376,834	2,045,403	3,162,360
Financial assets at fair value through profit or loss	22	3,549	–	137,000
Derivative financial assets	22	31,318	15,796	–
Trade and other receivables	26	3,655,625	4,271,749	6,560,911
Other current assets	27	54,498	85,024	373,877
Restricted bank deposits	28	1,391,920	735,280	73,075
Cash and cash equivalents	28	749,376	926,746	3,206,572
Total current assets		7,263,120	8,079,998	13,513,795
Current liabilities				
Borrowings	29	3,294,401	1,907,771	2,473,826
Lease liabilities	30	16,536	14,832	22,114
Trade and other payables	31	4,005,013	5,473,479	11,143,930
Other current liabilities		177,146	18,846	15,108
Contract liabilities	32	5,222	3,798	11,423
Deferred income	33	7,244	6,076	8,085
Income tax payables		77,569	111,761	370,774
Derivative financial liabilities		58	–	1,736
Total current liabilities		7,583,189	7,536,563	14,046,996
Net current (liabilities)/assets		(320,069)	543,435	(533,201)
Total assets less current liabilities		9,800,427	11,638,750	21,197,493

	Note	As at December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Non-current liabilities				
Borrowings	29	1,777,135	2,310,038	3,867,436
Lease liabilities	30	53,673	60,231	82,320
Trade and other payables	31	–	5,585	5,171
Provisions		58,252	13,936	10,891
Deferred income	33	41,847	35,654	72,186
Other non-current liabilities		1,227	1,192	1,172
Deferred tax liabilities	23	242,563	284,181	540,709
Total non-current liabilities		2,174,697	2,710,817	4,579,885
Net assets		7,625,730	8,927,933	16,617,608
EQUITY				
Equity attributable to owners of the Company				
Share capital	34	862,689	862,689	870,349
Other reserves	35, 36	3,830,180	4,234,220	7,861,823
Retained earnings	36	2,932,861	3,831,024	7,885,436
Total equity		7,625,730	8,927,933	16,617,608

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Treasury shares	Capital reserve	Surplus reserve	Exchange reserve	Other reserves	Retained earnings	Total
	(note 34)	*(note 35)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2023	862,689	(150,106)	3,258,101	317,266	(3,805)	161,491	2,491,227	6,936,863
Profit for the year	–	–	–	–	–	–	671,346	671,346
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	–	84,741	–	84,741
Exchange differences arising from translation of foreign operations	–	–	–	–	(1,896)	–	–	(1,896)
Total comprehensive income for the year	–	–	–	–	(1,896)	84,741	671,346	754,191
Dividend paid	–	–	–	–	–	–	(163,264)	(163,264)
Shared-based payment expenses	–	–	25,035	–	–	–	–	25,035
Increase in other reserves*	–	–	–	–	–	5,804	–	5,804
Transferred to surplus reserve	–	–	–	66,448	–	–	(66,448)	–
Exercise of share options under 2022 Restricted Share Scheme	–	94,031	(26,930)	–	–	–	–	67,101
Balance at December 31, 2023	862,689	(56,075)	3,256,206	383,714	(5,701)	252,036	2,932,861	7,625,730

* Increase in other reserves represented increase in safety fund reserve.

	Share capital	Treasury shares	Capital reserve	Surplus reserve	Exchange reserve	Other reserves	Retained earnings	Total
	(note 34)	*(note 35)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2024	862,689	(56,075)	3,256,206	383,714	(5,701)	252,036	2,932,861	7,625,730
Profit for the year	–	–	–	–	–	–	1,154,431	1,154,431
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	–	298,385	–	298,385
Exchange differences arising from translation of foreign operations	–	–	–	–	28,509	–	–	28,509
Total comprehensive income for the period	–	–	–	–	28,509	298,385	1,154,431	1,481,325
Dividend paid	–	–	–	–	–	–	(163,264)	(163,264)
Shared-based payment expenses	–	–	10,709	–	–	–	–	10,709
Increase in other reserves*	–	–	–	–	–	1,762	–	1,762
Transferred to surplus reserve	–	–	–	93,004	–	–	(93,004)	–
Repurchase of shares	–	(28,329)	–	–	–	–	–	(28,329)
Balance at December 31, 2024	862,689	(84,404)	3,266,915	476,718	22,808	552,183	3,831,024	8,927,933

* Increase in other reserves represented increase in safety fund reserve.

	Share capital	Treasury shares	Capital reserve	Surplus reserve	Exchange reserve	Other reserve	Retained earnings	Total
	(note 34)	*(note 35)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	*(note 36)*	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2025	862,689	(84,404)	3,266,915	476,718	22,808	552,183	3,831,024	8,927,933
Profit for the year	–	–	–	–	–	–	4,311,988	4,311,988
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	–	–	1,477,322	–	1,477,322
Exchange differences arising from translation of foreign operations	–	–	–	–	(50,478)	–	–	(50,478)
Total comprehensive income for the year	–	–	–	–	(50,478)	1,477,322	4,311,988	5,738,832
Dividend paid	–	–	–	–	–	–	(257,576)	(257,576)
Shared-based payment expenses	–	–	11,201	–	–	–	–	11,201
Deferred tax asset recognised on share-based payment	–	–	306,677	–	–	–	–	306,677
Issue of shares	7,660	–	1,868,727	–	–	–	–	1,876,387
Increase in other reserves*	–	–	–	–	–	1,421	–	1,421
Repurchase of share	–	(41,682)	–	–	–	–	–	(41,682)
Exercise of share options under 2022 Restricted Share Scheme	–	120,652	(66,237)	–	–	–	–	54,415
Balance at December 31, 2025	870,349	(5,434)	5,387,283	476,718	(27,670)	2,030,926	7,885,436	16,617,608

* Increase in other reserves represented increase in safety fund reserve.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Profit before income tax		749,214	1,311,823	5,021,716
Adjustments for:				
Depreciation of property, plant and equipment	*18*	623,010	716,505	882,792
Impairment loss on property, plant and equipment	*11*	5,554	10,741	253
Depreciation of right-of-use assets	*19*	14,438	21,682	30,940
Amortisation of intangible assets	*20*	11,974	34,827	40,558
Fair value change on financial assets at FVTPL	*7*	(2,346)	3,491	–
Bank interest income	*8*	(23,126)	(14,328)	(24,510)
Interest income from wealth management product	*7*	(40,561)	(8,638)	(1,489)
Interest expenses	*10*	85,300	110,431	137,778
Loss on disposal/written off of property, plant and equipment	*7*	7,778	47,615	21,589
Loss on disposal of land use rights	*7*	32,418	–	–
Loss on disposal of intangible assets	*7*	2	103	–
Share-based payment expenses	*11*	25,035	10,709	11,201
Early termination of lease	*7*	–	(114)	1,417
Written down of inventories	*11*	16,135	13,177	33,630
Provision/(reversal) of impairment losses on financial assets	*9*	15,329	(2,303)	36,415
Write back of provisions	*7*	–	(55,115)	–
Investment income from debt restructuring		–	–	(23,729)
Provision for warranty		–	7,306	–
Provision for safety fund		5,804	1,762	1,421
Operating cash flows before movements in working capital		1,525,958	2,209,674	6,169,982
Decrease/(increase) in inventories		47,406	(623,831)	(1,153,700)
Decrease/(increase) in trade and notes receivables		50,633	(578,962)	(2,080,043)
(Increase)/decrease in other receivables		(1,218)	86,676	(255,153)
Decrease/(increase) in other non-current assets		22,959	(52,525)	(41,166)
(Increase)/decrease in other current assets		(31,551)	(30,442)	(288,856)
(Decrease)/increase in trade and notes payables		(199,965)	1,260,474	2,514,217

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
(Decrease)/increase in deferred income		(5,279)	(7,409)	38,493
(Decrease)/increase in other payables		(33,633)	87,817	129,415
Increase/(decrease) in other current liabilities		129,898	(159,073)	(4,495)
(Decrease)/increase in contract liabilities		(5,759)	(1,465)	7,584
Cash generated from operations		1,499,449	2,190,934	5,036,278
Interest received		23,126	14,328	24,510
Income taxes paid		(54,753)	(134,146)	(440,714)
Net cash generated from operating activities		1,467,822	2,071,116	4,620,074
Investing activities				
Purchases of financial assets at fair value through profit or loss		(3,549)	–	(135,264)
Proceeds from disposal of financial assets at fair value through profit or loss		504,749	–	–
Purchase of derivative financial instruments		(31,318)	(15,796)	–
Proceeds from disposal of derivative financial instruments		–	31,318	15,796
Proceeds from disposal of financial assets at amortised cost		766,966	8,638	1,489
Net cash outflow arising from acquisitions of subsidiaries		(2,773,463)	(223,512)	–
Purchase of property, plant and equipment		(261,683)	(1,116,063)	(6,363,688)
Proceeds from disposal of property, plant and equipment		2,568	17,242	145,651
Proceeds from disposal of intangible assets		–	150	1,593
Proceeds from disposal of land use rights		116,179	–	–
Purchase of intangible assets		(7,975)	(5,469)	(25,297)
Placement of restricted bank deposits		(1,694,253)	(830,591)	(814,836)
Redemption of restricted bank deposits		671,572	1,487,211	1,477,031
Net cash used in investing activities		(2,710,207)	(646,872)	(5,697,525)

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Financing activities				
Repayment of principal of lease liabilities		(8,819)	(17,140)	(268,310)
Repayment of interest of lease liabilities		(1,624)	(3,197)	(4,794)
Dividend paid to owners of the Company		(163,264)	(163,264)	(257,576)
Proceeds from bank borrowings		4,071,492	2,273,524	4,914,512
Proceeds from exercise of share options		67,101	–	54,415
Repayment from bank borrowings		(2,617,270)	(3,208,069)	(2,795,386)
Proceeds from issue of new shares		–	–	1,876,387
Payment for repurchase of shares		–	(28,329)	(41,682)
Interest paid		(83,619)	(107,444)	(132,984)
Net cash generated from/(used in) financing activities		1,263,997	(1,253,919)	3,344,582
Net increase in cash and cash equivalents		21,612	170,325	2,267,131
Cash and cash equivalents at beginning of year		726,013	749,376	926,746
Effect of exchange rate changes		1,751	7,045	12,695
Cash and cash equivalents at the end of year, represented by cash and cash equivalents		749,376	926,746	3,206,572

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Note	As at December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	*18*	5,941,718	6,054,227	10,335,155
Right-of-use assets	*19*	13,618	13,210	91,726
Intangible assets	*20*	21,277	17,269	19,043
Financial assets at fair value through other comprehensive income	*22*	661,663	1,005,087	2,683,283
Investment in subsidiaries	*17*	3,324,465	3,753,654	4,858,031
Deferred tax assets	*23*	25,636	23,222	280,508
Other non-current assets	*24*	84,088	258,207	1,689,312
Total non-current assets		10,072,465	11,124,876	19,957,058
Current assets				
Inventories	*25*	1,008,318	1,608,195	2,464,125
Financial assets at fair value through profit or loss	*22*	3,549	–	137,000
Derivative financial assets	*22*	31,318	15,796	–
Trade and other receivables	*26*	3,359,266	3,620,786	6,889,367
Other current assets	*27*	46,435	80,268	271,010
Restricted bank deposits	*28*	1,390,553	735,277	72,975
Cash and cash equivalents	*28*	507,087	410,797	1,323,443
Total current assets		6,346,526	6,471,119	11,157,920
Current liabilities				
Borrowings	*29*	2,933,920	1,907,771	2,048,821
Lease liabilities	*30*	–	–	3,469
Trade and other payables	*31*	4,510,524	5,049,772	9,206,511
Other current liabilities		1,453	16,693	8,265
Contract liabilities	*32*	4,431	1,368	1,686
Deferred income	*33*	6,024	5,005	6,715
Income tax payables		59,932	95,528	320,119
Derivative financial liabilities		–	–	1,736
Total current liabilities		7,516,284	7,076,137	11,597,322
Net current assets/(liabilities)		(1,169,758)	(605,018)	(439,402)
Total assets less current liabilities		8,902,707	10,519,858	19,517,656
Non-current liabilities				
Borrowings	*29*	1,777,135	2,310,038	3,859,808
Deferred income	*33*	38,253	33,248	57,700
Deferred tax liabilities	*23*	47,650	95,844	347,574
Lease liabilities	*30*	–	–	2,732
Total non-current liabilities		1,863,038	2,439,130	4,267,814
Net assets		7,039,669	8,080,728	15,249,842
EQUITY				
Equity attributable to owners of the Company				
Share capital	*34*	862,689	862,689	870,349
Other reserves	*35, 36*	3,839,894	4,207,188	7,832,992
Retained earnings	*36*	2,337,086	3,010,851	6,546,501
Total equity		7,039,669	8,080,728	15,249,842

II NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was established in the People's Republic of China (the "PRC") in July 2006. On June 11, 2015, the Company's shares were listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300476). Its registered office and the principal place of business activities is located at Hangcheng Technology Park, Xinqiao Village, Danshui Town, Huiyang District, Huizhou City, Guangdong Province, PRC.

The Group and the Company is principally engaged in research and development, manufacturing and sales of high-precision multilayer printed circuit boards, HDI, FRX and Rigid-Flex PCBs. during the Track Record Period.

深圳市勝華欣業投資有限公司 is the controlling shareholder of the Company.

2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies set out in Note 4 which conform with all applicable IFRS Accounting Standards which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by International Accounting Standards Board ("IASB"). In addition, the Historical Financial Information also complies with the applicable disclosures requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing the Historical Financial Information, the Group has adopted the accounting policies which conform with all applicable new and revised IFRS Accounting Standards that are effective during the Track Record Period, consistently throughout the Track Record Period.

In preparing this Historical Financial Information, the directors of the Company have taken into account the expected cash flows from operations and available credit facilities, and concluded that the Group will have sufficient working capital to finance its operations and to meet its financial obligations for not less than twelve months from December 31, 2025. Consequently, the Historical Financial Information has been prepared on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

3. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

At the date of this report, new standard and amendments to IFRS Accounting Standards that have been issued but are not effective and have not been early adopted by the Group:

New and amendments to IFRS Accounting Standards issued but not yet effective

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to IFRS Accounting Standards . .	Annual Improvement to IFRS Accounting Standards – Volume 11[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after January 1, 2026.

2 Effective for annual periods beginning on or after January 1, 2027.

3 Effective for annual periods beginning on or after a date to be determined.

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures in a note and includes new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation in the statement of profit or loss and disclosures of the Group's financial performance. The Group does not anticipate the initial adoption of IFRS 18 would significantly affect the financial position and performance of the Group. The Group considers that other new and amended standards are unlikely to have a significant impact on the Group's results of operations and financial position.

4. MATERIAL ACCOUNTING POLICIES

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting year, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. The principal accounting policies are set out below.

(a) Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

(b) Business combinations

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits", respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date (see the accounting policy below); and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net of the acquisition date amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under IFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement year (see above), and additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(c) Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

(d) Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss on the statements of financial position of the Company.

(e) Revenue recognition and contract costs

Revenue is recognised to depict the transfer of goods to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when, or as, obligations under the terms of a contract are satisfied, which occurs when control of the promised products or services is transferred to customers. Revenue is measured as the amount of consideration the Group expects to receive in exchange for transferring products or services to a customer ("transaction price").

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accredited on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

When volume rebates are provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract, rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used.

Revenue is recognised either at a point in time or over time, when the Group satisfies performance obligations by transferring the promised goods or services to its customers.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which Group has received consideration (or an amount of consideration is due) from the customer.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from sale of goods

Revenue from contracts with customers is recognised at the point in time when control of goods is transferred to the customers, generally when the Group has delivered goods to the location specified in the sales contract and the buyer has confirmed the acceptance of the goods.

The credit period granted to customers by the Group is determined based on their credit risk characteristics. The Group does not expect to any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, there is no significant financing component.

Interest income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

(ii) Contract costs

Contract costs are either the costs to fulfil a contract or the incremental costs of obtaining a contract.

Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer which are not capitalised as inventories, property, plant and equipment and intangible assets, the Group capitalises the costs incurred to fulfil a contract with a customer as an asset (included in "other non-current assets" in the consolidated statements of financial position) if all of the following criteria are met:

i. the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

ii. the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

iii. the costs are expected to be recovered.

An asset is amortised and charged to the profit or loss on a systematic basis (i.e. over the period of sales contracts that is consistent with the transfer to the customer of the goods or services to which the asset relates. The asset is subject to impairment review. Other costs of fulfilling a contract, which are not capitalised, are expensed as incurred.

(f) Leasing

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the consolidated statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for leases for which at the commencement date have a lease term less than 12 months and leases of low-value assets. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

The Group presents right-of-use assets and lease liabilities separately in the consolidated statements of financial position.

Right-of-use asset

The right-of-use asset is recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

The right-of-use asset is subsequently depreciated using the straight-line method from the date of initial application over the shorter of the remaining lease term or the useful life of the underlying asset. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

(g) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the Historical Financial Information of each entity are measured using that functional currency.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

(h) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(i) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the consolidated statements of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(j) Retirement benefit costs

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

(k) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

(l) Share-based payment transactions

Equity-settled share-based payments to employees (including directors of the Company) are measured at the fair value of the equity instruments at the grant date. The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. Further details of which are given in note 40 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is canceled, it is treated as if it had vested on the date of cancelation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the canceled award, and is designated as a replacement award on the date that it is granted, the canceled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding restricted shares is reflected as additional share dilution in the computation of earnings per share.

(m) Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries or associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(n) Property, plant and equipment

Property, plant and equipment (except for freehold land) are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost less accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Property and Buildings	20-50 years
Machinery	3-20 years
Transportation vehicle	4-5 years
Electronic equipment	3-30 years
Leasehold improvement	3-5 years, or terms of lease contract

Freehold land with indefinite useful life is not depreciated.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

(o) Intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a straight-line basis over their useful lives as follows. Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. The amortisation expense is recognised in profit or loss.

Computer software	3-10 years
Customers relationship	10-12 years
Club memberships	11-28 years
Patents	5-10 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Customer relationships acquired in a business combination are recognised initially at fair value at the acquisition date. The fair value is determined using the multi-period excess earnings method, whereby the asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows. Subsequently, the customer relationships are carried at cost (i.e., the initial fair value) less accumulated amortisation and impairment losses, if any. Amortisation is calculated using the straightline method over the expected lives of the customer relationships, which are determined to be 10-12 years.

Goodwill

Goodwill is measured as described in note 4(b) above. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units ("CGU") for the purpose of impairment testing. The allocation is made to those CGU that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(p) Research and development costs

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product; and
- sale of the product will generate future economic benefits; and expenditure on the project can be measured reliably.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

(q) Impairment losses on tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of value in use and fair value less costs of disposal. In assessing value in use, the estimated future cash flows of the asset (or the cash-generating unit) are 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 the cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or the CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or the CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(r) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the Track Record Period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income ("FVOCI"):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model, whereby changes in fair value, interest income calculated using the effective interest rate method and foreign exchange gains and losses are recognised in profit or loss. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

Impairment loss on financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under IFRS 9 "Financial Instruments". The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group has elected to measure loss allowances for trade receivables using IFRS 9 simplified approach and always recognises lifetime ECL for trade receivables. The ECL on these financial assets are assessed collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in the credit risk since initial recognition or evidence that a financial asset is credit-impaired, then the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate obtained from economic expert reports, financial analysts and governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, or the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default to have occurred when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the relevant weighting.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis to cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables, other receivables are each assessed as a separate group. Note receivables are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(s) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

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, the existence of which 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.

(t) Related parties

(i) A person or a close member of that person's family is related to the Group if that person:

(a) has control or joint control over the Group;

(b) has significant influence over the Group; or

(c) is a member of key management personnel of the Group or the Company's parent.

(ii) An entity is related to the Group if any of the following conditions apply:

(a) 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).

(b) 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).

(c) Both entities are joint ventures of the same third party.

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(e) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.

(f) The entity is controlled or jointly controlled by a person identified in (i).

(g) A person identified in (i)(a) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

(h) 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.

(iii) 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 and include:

(a) that person's children and spouse or domestic partner;

(b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.

(u) Treasury shares

Own equity instruments which held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the consolidated statements of profit or loss and other comprehensive income on the purchase, sale, issue or cancelation of the Group's own equity instruments.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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 revision affects both current and future periods.

The following are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Key sources of estimation uncertainty

Useful lives and estimated impairment on property, plant and equipment

The Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will increase the depreciation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests for impairment for property, plant and equipment whenever there is an indication that the asset may be impaired. The recoverable amounts have been determined based on the higher of value in use and fair value less costs of disposal. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

Useful lives and estimated impairment on intangible assets

The Group's management determines the useful lives and related amortisation charges for its intangible assets. This estimate is based on the historical experience of the actual useful lives of intangible assets of similar nature and functions and may vary significantly as a result of technical innovations and keen competitions from competitors, resulting in higher amortisation charge and/or write-off or write-down of technically obsolete assets when useful lives are less than previously estimated. The Group will increase the amortisation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests for impairment for intangible assets whenever there is an indication that the asset may be impaired. The recoverable amounts have been determined based on the higher of value in use and fair value less costs of disposal. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

Provision of ECL for financial assets at amortised cost

The Group calculates ECL for trade and other receivables and cash and cash equivalent under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 37. Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Fair value measurements for financial assets at FVOCI

The Group has made various investments during the Track Record Period as set out in note 22. The Group accounts for these financial instruments as financial assets at FVOCI. For those investments with no quoted market prices in an active market, their fair values are estimated by using valuation techniques. These techniques include those further described in Note 39 under the heading "Fair value measurement". Valuation techniques are certified by independent and recognised business valuer before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. Valuation models established by the valuer make the maximum use of market inputs and rely as little as possible on the Group's specific data. However, some inputs require management estimates and assumptions, which are reviewed periodically and adjusted if necessary. Should any of the estimates and assumptions be changed, it may lead to a change in the fair value of the financial assets.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. In addition, these estimates could change significantly as a result of change in customer preference, environmental goals and competitor actions in response to industry cycles. Management measures these estimates at the end of each reporting year.

Assessment of goodwill impairment

The Group tests annually whether goodwill have suffered any impairment and when there is indication that they may be impaired, in accordance with the accounting policy stated in note 4(q). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations which require the use of assumptions. These calculations require the use of estimates. The key assumptions and sensitivity test was disclosed in note 21.

6. SEGMENT INFORMATION AND REVENUE

For the purposes of assessing performance and allocating resources, the Group's operation is regarded as one reportable operating segment which is the sale of high-precision printed circuit boards segment. The segment engages in the research and development, production and sales of high-precision multilayer printed circuit boards, HDI, FPC and Rigid-Flex PCBs. The executive directors of the Company review the financial performance and position for the year of the Group as a whole. Accordingly, no segment information is presented.

The Group's revenue streams are categorised as follows:

– Sales of products; and

– Others

An analysis of the Group's revenue is as follows:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Sales of products	7,458,581	10,050,762	18,083,689
Others *(note)*	472,667	680,707	1,208,624
Contracts with customers	7,931,248	10,731,469	19,292,313

Note: During the Track Record Period, the amounts mainly represented sales of scrap materials.

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers by timing of recognition within IFRS 15			
Point in time	7,931,248	10,731,469	19,292,313

The following table provides information about contract costs, trade receivables and contract liabilities from contracts with customers.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract costs *(Note 24)*	–	12,069	12,133
Trade receivables *(Note 26)*	3,250,758	3,927,102	5,933,087
Contract liabilities *(Note 32)*	5,222	3,798	11,423

The contract liabilities mainly relate to the advance consideration received from customers.

Transaction Price Allocated to Future Performance Obligations

IFRS 15 requires that the Group to disclose the aggregate amount of transaction price that is allocated to each performance obligation that has not yet been satisfied as at year-end. The Group applied practical expedient in paragraph 121(a) of IFRS 15 to its sales of products and others such that the Group has not disclosed the information in relation to the aggregated amount of transaction price allocated in the remaining performance obligations for contracts with an original expected length of one year or less.

Geographical information

An analysis of the Group's revenue from external customers, based on location of customers and analysed by region, is presented below:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue from external customers			
– Chinese Mainland (excluding special supervision territory)	3,054,914	4,198,643	4,470,884
– Outside Chinese Mainland – other regions and overseas countries	4,876,334	6,532,826	14,821,429
	7,931,248	10,731,469	19,292,313

Information about the Group's non-current assets excluding financial assets and deferred tax assets by geographical location of the assets are presented below:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets excluding financial assets and deferred tax assets			
– Chinese Mainland (excluding special supervision territory)	6,474,893	6,752,820	13,564,557
– Outside Chinese Mainland – other regions and overseas countries	2,803,636	3,173,760	4,968,579
	9,278,529	9,926,580	18,533,136

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	Years ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer A	N/A*	N/A*	5,737,877
Customer B	N/A*	N/A*	2,030,342

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

7. OTHER GAINS/(LOSSES), NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Donation	(6,750)	(4,382)	(10,387)
Fair value change on financial assets at FVTPL	2,346	(3,491)	–
Interest income from wealth management product	40,561	8,638	1,489
Net foreign exchange gains	11,731	78,156	(1,886)
Loss on disposal/written off of property, plant and equipment	(7,778)	(47,615)	(21,589)
Impairment loss on property, plant and equipment	–	(10,741)	(253)
Loss on disposal of intangible assets	(2)	(103)	–
Loss on disposal of land use rights	(32,418)	–	–
Write-back of provision *(note)*	–	55,115	–
Written down of inventories	(16,135)	(13,177)	(33,630)
Gain on early termination of leases	–	114	(716)
Others	(2,968)	(20,668)	(868)
Total	(11,413)	41,846	(67,840)

Note: The Group has write back provisions for litigation claims amounted to RMB55,115,000 due to the finalisation of the legal proceedings.

8. OTHER INCOME

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest income	23,126	14,328	24,510
Government subsidies	20,703	23,891	42,195
VAT input tax deduction	–	7,482	4,959
Others	–	4,280	925
Total	43,829	49,981	72,589

9. REVERSAL/(PROVISION) OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Impairment losses under ECL model, net of reversal			
Trade and notes receivables	(10,999)	(974)	(20,062)
Other receivables	(4,330)	3,277	(16,353)
	(15,329)	2,303	(36,415)

10. FINANCE COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest expenses on borrowings	83,676	107,234	132,984
Interest expenses on lease liabilities	1,624	3,197	4,794
Others	2,872	3,192	4,715
	88,172	113,623	142,493

11. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging/(crediting):

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of inventories	6,287,951	8,292,806	12,496,889
Depreciation and amortisation	649,422	773,014	954,290
Written down of inventories	16,135	13,177	33,630
Impairment loss on property, plant and equipment	5,554	10,741	253
Staff costs (including directors' emoluments):			
– Salaries and other benefits	1,225,826	1,688,481	2,262,379
– Retirement benefits scheme contributions	62,820	95,345	135,068
– Share-based payment expenses	25,035	10,709	11,201
Auditor's remuneration	1,780	2,410	4,318

12. INCOME TAX EXPENSES

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current tax			
– PRC Enterprise Income Tax ("EIT")	90,253	170,321	703,538
– Others	–	–	26,655
– (Over)/under provision in respect of prior year	(8,586)	(819)	26,458
	81,667	169,502	756,651
Deferred tax *(Note 23)*	(3,799)	(12,110)	(46,923)
Total income tax expense	77,868	157,392	709,728

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC subsidiaries is 25%. For the PRC subsidiaries approved as "High and New Technology Enterprise" by the relevant government authorities, they are subject to a preferential rate of 15%. For the PRC subsidiaries approved as "Micro and Small Enterprise" by the relevant government authorities, which the annual taxable income that is not more than RMB1,000,000 shall be included in its taxable income at the reduced rate of 12.5% for year ended December 31, 2022 and at the reduced rate of 25% for year ended December 31, 2023 to 2027, with the applicable enterprise income tax rate of 20%.

The group entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% on the estimated assessable profits for the years ended December 31, 2023, 2024 and 2025. On March 21, 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on March 28, 2018 and was gazette on the following day. Under the two-tiered profits tax rates regime, the first Hong Kong dollar ("HK$") 2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%.

Taxation arising from other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

The income tax expenses for the Track Record Period can be reconciled to the profit before income tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit before income tax	749,214	1,311,823	5,021,716
Tax at the applicable tax rate of 15% *(note)*	112,382	196,773	753,257
Effect of different tax rates of subsidiaries operating in other jurisdictions	(1,603)	(19,521)	3,245
(Over)/under provision of current tax in prior year	(8,586)	(819)	26,458
Tax effect of income not taxable for tax purpose	(1,593)	–	–
Tax effect of expenses not deductible for tax purpose	8,750	25,883	14,986
Tax effect of deductible temporary differences and tax losses not recognised as deferred tax asset	–	9,472	5,579
Utilisation of tax losses previously not recognised	–	–	(33,974)
Effect of superdeduction	(38,619)	(54,396)	(59,823)
Others	7,137	–	–
Income tax expense	77,868	157,392	709,728

Note: The applicable tax rate is with reference to the preferential PRC tax rate of 15% as the income deriving entities which are the PRC subsidiaries approved as "High and New Technology Enterprise" by the relevant government authorities under the EIT Law and Implementation Regulation of the EIT Law for the year.

13. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of the emoluments paid or payable to the directors and supervisors of the Company for the services provided to the Group during the Track Record Period are as follows:

Year ended December 31, 2023

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Mr. Chen Tao	–	1,221	1	–	–	1,222
Executive directors:						
Ms. Liu Chunlan	–	538	4	–	2,106	2,648
Mr. Chen Yong	–	797	–*	–	1,053	1,850
Mr. He Lianqi *(note (b))*	–	840	–	–	–	840
Mr. Zhao Qixiang	–	771	1	–	1,053	1,825
Independent non-executive directors:						
Ms. Chu Dazhi *(note (c))*	–	100	–	–	–	100
Ms. Liu Hui *(note (d))*	–	100	–	–	–	100
Mr. Hou Fuqiang *(note (e))*	–	100	–	–	–	100
Supervisors:						
Ms. Wang Haiyan *(note (a))*	–	564	27	–	–	591
Mr. Wei Junyi	–	213	2	–	–	215
Mr. Wang Yum	–	383	10	–	–	393
Mr. Zhu Guoqiang	–	743	5	–	1,053	1,801
Mr. Wang Hui	–	886	5	–	1,053	1,944
	–	7,256	55	–	6,318	13,629

* Amount less than RMB1,000

Year ended December 31, 2024

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Mr. Chen Tao	–	2,692	1	–	–	2,693
Executive directors:						
Ms. Liu Chunlan	–	1,658	1	–	713	2,372
Mr. Chen Yong	–	1,118	70	–	356	1,544
Mr. He Lianqi *(note (b))*	–	840	–	–	–	840
Mr. Zhao Qixiang	–	1,744	1	–	356	2,101
Independent non-executive directors:						
Ms. Chu Dazhi *(note (c))*	–	100	–	–	–	100
Ms. Liu Hui *(note (d))*	–	100	–	–	–	100
Mr. Hou Fuqiang *(note (e))*	–	100	–	–	–	100
Supervisors:						
Ms. Wang Haiyan *(note (a))*	–	580	40	–	–	620
Mr. Wei Junyi	–	36	1	–	–	37
Mr. Wang Yum	–	465	20	–	–	485
Mr. Zhu Guoqiang	–	913	79	–	356	1,348
Mr. Wang Hui	–	1,076	86	–	356	1,518
Ms. Zhu Xiyao	–	547	3	–	36	586
Mr. Zhou Dingzhong	–	888	70	–	285	1,243
	–	12,857	372	–	2,458	15,687

Year ended December 31, 2025

	Directors' fee	Salaries and other benefits	Performance-based bonus	Retirement benefit scheme contributions	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman:						
Mr. Chen Tao	–	6,394	1	–	–	6,395
Executive directors:						
Ms. Liu Chunlan	–	2,554	1	–	792	3,347
Mr. Chen Yong	–	1,915	114	–	396	2,425
Mr. Zhao Qixiang	–	3,154	5	–	396	3,555
Independent non-executive directors:						
Ms. Chu Dazhi *(note (c))*	–	–	–	–	–	–
Ms. Liu Hui *(note (d))*	–	–	–	–	–	–
Mr. Hou Fuqiang *(note (e))*	–	–	–	–	–	–
Mr. Xie LanJun *(note f)*	–	100	–	–	–	100
Ms. Xie LingMin *(note g)*	–	100	–	–	–	100
Mr. Zhang JiHai *(note h)*	–	100	–	–	–	100
Supervisors:						
Ms. Wang Haiyan *(note (a))*	–	584	130	–	–	714
Mr. Wei Junyi	–	–	–	–	–	–
Mr. Wang Yum	–	594	7	–	–	601
Mr. Zhu Guoqiang	–	1,012	121	–	396	1,529
Mr. Wang Hui	–	1,178	223	–	396	1,797
Ms. Zhu XiYao	–	762	2	–	40	804
Mr. Zhou Dingzhong	–	1,270	128	–	317	1,715
	–	19,717	732	–	2,733	23,182

Notes:

(a) Ms. Wang Haiyan appointed as a supervisor of the Company on April 7, 2022. She resigned as a supervisor and appointed as an executive director on August 15, 2025.

(b) Mr. He Lianqi resigned as an executive director of the Company on November 25, 2024.

(c) Ms. Chu Dazhi resigned as an independent non-executive director of the Company on March 17, 2025.

(d) Ms. Liu Hui resigned as an independent non-executive director of the Company on March 17, 2025.

(e) Mr. Hou Fuqiang resigned as an independent non-executive director of the Company on March 17, 2025.

(f) Mr. Xie LanJun appointed as an independent non-executive director of the Company on March 17, 2025.

(g) Ms. Xie LingMin appointed as an independent non-executive director of the Company on March 17, 2025.

(h) Mr. Zhang JiHai appointed as an independent non-executive director of the Company on March 17, 2025.

14. FIVE HIGHEST PAID INDIVIDUALS

During the years ended December 31, 2023, 2024 and 2025, the five individuals with the highest emoluments in the Group include 3, 4, and 4 directors of the Company, details of whose remuneration are set out in Note 13 above. The emoluments paid to the remaining 2, 1 and 1 individual during the years ended December 31, 2023, 2024 and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other benefits	1,629	1,076	1,178
Performance-based bonus	10	86	223
Retirement benefits scheme contributions	–	–	–
Share-based payment expenses	2,106	356	396
	3,745	1,518	1,797

The emoluments of the above individuals with the highest emoluments are within the following bands:

	Number of individuals Year ended December 31,		
	2023	2024	2025
Nil to HK$1,000,000	–	–	–
HK$1,000,001 to HK$1,500,000	–	–	–
HK$1,500,001 to HK$2,000,000	–	1	1
HK$2,000,001 to HK$2,500,000	2	–	–
	2	1	1

During the Track Record Period, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company have waived any emoluments during the Track Record Period.

15. EARNINGS PER SHARE

Basic earnings per share

The calculation of the basic earnings per share attribute to owners of the Company is based on the following data:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Earnings for the purpose of calculating basic earnings per share	671,346	1,154,431	4,311,988

Number of shares:

	Year ended December 31,		
	2023	2024	2025
Weighted average number of ordinary shares in issue, excluding treasury shares held for restricted share scheme as these shares are not considered outstanding for the purpose of calculating basic earnings per share	855,049,558	859,232,614	860,605,275

Diluted earnings per share

During the year ended December 31, 2023, the restricted shares outstanding do not meet the vesting conditions. As a result, the Company did not have any potential dilutive shares.

The diluted earnings per share of the Company for the year ended December 31, 2023, 2024 and 2025 is calculated as follows:

The calculation of the diluted earnings per share attribute to owners of the Company is based on the following data:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Earnings for the purpose of calculating diluted earnings per share	671,346	1,154,431	4,311,988

Number of shares:

	Year ended December 31,		
	2023	2024	2025
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	855,049,558	859,232,614	860,605,275
Effect of restricted shares	–	4,868,802	2,059,302
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	855,049,558	864,101,416	862,664,577

16. DIVIDENDS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Final dividend for the prior year	163,264	163,264	257,576

The final dividends of RMB1.90 per 10 shares (tax inclusive) in respect of the year ended December 31, 2022 were approved in 2022 Annual General Meeting of the Group. The final dividends have not been recognised as a liability at December 31, 2022. The final dividends were settled during 2023.

The final dividends of RMB1.90 per 10 shares (tax inclusive) in respect of the year ended December 31, 2023 were approved in 2023 Annual General Meeting of the Group. The final dividends have not been recognised as a liability at December 31, 2023. The final dividends were settled during 2024.

The final dividends of RMB3.00 per 10 shares (tax inclusive) in respect of the year ended December 31, 2024 were approved in 2024 Annual General Meeting of the Group. The final dividends have not been recognised as a liability at December 31, 2024. The final dividends were settled during 2025.

Subsequent to the end of the Track Record Period, the final dividends of RMB20.00 per 10 shares (tax inclusive), amounting to approximately RMB1,740,264,000, in respect of the year ended December 31, 2025 had been proposed by the Board and were subject to approval by the shareholders in the forthcoming annual general meeting of the Group. The final dividends have not been recognised as a liability at December 31, 2025.

17. INVESTMENTS IN SUBSIDIARIES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Investments in subsidiaries			
– Unlisted shares, at cost	3,324,465	3,753,654	4,858,031

The Company had direct and indirect equity interests in the following principal subsidiaries during the Track Record Period:

Name of subsidiaries	Place and date of incorporation establishment	Currency	Authorised shares capital/ registered capital	Equity interests attributable to the Company as at December 31, 2023		December 31, 2024		December 31, 2025		Principal activities
				Direct	Indirect	Direct	Indirect	Direct	Indirect	
				%	%	%	%	%	%	
Shenghua Electronics (Huiyang) Co., ltd* 勝華電子(惠陽)有限公司	The PRC, January 24, 2003	RMB	60,000,000	100	–	100	–	100	–	Manufacturing
Hongxing International Technology Limited**	Hong Kong, June 15, 2011	United State dollar ("USD")	50,000	100	–	100	–	100	–	Trading of electronic products
Shenzhen Shenghong Electronics Co., Ltd.** 深圳市勝宏電子有限公司	The PRC, October 23, 2015	RMB	100,000,000	100	–	100	–	100	–	Development consultation
Huizhou Victory Giant Technology Research Institute Co., Ltd** 惠州市勝宏科技研究院有限公司	The PRC, December 26, 2017	RMB	50,000,000	100	–	100	–	100	–	Product development
VGTPCB Inc	United States, March 9, 2017	USD	500,000	–	100	–	100	–	100	Trading of electronic products
Hongxing International Co., Ltd	Japan, July 3, 2018	Japanese Yen ("JPY")	5,000,000	–	100	–	100	–	100	Trading of electronic products
Huizhou Victory Giant Precision Technology Co., Ltd** 惠州市勝宏精密技術有限公司	The PRC, September 9, 2020	RMB	100,000,000	100	–	100	–	100	–	Product development
Ningbo Kefa Fuding Venture Capital Partnership Enterprise 寧波科發富鼎創業投資合夥企業(有限合夥)	The PRC, November 2, 2017	RMB	2,750,000	98.97	–	98.97	–	98.97	–	Capital market services
Pole Star Limited	Cayman Island, October 24, 2017	USD	167,740,529	100	–	100	–	100	–	Capital market services
MFS Technology (S) Pte Ltd. ("MFS(S)")***	Singapore, October 11, 1988	Singapore dollar ("SGD")	87,922,356	–	100	–	100	–	100	Sales
MFS Technology (M) Sdn. Bhd.***	Malaysia, January 31, 1958	Malaysia Ringgit ("RM")	5,000,000	–	100	–	100	–	100	Manufacturing and sales

Name of subsidiaries	Place and date of incorporation establishment	Currency	Authorised shares capital/ registered capital	Equity interests attributable to the Company as at December 31, 2023 Direct	December 31, 2023 Indirect	December 31, 2024 Direct	December 31, 2024 Indirect	December 31, 2025 Direct	December 31, 2025 Indirect	Principal activities
				%	%	%	%	%	%	
Hunan Weisheng Technology Co., Ltd** 湖南維勝科技有限公司	The PRC, September 12, 2003	RMB	5,000,000	–	100	–	100	–	100	Manufacturing and sales
Hunan Weisheng Technology Circuit Board Co., Ltd** 湖南維勝科技電路板有限公司	The PRC, July 24, 1989	RMB	17,000,000	–	100	–	100	–	100	Manufacturing and sales
MFS Technology Europe UG	Germany, January 28, 2011	Euro ("EUR")	1,500	–	100	–	100	–	100	Sales
Yiyang Weisheng Technology Co., Ltd.** 益陽維勝科技有限公司	The PRC, September 14, 2018	USD	14,000,000	–	100	–	100	–	100	Manufacturing and sales
Victory Giant Technology (S) Pte Ltd***	Singapore, April 17, 2024	USD	80,750,121	–	–	100	–	100	–	Capital market services
Victory Giant Technology (Vietnam) Co., Ltd***	Vietnam, July 4, 2024	USD	30,000,000	–	–	–	100	–	100	Manufacturing and sales
Victory Giant Technology (Thailand) Co., Ltd***	Thailand, July 25, 1990	Thai Baht ("THB")	4,564,836,100	–	–	–	100	–	100	Manufacturing and sales

Notes:

i. The English names of the subsidiaries registered in the Chinese Mainland of the PRC represent the best efforts made by management of the Company to translate their Chinese names as they do not have official English names.

All of the subsidiaries adopted December 31 as their financial year end date.

* The statutory financial statements of certain subsidiaries in the PRC were prepared in accordance with relevant accounting principles and financial regulations applicable in the PRC, for the years ended December 31, 2023, 2024 and 2025 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP.

** No statutory audited financial statements were prepared for certain entities established in the PRC since their date of incorporation as they are incorporated in a jurisdiction where there are no local statutory audit requirements or exempted from statutory audit requirements.

*** Statutory audited financial statements were prepared by member firm of BDO Limited.

18. PROPERTY, PLANT AND EQUIPMENT

	Property and buildings	Land	Machinery	Transportation vehicle	Electronic equipment	Construction in progress	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Group								
Cost								
As at January 1, 2023	2,417,333	–	5,704,107	43,406	160,860	125,424	70,148	8,521,278
Additions	8,320	–	287,865	1,293	16,975	20,800	30,336	365,589
Acquisition of a subsidiary	247,418	–	507,502	73	33,257	114,135	–	902,385
Transferred from construction in progress	39,927	–	7,197	–	394	(47,518)	–	–
Disposals/written off	(123)	–	(38,102)	(465)	(1,817)	–	–	(40,507)
Exchange difference	(136)	–	(332)	–	48	–	–	(420)
As at December 31, 2023 and January 1, 2024	2,712,739	–	6,468,237	44,307	209,717	212,841	100,484	9,748,325
Additions	44,896	–	435,920	6,933	24,903	351,756	10,561	874,969
Acquisition of a subsidiary	103,829	62,718	40,384	443	845	–	–	208,219
Transferred from construction in progress	185,397	–	120,449	–	2,216	(308,062)	–	–
Disposals/written off	(1,787)	–	(557,205)	(3,569)	(13,055)	–	–	(575,616)
Exchange difference	(2,085)	(1,123)	(5,185)	(34)	(18)	–	–	(8,445)
As at December 31, 2024 and January 1, 2025	3,042,989	61,595	6,502,600	48,080	224,608	256,535	111,045	10,247,452
Additions	54,856	97,996	1,749,535	22,579	57,791	4,381,671	85,769	6,450,197
Transferred from construction in progress	447,883	–	512,674	2,683	24,627	(987,867)	–	–
Disposals/written off	(108,630)	–	(252,082)	(2,067)	(4,882)	(40,464)	–	(408,125)
Exchange difference	4,779	5,148	(13,367)	167	(4,446)	–	–	(7,719)
As at December 31, 2025	3,441,877	164,739	8,499,360	71,442	297,698	3,609,875	196,814	16,281,805

	Property and buildings	Land	Machinery	Transportation vehicle	Electronic equipment	Construction in progress	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated depreciation and impairment								
As at January 1, 2023	220,293	–	1,619,812	28,923	63,640	–	33,412	1,966,080
Depreciation for the year	70,674	–	518,576	4,590	17,761	–	11,409	623,010
Impairment loss	–	–	5,554	–	–	–	–	5,554
Eliminated on disposals/written off	(96)	–	(23,642)	(224)	(6,199)	–	–	(30,161)
Exchange difference	(30)	–	(480)	(71)	46	–	–	(535)
As at December 31, 2023 and January 1, 2024	290,841	–	2,119,820	33,218	75,248	–	44,821	2,563,948
Depreciation for the year	85,879	–	571,623	4,139	36,381	–	18,483	716,505
Impairment loss	13	–	10,719	–	9	–	–	10,741
Eliminated on disposals/written off	(857)	–	(496,415)	(2,306)	(11,181)	–	–	(510,759)
Exchange difference	(1,624)	–	(8,007)	(35)	131	–	–	(9,535)
As at December 31, 2024 and January 1, 2025	374,252	–	2,197,740	35,016	100,588	–	63,304	2,770,900
Depreciation for the year	97,500	–	704,819	5,399	43,718	–	31,356	882,792
Impairment loss	–	–	57	–	196	–	–	253
Eliminated on disposals/written off	(80,042)	–	(155,957)	(1,717)	(3,169)	–	–	(240,885)
Exchange difference	2,994	–	(7,051)	121	(3,735)	–	–	(7,671)
As at December 31, 2025	394,704	–	2,739,608	38,819	137,598	–	94,660	3,405,389
Net book value								
As at December 31, 2023	2,421,898	–	4,348,417	11,089	134,469	212,841	55,663	7,184,377
As at December 31, 2024	2,668,737	61,595	4,304,860	13,064	124,020	256,535	47,741	7,476,552
As at December 31, 2025	3,047,173	164,739	5,759,752	32,623	160,100	3,609,875	102,154	12,876,416

	Property and buildings	Machinery	Transportation vehicle	Electronic equipment	Construction in progress	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Company							
Cost							
As at January 1, 2023	2,417,210	5,339,064	33,590	134,802	124,378	22,368	8,071,412
Additions	7,746	256,346	1,223	26,883	7,045	6,080	305,323
Transferred from construction in progress	435	–	–	–	(435)	–	–
Disposals/written off	–	(35,997)	(94)	–	–	–	(36,091)
As at December 31, 2023 and January 1, 2024	2,425,391	5,559,413	34,719	161,685	130,988	28,448	8,340,644
Additions	41,371	425,444	1,890	19,507	236,616	1,270	726,098
Transferred from construction in progress	168,814	–	–	–	(168,814)	–	–
Disposals/written off	–	(109,105)	(623)	–	–	–	(109,728)
As at December 31, 2024 and January 1, 2025	2,635,576	5,875,752	35,986	181,192	198,790	29,718	8,957,014
Additions	51,903	1,723,167	10,616	34,686	3,261,623	23,054	5,105,049
Transferred from construction in progress	494,474	225,599	–	–	(720,073)	–	–
Disposals/written off	–	(193,190)	(1,895)	(8)	–	–	(195,093)
As at December 31, 2025	3,183,953	7,631,328	44,707	215,870	2,740,340	52,772	13,866,970
Accumulated depreciation and impairment							
As at January 1, 2023	220,203	1,549,778	24,238	45,789	–	9,934	1,849,942
Depreciation for the year	70,987	474,538	3,302	18,784	–	4,013	571,624
Eliminated on disposals/written off	–	(22,551)	(89)	–	–	–	(22,640)
As at December 31, 2023 and January 1, 2024	291,190	2,001,765	27,451	64,573	–	13,947	2,398,926
Depreciation for the year	75,482	467,487	2,801	24,545	–	5,026	575,341
Eliminated on disposal/written off	–	(70,887)	(593)	–	–	–	(71,480)
As at December 31, 2024 and January 1, 2025	366,672	2,398,365	29,659	89,118	–	18,973	2,902,787
Depreciation for the year	84,482	592,895	2,752	27,693	–	13,756	721,578
Eliminated on disposal/written off	–	(90,976)	(1,574)	–	–	–	(92,550)
As at December 31, 2025	451,154	2,900,284	30,837	116,811	–	32,729	3,531,815
Net book value							
As at December 31, 2023	2,134,201	3,557,648	7,268	97,112	130,988	14,501	5,941,718
As at December 31, 2024	2,268,904	3,477,387	6,327	92,074	198,790	10,745	6,054,227
As at December 31, 2025	2,730,799	4,731,044	13,870	99,059	2,740,340	20,043	10,335,155

At December 31, 2023, 2024 and 2025, property, plant and equipment approximately amounted to RMB754,936,000, RMB731,565,000 and RMB839,815,000 were pledged for the borrowings of the Group (note 29).

At December 31, 2023, 2024 and 2025, property, plant and equipment approximately amounted to RMB754,936,000, RMB731,565,000 and RMB839,815,000 were pledged for the borrowings of the Company (note 29).

During the years ended December 31, 2023, 2024 and 2025, the Group has identified obsolete machineries which were idle and not expected to be used in the future. The directors of the Company assessed the recoverable amounts of the obsolete machineries based on the fair value less costs of disposal and provided impairment provision of approximately RMB5,554,000, RMB10,719,000 and RMB253,000 at the December 31, 2023, 2024 and 2025 respectively. When determining the fair value less costs of disposal, the fair value is determined based on market price of scrap iron which is Level 2 input that are indirectly observable based on current market expectations.

19. RIGHT-OF-USE ASSETS

Details of the right-of-use assets recognised and movements during the years:

Group

	Land use rights	Property and buildings	Equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Costs				
As at January 1, 2023	174,684	50,981	–	225,665
Additions	–	31,377	–	31,377
Acquisition of a subsidiary	130,082	3,411	4,967	138,460
Disposals	(155,208)	(5,311)	–	(160,519)
Exchange difference	–	8	2	10
As at December 31, 2023 and January 1, 2024	149,558	80,466	4,969	234,993
Additions	–	21,974	6,452	28,426
Disposals	–	–	(8,414)	(8,414)
Exchange difference	1,492	118	6	1,616
As at December 31, 2024 and January 1, 2025	151,050	102,558	3,013	256,621
Additions	246,160	51,577	–	297,737
Disposals	–	(15,060)	(2,477)	(17,537)
Exchange difference	(6,648)	(166)	(9)	(6,823)
As at December 31, 2025	390,562	138,909	527	529,998
Depreciation				
As at January 1, 2023	11,026	11,617	–	22,643
Provided for the year	1,391	12,821	226	14,438
Disposals	(6,611)	(4,910)	–	(11,521)
Exchange difference	–	74	1	75
As at December 31, 2023 and January 1, 2024	5,806	19,602	227	25,635
Provided for the year	4,433	13,535	3,714	21,682
Disposals	–	–	(2,060)	(2,060)
Exchange difference	57	277	4	338
As at December 31, 2024 and January 1, 2025	10,296	33,414	1,885	45,595
Provided for the year	8,701	22,075	164	30,940
Disposals	–	(14,302)	(1,818)	(16,120)
Exchange difference	(271)	(88)	(1)	(360)
As at December 31, 2025	18,726	41,099	230	60,055
Carrying amounts				
As at December 31, 2023	143,752	60,864	4,742	209,358
As at December 31, 2024	140,754	69,144	1,128	211,026
As at December 31, 2025	371,836	97,810	297	469,943

Company

	Land use rights	Property and buildings	Total
	RMB'000	*RMB'000*	*RMB'000*
Costs			
As at January 1, 2023, December 31, 2023, January 1, 2024, December 31, 2024 and January 1, 2025	19,476	–	19,476
Additions	71,523	9,085	80,608
As at December 31, 2025	90,999	9,085	100,084
Accumulated depreciation			
As at January 1, 2023	5,450	–	5,450
Provided for the year	408	–	408
As at December 31, 2023 and January 1, 2024	5,858	–	5,858
Provided for the year	408	–	408
As at December 31, 2024 and January 1, 2025	6,266	–	6,266
Provided for the year	595	1,497	2,092
As at December 31, 2025	6,861	1,497	8,358
Carrying amounts			
As at December 31, 2023	13,618	–	13,618
As at December 31, 2024	13,210	–	13,210
As at December 31, 2025	84,138	7,588	91,726

For the years ended December 31, 2023, 2024 and 2025, the Group leases various office premises for its operations. Lease contracts are entered into for fixed term of 1.3 years to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable year, the Group applies the definition of a contract and determines the year for which the contract is enforceable. The land use rights of the Group and the Company are located in the PRC on the lease of 50 years.

Leases committed

As at December 31, 2023, 2024 and 2025, the Group did not enter into any new leases for leased buildings and machinery and equipment that have not yet commenced.

20. INTANGIBLE ASSETS

	Patent	Software	Customer relationship	Trademark	Club Memberships	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Group						
Cost						
As at January 1, 2023	–	44,387	–	–	7,453	51,840
Additions	–	4,630	–	–	3,345	7,975
Acquisition of a subsidiary	98,717	18,295	126,995	353,120	–	597,127
Disposals	(2)	–	–	–	–	(2)
Exchange difference	30	(18)	(1,495)	–	–	(1,483)
As at December 31, 2023 and January 1, 2024	98,745	67,294	125,500	353,120	10,798	655,457
Additions	–	3,978	–	–	1,491	5,469
Acquisition of a subsidiary	7,462	34	16,949	–	–	24,445
Disposals	–	(2,726)	–	–	–	(2,726)
Exchange difference	(630)	(427)	1,229	4,306	–	4,478

	Patent	Software	Customer relationship	Trademark	Club Memberships	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024 and January 1, 2025	105,577	68,153	143,678	357,426	12,289	687,123
Additions	–	25,297	–	–	–	25,297
Disposals	–	(6,746)	–	–	–	(6,746)
Exchange difference	(1,857)	466	(2,047)	(7,936)	–	(11,374)
As at December 31, 2025	103,720	87,170	141,631	349,490	12,289	694,300
Accumulated amortisation						
As at January 1, 2023	–	26,581	–	–	660	27,241
Provided for the year	1,429	9,417	866	–	262	11,974
Exchange difference	(29)	90	–	–	–	61
As at December 31, 2023 and January 1, 2024	1,400	36,088	866	–	922	39,276
Provided for the year	14,939	8,461	10,828	–	599	34,827
Disposals	–	(2,473)	–	–	–	(2,473)
Exchange difference	171	88	111	–	–	370
As at December 31, 2024 and January 1, 2025	16,510	42,164	11,805	–	1,521	72,000
Provided for the year	17,305	10,474	12,155	–	624	40,558
Disposals	–	(5,153)	–	–	–	(5,153)
Exchange difference	(636)	274	(367)	–	–	(729)
As at December 31, 2025	33,179	47,759	23,593	–	2,145	106,676
Net book value						
As at December 31, 2023	97,345	31,206	124,634	353,120	9,876	616,181
As at December 31, 2024	89,067	25,989	131,873	357,426	10,768	615,123
As at December 31, 2025	70,541	39,411	118,038	349,490	10,144	587,624

Customer relationship arose from the acquisition of MFS CGU and VGT Thailand CGU (as defined in note 41) based on the valuation prepared by an independent external valuer adopting the multi-period excess earnings method under the income approach. The intangible assets were evaluated based on the respective CGU's core customers of the five years preceding the acquisition. As at the date of the valuation, the relationships between the respective CGU and their core customers have been well-established, strong and achieved through track records of quality product deliveries. These intangible assets enable the respective CGU to have stable source of revenue and also provide a solid foundation for business growth and development.

Methods and key assumptions in determining the fair value of the customer relationship as at respective acquisition dates are disclosed as follows:

CGU	Valuation date	Valuation technique	Discount rate	Expected useful lives
MFS CGU	November 30, 2023	Income approach	22.16%	12 years
VGT Thailand CGU	September 30, 2024	Income approach	16.31%	10 years

The Group estimated the useful lives of the respective assets based on the Group's historical experience with similar customer bases and the customers retention ratio of the acquirees. Trademark arose from the acquisition of MFS CGU (note 41) based on the valuation prepared by an independent external valuer adopting the multi-period excess earnings method under the income approach.

Methods and key assumptions in determining the fair value of the trademark at acquisition date is disclosed as follows:

CGU	Valuation date	Valuation technique	Discount rate
MFS CGU	November 30, 2023	Income approach	22.16%

Trademark of the Group is determined to have indefinite useful lives as the trademarks can be renewed indefinitely with insignificant cost. Methods and key assumptions on impairment loss assessment is discussed in the impairment assessment of goodwill of MFS CGU in note 21.

	Software	Club memberships	Total
	RMB'000	*RMB'000*	*RMB'000*
Company			
Cost			
As at January 1, 2023	42,496	7,453	49,949
Additions	1,173	3,345	4,518
As at December 31, 2023 and January 1, 2024	43,669	10,798	54,467
Additions	3	1,491	1,494
As at December 31, 2024 and January 1, 2025	43,672	12,289	55,961
Additions	8,495	–	8,495
As at December 31, 2025	52,167	12,289	64,456
Accumulated amortisation			
As at January 1, 2023	26,097	659	26,756
Provided for the year	5,903	531	6,434
As at December 31, 2023 and January 1, 2024	32,000	1,190	33,190
Provided for the year	4,898	604	5,502
As at December 31, 2024 and January 1, 2025	36,898	1,794	38,692
Provided for the year	6,368	353	6,721
As at December 31, 2025	43,266	2,147	45,413
Net book value			
As at December 31, 2023	11,669	9,608	21,277
As at December 31, 2024	6,774	10,495	17,269
As at December 31, 2025	8,901	10,142	19,043

21. GOODWILL

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
At beginning of the year	–	1,156,331	1,217,339
Acquisition of subsidiaries	1,156,331	47,757	–
Exchange difference	–	13,251	(23,807)
At the end of the year	1,156,331	1,217,339	1,193,532

Goodwill acquired through business combinations is allocated to the following cash-generating units (the "CGUs"):

MFS CGU; and

VGT Thailand CGU

The carrying amount of goodwill allocated to each of the CGU is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
MFS CGU	1,156,331	1,170,431	1,144,445
VGT Thailand CGU	–	46,908	49,087
Total	1,156,331	1,217,339	1,193,532

The trademark with an indefinite useful life of the Group are used by MFS CGU for its design and production of high-density, multilayer flexible circuit boards business. The carrying amount of which are RMB353,120,000, RMB357,426,000 and RMB349,490,000 as at December 31, 2023, 2024 and 2025, respectively.

Impairment test for goodwill and trademark with an indefinite useful life

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units.

Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill relates. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Management conducted an impairment review on the goodwill and trademark with an indefinite useful life of the Group according to IAS36 Impairment of Assets.

For the purpose of impairment review, the recoverable amount of MFS CGU and VGT Thailand CGU is determined based on value-in-use calculations. The calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the respective industry in which the CGU operates.

The following table sets out the key assumptions used for value in use calculations of MFS CGU and VGT Thailand CGU:

MFS CGU:

	Year ended December 31,		
	2023	2024	2025
Revenue growth rate over the forecast period	0%-24%	9%-12%	0%-42%
Terminal revenue growth rate	0%	0%	0%
Net profit margin before tax and interests	9%-11%	13%	13%-14%
Pre-tax discount rate	12%	13%	13%

VGT Thailand CGU:

	Year ended December 31,		
	2023	2024	2025
Revenue growth rate over the forecast period	N/A	13%-49%	16%-59%
Terminal revenue growth rate	N/A	0%	0%
Net profit margin before tax and interests	N/A	5%-11%	3%-17%
Pre-tax discount rate	N/A	15%	16%

As at December 31, 2023, 2024 and 2025, the recoverable amount of MFS CGU and VGT Thailand CGU was determined based on discount cash flow method.

Various factors were taken into consideration when determine the appropriate terminal revenue growth rate beyond the five-year forecasting period. This growth rate does not exceed the long-term average growth rate for the market in which the relative business operates.

Management determined budgeted profit margins and revenue growth rates based on historical performance and its expectations of the market development.

The pre-tax discount rates reflected the current market assessment of the time value of money and the risks specific to the business.

As at December 31, 2023, 2024 and 2025, the recoverable amount of MFS CGU were approximately RMB3,402.2 million, RMB3,203.2 million and RMB3,451.8 million respectively. The headroom measured by the excess of the recoverable amount over the carrying amount of MFS CGU were RMB568.6 million, RMB531.6 million and RMB549.5 million as of December 31, 2023, 2024 and 2025 respectively. Based on the results of the impairment assessments, no impairment loss on the goodwill and trademark with an indefinite useful life relating to MFS CGU was recognised as of December 31, 2023, 2024 and 2025.

As at December 31, 2024 and 2025, the recoverable amount of VGT Thailand CGU were approximately RMB383.4 million and RMB1,059.4 million. The headroom measured by the excess of the recoverable amount over the carrying amount of VGT Thailand CGU were RMB114.0 million and RMB210.8 million as of December 31, 2024 and 2025 respectively. Based on the results of the impairment assessments, no impairment loss on the goodwill relating to MFS CGU was recognised as of December 31, 2024 and 2025.

The Group performed sensitivity analysis based on the assumption that the pre-tax discount rate and the annual growth rate of revenue have been changed. Has the estimated key assumptions during the forecast period been changed as below, headroom would have decreased to the following:

MFS CGU	December 31, 2023	December 31, 2024	December 31, 2025
	RMB'000	*RMB'000*	*RMB'000*
Annual growth rate of revenue decreased by 1%	482,372	381,599	445,364
Pre-tax discount rate increased by 1%	278,829	206,269	449,498

VGT Thailand CGU	December 31, 2023	December 31, 2024	December 31, 2025
	RMB'000	*RMB'000*	*RMB'000*
Annual growth rate of revenue decreased by 1%	N/A	74,591	131,064
Pre-tax discount rate increased by 1%	N/A	68,145	3,338

Considering there was sufficient headroom based on the assessment, the directors of the Company believe that any reasonable possible change in any of the key assumptions would not cause the carrying amount of the MFS CGU or VGT Thailand CGU to exceed its recoverable amount as of December 31, 2023, 2024 and 2025, respectively.

22. FINANCIAL INVESTMENTS

(a) Financial investments measured at FVOCI

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Non-current assets			
Financial assets at FVOCI			
– Listed equity investments	661,663	1,005,087	2,683,283
– Unlisted equity investments	103,565	111,182	171,012
	765,228	1,116,269	2,854,295

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Non-current assets			
Financial assets at FVOCI			
– Listed equity investments	661,663	1,005,087	2,683,283

At December 31, 2023, 2024 and 2025, listed equity investments of approximately amounted to RMB661,663,000, RMB1,005,087,000 and RMB2,683,283,000 were pledged for the borrowings of the Group (note 29).

At December 31, 2023, 2024 and 2025, the Group's listed equity investment represented Founder Technology Group Co., Ltd., a company listed in Shanghai Stock Exchange with stock code 600601. The Group designated its investment in Founder Technology Group Co., Ltd. at FVOCI (non-recycling), as the investment is held for long term strategic purposes. No dividends were received on this investment during the years ended December 31, 2023, 2024 and 2025.

At December 31, 2023, 2024 and 2025, the Group's unlisted equity investment represented Zhuhai ACCESS Semiconductor Co., Ltd., a company incorporated in the PRC and engaged in semiconductor accessory manufacturing. The Group designated its investment in Zhuhai ACCESS Semiconductor Co., Ltd.. at FVOCI (non-recycling), as the investment is held for long term strategic purposes. No dividends were received on this investment during the years ended December 31, 2023, 2024 and 2025.

At December 31, 2023, 2024 and 2025, the Company's listed equity investment represented Founder Technology Group Co., Ltd., a company listed in Shanghai Stock Exchange with stock code 600601. The Company designated its investment in Founder Technology Group Co., Ltd. at FVOCI (non-recycling), as the investment is held for long term strategic purposes. No dividends were received on this investment during the years ended December 31, 2023, 2024 and 2025.

(b) Financial investments measured at FVTPL

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Current assets			
Financial assets at FVTPL			
– Wealth management product	3,549	–	137,000
Company			
Current assets			
Financial assets at FVTPL			
– Wealth management product	3,549	–	137,000

(c) Derivative financial assets

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Current assets			
Financial assets at FVTPL			
– Foreign exchange forward contracts	31,318	15,796	–
Company			
Current assets			
Financial assets at FVTPL			
– Foreign exchange forward contracts	31,318	15,796	–

23. DEFERRED TAXATION

Group

The following is a summary of the deferred tax balances of the Group for financial reporting purposes:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred tax assets	76,739	52,466	343,263
Deferred tax liabilities	(242,563)	(284,181)	(540,709)
	(165,824)	(231,715)	(197,446)

The followings are the major deferred tax assets and liabilities recognised and movements during the Track Record Period:

	Impairment allowance	Fair value adjustments of financial assets	Deferred income	Accrued expenses	Assets recorded at fair value through acquisition	Withholding tax	Temporary differences on leases	Accelerated tax depreciation	Intragroup unrealised profits	Tax losses	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	13,688	(35,383)	7,913	–	–	–	–	(3,118)	714	9,569	3,221	(3,396)
Acquisition of a subsidiary	6,015	–	255	3,724	(162,123)	(12,448)	(51)	(20,505)	1,387	31,853	–	(151,893)
Charged to other comprehensive income	–	(14,954)	–	–	–	–	–	–	–	–	–	(14,954)
Credited/(charged) to profit or loss	3,942	6,352	(813)	1,269	2,582	(932)	1,243	(992)	(803)	(7,749)	(300)	3,799
Exchange difference	170	–	–	115	(44)	(3)	–	(5)	2	385	–	620
As at December 31, 2023 and January 1, 2024	23,815	(43,985)	7,355	5,108	(159,585)	(13,383)	1,192	(24,620)	1,300	34,058	2,921	(165,824)
Acquisition of a subsidiary	–	–	–	–	(24,234)	–	–	–	–	–	–	(24,234)
Charged to other comprehensive income	–	(52,656)	–	–	–	–	–	–	–	–	–	(52,656)
(Charged)/credited to profit or loss	(2,064)	532	(1,108)	5,141	17,943	(6,307)	242	(2,450)	1,357	(2,782)	1,606	12,110
Exchange difference	26	–	1	65	(985)	(114)	(28)	(165)	3	86	–	(1,111)

	Impairment allowance	Fair value adjustments of financial assets	Deferred income	Accrued expenses	Assets recorded at fair value through acquisition	Withholding tax	Temporary differences on leases	Accelerated tax depreciation	Intragroup unrealised profits	Tax losses	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024 and January 1, 2025	21,777	(96,109)	6,248	10,314	(166,861)	(19,804)	1,406	(27,235)	2,660	31,362	4,527	(231,715)
Recognised in other reserves	–	–	–	–	–	–	–	–	–	–	306,677	306,677
Charged to other comprehensive income	–	(260,704)	–	–	–	–	–	–	–	–	–	(260,704)
Credited/(charged) to profit or loss	4,775	–	5,793	(4,894)	13,116	(10,218)	1,422	1,337	(717)	36,036	273	46,923
Others	–	–	–	–	–	–	–	–	–	–	(57,492)	(57,492)
Exchange difference	–	–	–	(223)	493	(623)	–	(375)	(5)	(402)	–	(1,135)
As at December 31, 2025	26,552	(356,813)	12,041	5,197	(153,252)	(30,645)	2,828	(26,273)	1,938	66,996	253,985	(197,446)

Note: As at December 31, 2023, 2024 and 2025, the Group had unused tax losses of RMB70,307,000, RMB254,726,000 and RMB39,063,000, respectively, available to offset against future profits, and had not been recognised as at December 31, 2023, 2024 and 2025, respectively, due to the unpredictability of future profit streams.

Company

The following is a summary of the deferred tax balances of the Company for financial reporting purposes:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred tax assets	25,636	23,222	280,508
Deferred tax liabilities	(47,650)	(95,844)	(347,574)
	(22,014)	(72,622)	(67,066)

The followings are the major deferred tax assets and liabilities recognised and movements during the Track Record Period:

	Impairment allowance	Fair value adjustments of financial assets	Deferred income	Temporary differences on leases	Accelerated tax depreciation	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	11,306	(24,069)	7,251	–	(2,820)	3,221	(5,111)
Charged to other comprehensive income	–	(20,262)	–	–	–	–	(20,262)
Credited/(charged) to profit or loss	4,767	(532)	(610)	–	34	(300)	3,359
As at December 31, 2023 and January 1, 2024	16,073	(44,863)	6,641	–	(2,786)	2,921	(22,014)
Charged to other comprehensive income	–	(50,982)	–	–	–	–	(50,982)
(Charged)/credited to profit or loss	(597)	–	(903)	–	268	1,606	374

	Impairment allowance	Fair value adjustments of financial assets	Deferred income	Temporary differences on leases	Accelerated tax depreciation	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024 and January 1, 2025	15,476	(95,845)	5,738	–	(2,518)	4,527	(72,622)
Recognised in other reserves	–	–	–	–	–	306,677	306,677
Charged to other comprehensive income	–	(251,729)	–	–	–	–	(251,729)
Credited/(charged) to profit or loss	3,610	–	3,924	(208)	501	273	8,100
Others	–	–	–	–	–	(57,492)	(57,492)
As at December 31, 2025	19,086	(347,574)	9,662	(208)	(2,017)	253,985	(67,066)

24. OTHER NON-CURRENT ASSETS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Contract costs	–	12,069	12,133
Prepayment for property, plant and equipment	93,275	334,369	3,279,531
Prepayment for expenses	16,221	57,457	108,744
Deposits	2,786	2,645	5,213
Total	112,282	406,540	3,405,621
Company			
Prepayment for property, plant and equipment	84,088	217,603	1,613,949
Prepayment for expenses	–	40,604	75,363
Total	84,088	258,207	1,689,312

25. INVENTORIES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Raw materials	321,118	520,413	935,219
Work in progress	435,020	879,227	1,275,517
Finished goods	713,781	739,159	1,051,302
Less: write-downs of inventories	(93,085)	(93,396)	(99,678)
Total	1,376,834	2,045,403	3,162,360
Company			
Raw materials	224,182	368,782	671,848
Work in progress	287,267	734,757	1,019,980
Finished goods	541,422	554,554	819,187
Less: write-downs of inventories	(44,553)	(49,898)	(46,890)
Total	1,008,318	1,608,195	2,464,125

26. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Trade receivables			
– Third parties	3,250,758	3,927,102	5,933,087
Less: loss allowance for trade receivables	(44,967)	(40,498)	(61,908)
	3,205,791	3,886,604	5,871,179
Notes receivables			
– Commercial	49,148	60,516	96,526
– Bank	168,072	133,960	95,166
	217,220	194,476	191,692
Less: loss allowance for notes receivables	(2,009)	(1,945)	(1,917)
	215,211	192,531	189,775
Bills receivables measured at fair value through other comprehensive income *(note (a))*	122,797	37,371	69,600
Other receivables			
– Third parties	90,108	133,350	380,887
Less: loss allowance for other receivables	(15,779)	(12,502)	(28,789)
	74,329	120,848	352,098
Prepayment	37,497	34,395	78,259
Trade and other receivables	3,655,625	4,271,749	6,560,911

(a) As at December 31, 2023, 2024 and 2025, the Group discounted certain bills receivable from certain banks in the PRC or endorsed them to the Group's suppliers ("Derecognised Bills") and derecognised them on December 31, 2023, 2024 and 2025 respectively. The carrying amounts of undue bills receivable that have been discounted and derecognised on December 31, 2023, 2024 and 2025 are approximately RMB159,145,000, RMB108,886,000 and RMB225,233,000, respectively. As at December 31, 2023, 2024 and 2025, the carrying amounts of undue bills receivable that have been endorsed and derecognised are approximately RMB1,102,000, RMB16,444,000 and RMB55,770,000, respectively. As at December 31, 2023, 2024 and 2025, the remaining period of the derecognised bills was within one year, within one year and within one year respectively.

According to the Bill Law of the People's Republic of China, if the acceptance bank of bills receivable that is discounted or endorsed by the Group refuses to pay, the holder has recourse to the Group. The Board believed that for the endorsed bills that were derecognised, the Group had substantially transferred almost all the risks and rewards of the bills. Therefore, the Group had derecognised these bills in full. Due to the recourse rights of the bearer, the Group continued to be involved in the derecognition of the bills and the continued exposure to the maximum risk exposure resulting in the loss of the Group amounted to its full amount.

There is no change in fair value of bills receivables of the Group during the Track Record Period. No impairment losses was recognised in other comprehensive income during each of the Track Record Period.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Trade receivables			
– Third parties	2,518,076	2,926,117	4,412,096
– Subsidiaries *(note (a))*	305,838	278,513	1,466,066
	2,823,914	3,204,630	5,878,162
Less: loss allowance for trade receivables	(35,826)	(30,485)	(46,498)
	2,788,088	3,174,145	5,831,664
Notes receivables			
– Commercial	49,148	46,632	53,945
– Bank	151,747	133,960	93,380
	200,895	180,592	147,325
Less: loss allowance for notes receivables	(2,009)	(1,806)	(1,473)
	198,886	178,786	145,852
Bills receivables measured at fair value through other comprehensive income *(note (b))*	122,797	37,371	69,600
Other receivables			
– Third parties	57,561	104,794	335,844
– Subsidiaries *(note (a))*	183,887	115,686	492,001
	241,448	220,480	827,845
Less: loss allowance for other receivables	(14,209)	(10,424)	(21,821)
	227,239	210,056	806,024
Prepayment	22,256	20,428	36,227
	3,359,266	3,620,786	6,889,367

Notes:

(a) During the Track Record Period, the amounts due from subsidiaries were unsecured, interest free and repayable on demand.

(b) As at December 31, 2023, 2024 and 2025, the Company discounted certain bills receivable from certain banks in the PRC or endorsed them to the Company's suppliers ("Derecognised Bills") and derecognised them on December 31, 2023, 2024 and 2025 respectively. The carrying amounts of undue bills receivable that have been discounted and derecognised on December 31, 2023, 2024 and 2025 are approximately RMB135,190,000, RMB108,886,000 and RMB225,233,000, respectively. As at December 31, 2023, 2024 and 2025, the carrying amounts of undue bills receivable that have been endorsed and derecognised are approximately RMB1,102,000, RMB16,444,000 and RMB2,019,000, respectively. As at December 31, 2023, 2024 and 2025, the remaining period of the derecognised bills was within one year, within one year and within one year respectively.

According to the Bill Law of the People's Republic of China, if the acceptance bank of bills receivable that is discounted or endorsed by the Company refuses to pay, the holder has recourse to the Company. The Board believed that for the endorsed bills that were derecognised, the Company had substantially transferred almost all the risks and rewards of the bills. Therefore, the Company had derecognised these bills in full. Due to the recourse rights of the bearer, the Company continued to be involved in the derecognition of the bills and the continued exposure to the maximum risk exposure resulting in the loss of the Company amounted to its full amount.

There is no change in fair value of bills receivables of the Company during the Track Record Period. No impairment losses was recognised in other comprehensive income during each of the Track Record Period.

The Group generally allows a credit period ranging from 30 to 150 days to its customers. The following is aging analysis of trade receivables (before allowance for impairment losses), presented based on the invoice dates, at the end of each financial year during the Track Record Period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 90 days	2,436,195	3,047,146	4,682,181
91 to 180 days	755,003	851,855	1,211,208
181 days to 1 year	16,630	25,193	35,973
Over 1 year to 2 years	36,632	988	1,817
Over 2 years to 3 years	6,298	1,920	78
Over 3 years to 4 years	–	–	1,830
	3,250,758	3,927,102	5,933,087

At the end of each reporting period, the Group's notes receivables and bills receivables are mainly aged one year or less since the issuance date.

Movements in lifetime ECL that have been recognised for trade receivables and notes receivables in accordance with the simplified approach set out in IFRS 9 for the years ended December 31, 2023, 2024 and 2025:

Trade receivables

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of year	27,358	44,967	40,498
Provided	10,604	1,038	20,090
Write-off	–	(6,556)	–
Acquisition of subsidiaries	7,048	935	–
Exchange difference	(43)	114	1,320
At the end of year	44,967	40,498	61,908

Notes receivables

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of year	1,614	2,009	1,945
Provided/(reversed)	395	(64)	(28)
At the end of year	2,009	1,945	1,917

The following table shows the movement in ECL allowance that has been recognised for other receivables.

	12-month ECL (not credit-impaired)
	RMB'000
As at January 1, 2023	10,272
Impairment losses recognised	4,330
Acquisition of a subsidiary	1,144
Exchange difference	33
As at December 31, 2023 and January 1, 2024	15,779
Impairment losses reversed	(3,277)
As at December 31, 2024 and January 1, 2025	12,502
Impairment losses recognised	16,363
Exchange difference	(66)
As at December 31, 2025	28,789

At December 31, 2023, 2024 and 2025, trade receivables with carrying amount of approximately RMB1,556,704,000, RMB726,413,000 and Nil were pledged as security for the Group's borrowings and banking facilities granted to the Group.

As at the end of each reporting period, no notes receivables were pledged as security for the Group's borrowings and banking facilities granted to the Group.

The Company generally allows a credit period ranging from 30 to 150 days to its customers. The following is aging analysis of trade receivables (before allowance for impairment losses), presented based on the invoice dates, at the end of each financial year during the Track Record Period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Within 90 days	2,164,236	2,470,930	3,904,633
91 to 180 days	612,856	716,590	1,622,195
181 days to 1 year	10,138	14,202	347,588
Over 1 year to 2 years	36,635	988	1,823
Over 2 years to 3 years	49	1,920	85
Over 3 years to 4 years	–	–	1,838
	2,823,914	3,204,630	5,878,162

At the end of each reporting period, the Company's notes receivables and bills receivables are mainly aged one year or less since the issuance date.

Movement in lifetime ECL that has been recognised for trade receivables and notes receivables of the Company in accordance with the simplified approach set out in IFRS 9 for the years ended December 31, 2023, 2024 and 2025:

Trade receivables

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of year	24,590	35,826	30,485
Provided/(reversed)	11,236	(5,341)	16,013
At the end of year	35,826	30,485	46,498

Notes receivables

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of year	1,614	2,009	1,806
Provided/(reversed)	395	(203)	(333)
At the end of year	2,009	1,806	1,473

The following table shows the movement in ECL allowance that has been recognised for other receivables

	12-month ECL (not credit-impaired)
	RMB'000
As at January 1, 2023	9,774
Impairment losses recognised	4,435
As at December 31, 2023 and January 1, 2024	14,209
Impairment losses reversed	(3,785)
As at December 31, 2024 and January 1, 2025	10,424
Impairment losses recognised	11,397
As at December 31, 2025	21,821

27. OTHER CURRENT ASSETS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Prepaid VAT	54,493	85,019	365,390
Prepaid insurance fee	–	–	8,482
Others	5	5	5
Total	54,498	85,024	373,877

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Prepaid VAT	46,435	80,268	262,528
Prepaid insurance fees	–	–	8,482
Total	46,435	80,268	271,010

28. CASH AND CASH EQUIVALENTS/RESTRICTED BANK DEPOSITS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Cash and cash equivalents *(note (a))*	749,376	926,746	3,206,572
Restricted bank deposits *(note (b))*	1,391,920	735,280	73,075
	2,141,296	1,662,026	3,279,647

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Cash and cash equivalents *(note (a))*	507,087	410,797	1,323,443
Restricted bank deposits *(note (b))*	1,390,553	735,277	72,975
	1,897,640	1,146,074	1,396,418

Notes:

(a) At the end of each reporting year, cash and cash equivalents of the Group comprised of bank balances and cash held. Bank balances carried interest at prevailing market rates which are 0.47%, 0.24% and 0.29% per annum as at December 31, 2023, 2024 and 2025, respectively.

(b) As at December 31, 2023, 2024 and 2025, certain bank deposits with balances of approximately RMB1,387,834,000, RMB735,280,000 and RMB72,269,000 were pledged to secure borrowings of RMB1,050,955,000, RMB251,594,000 and Nil, respectively.

As at December 31, 2023, 2024 and 2025, approximately RMB4,086,000, Nil and RMB651,000, respectively, was restricted and held at a bank in the PRC as a reserve under litigation.

29. BORROWINGS

Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current portion			
Pledged bank and other borrowings *(note (a))*	1,554,834	838,412	527,516
Unpledged bank and other borrowings *(note (a))*	1,736,472	1,066,474	1,941,827
Interest payables	3,095	2,885	4,483
	3,294,401	1,907,771	2,473,826
Non-current portion			
Pledged bank borrowings	1,002,840	835,680	820,490
Unpledged bank borrowings	774,295	1,474,358	3,046,946
	1,777,135	2,310,038	3,867,436
Total borrowings	5,071,536	4,217,809	6,341,262
Loan interest at rate per annum in the range of	1.07%-5.56%	0.63%-5.82%	0.80%-2.90%

Total current and non-current borrowings were scheduled to repay as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings			
On demand or within one year	2,797,364	1,797,785	1,946,310
More than one year, but not exceeding two years	498,116	774,947	1,108,980
More than two years, but not exceeding five years	876,410	1,341,423	2,502,974
More than five years	402,609	193,668	255,482
	4,574,499	4,107,823	5,813,746
Other borrowings			
On demand or within one year	497,037	109,986	527,516

Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current portion			
Pledged bank and other borrowings *(note (a))*	1,721,994	838,412	102,516
Unpledged bank and other borrowings *(note (a))*	1,208,831	1,066,474	1,941,827
Interest payables	3,095	2,885	4,478
	2,933,920	1,907,771	2,048,821
Non-current portion			
Pledged bank borrowings	1,002,840	835,680	820,491
Unpledged bank borrowings	774,295	1,474,358	3,039,317
	1,777,135	2,310,038	3,859,808
Total borrowings	4,711,055	4,217,809	5,908,629
Loan interest at rate per annum in the range of	1.07%-5.56%	0.63%-5.82%	0.80%-2.90%

Total current and non-current borrowings were scheduled to repay as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings			
On demand or within one year	2,797,364	1,797,785	1,946,305
More than one year, but not exceeding two years	498,116	774,947	1,108,146
More than two years, but not exceeding five years	876,410	1,341,423	2,497,133
More than five years	402,609	193,668	254,529
	4,574,499	4,107,823	5,806,113
Other borrowings			
On demand or within one year	136,556	109,986	102,516

The carrying amounts of the Group's and the Company's current interest-bearing bank borrowing approximate to their fair values.

Notes:

(a) At December 31, 2023, 2024 and 2025, other borrowings represented loans arising from discounted bills. The borrowing is guaranteed by the Company, interest bearing at floating interest rate in the range of 1.07%-1.42%, 0.63%-1.65% and 0.40%~1.26% per annum, respectively, and repayable within one year.

(b) At December 31, 2023, 2024 and 2025, the Group had banking facilities to the extent of approximately RMB5,071,536,000, RMB4,217,808,000 and RMB21,740,168,000, respectively. The aforesaid bank loans outstanding as at December 31, 2023, 2024 and 2025 were approximately RMB4,571,404,000, RMB4,104,938,000 and RMB5,809,263,000, respectively.

(c) At December 31, 2023, 2024 and 2025, the Company had banking facilities to the extent of approximately RMB5,059,569,000, RMB4,217,808,000 and RMB21,240,168,000 respectively. The aforesaid bank loans outstanding as at December 31, 2023, 2024 and 2025 were approximately RMB4,571,404,000, RMB4,104,938,000 and RMB5,801,635,000 respectively.

30. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of each reporting years:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Within one year	16,536	14,832	22,114
Within a period of more than one year but within two years	14,970	13,510	16,867
Within a period of more than two years but within five years	24,667	20,384	29,354
More than 5 years	14,036	26,337	36,099
	70,209	75,063	104,434
Less: Amounts due for settlement with 12 months shown under current liabilities	(16,536)	(14,832)	(22,114)
Amount due for settlement after 12 months shown under non-current liabilities	53,673	60,231	82,320

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of each reporting years:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Within one year	–	–	3,469
Within a period of more than one year but within two years	–	–	2,732
	–	–	6,201
Less: Amounts due for settlement with 12 months shown under current liabilities	–	–	(3,469)
Amount due for settlement after 12 months shown under non-current liabilities	–	–	2,732

31. TRADE AND OTHER PAYABLES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Trade payables			
– Third parties	1,860,242	2,760,653	7,141,945
Notes payable	1,745,068	2,202,380	3,383,996
Other payables			
– Third parties	20,017	73,651	108,436
– Salary and bonus payables	166,355	201,581	284,087
– Water and electricity payables	27,559	47,301	32,360
– Dividend payables	42	–	–
– Engineering and equipment payables	89,387	84,139	–
– Commission payables	29,691	17,649	12,887
– Deposits	35,346	58,030	84,609
– Other taxes payables	31,306	33,680	100,781
	399,703	516,031	623,160
Total trade and other payables	4,005,013	5,479,064	11,149,101
Less: non-current portion	–	(5,585)	(5,171)
Total trade and other payables	4,005,013	5,473,479	11,143,930

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Trade payables			
– Third parties	1,287,327	1,959,257	4,725,972
– Subsidiaries *(note (a))*	276,190	350,515	330,133
	1,563,517	2,309,772	5,056,105
Notes payable			
– Third parties	2,250,801	2,087,778	3,603,602

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other payables			
– Third parties	19,009	21,623	26,126
– Subsidiaries *(note (a))*	530,796	439,541	201,981
– Salary and bonus payables	81,315	95,727	161,742
– Water and electricity payables	23,687	42,948	12,838
– Deposits	32,960	40,990	59,160
– Other taxes payables	8,439	11,393	84,957
	696,206	652,222	546,804
Total trade and other payables	4,510,524	5,049,772	9,206,511

Notes:

(a) During the Track Record Period, the amounts due to subsidiaries were unsecured, repayable on demand and interest free.

(b) As at the end of each reporting period, notes payable were unsecured. The Group's and the Company's notes payables are aged one year or less at the end of each reporting period.

Payment terms with suppliers are mainly on credit ranging from 30 to 180 days from invoice date. The following is an aging analysis of trade payables presented based on transaction date at the end of each of the reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Within 90 days	1,204,904	2,047,020	5,510,401
91 days to 180 days	560,071	580,570	1,195,150
181 days to 1 year	57,366	112,028	419,775
Over 1 year to 2 years	31,992	11,499	7,343
Over 2 years to 3 years	3,167	5,012	2,532
Over 3 years to 4 years	2,742	4,524	2,751
Over 4 years to 5 years	–	–	3,993
	1,860,242	2,760,653	7,141,945

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Within 90 days	1,104,160	1,732,629	4,391,482
91 days to 180 days	379,690	448,737	578,851
181 days to 1 year	43,033	109,590	71,004
Over 1 year to 2 years	30,950	10,152	6,151
Over 2 years to 3 years	3,065	4,333	2,075
Over 3 years to 4 years	2,619	4,331	2,742
Over 4 years to 5 years	–	–	3,800
	1,563,517	2,309,772	5,056,105

32. CONTRACT LIABILITIES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Contract liabilities	5,222	3,798	11,423

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Contract liabilities	4,431	1,368	1,686

When the Group receives deposits from customers for the sales of goods, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposits. Changes in contract liabilities primarily relate to the Group's performance of services under the contracts. Revenue of approximately RMB8,762,000, RMB5,180,000 and RMB3,798,000 of the Group were recognised for the years ended December 31, 2023, 2024 and 2025 that were included in the contract liabilities at the beginning of the respective years.

When the Company receives deposits from customers for the sales of goods, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposits. Changes in contract liabilities primarily relate to the Company's performance of services under the contracts. Revenue of approximately RMB8,762,000, RMB4,431,000 and RMB1,368,000 of the Company were recognised for the years ended December 31, 2023, 2024 and 2025 that were included in the contract liabilities at the beginning of the respective years.

33. DEFERRED INCOME

Group

	Deferred income related to assets	Deferred income related to income	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	51,752	700	52,452
Addition through acquisition of a subsidiary *(note 41(a))*	1,925	–	1,925
Additions	2,016	13,401	15,417
Release to profit and loss	(7,302)	(13,401)	(20,703)
As at December 31, 2023	48,391	700	49,091
Additions	–	16,530	16,530
Release to profit and loss	(7,469)	(16,422)	(23,891)
As at December 31, 2024	40,922	808	41,730
Additions	45,683	800	46,483
Release to profit and loss	(7,334)	(608)	(7,942)
As at December 31, 2025	79,271	1,000	80,271

Company

	Deferred income related to assets	Deferred income related to income	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	47,642	700	48,342
Additions	2,016	5,115	7,131
Release to profit and loss	(6,081)	(5,115)	(11,196)
As at December 31, 2023	43,577	700	44,277
Additions	–	5,753	5,753
Release to profit and loss	(6,024)	(5,753)	(11,777)
As at December 31, 2024	37,553	700	38,253
Additions	31,710	–	31,710
Release to profit and loss	(5,548)	–	(5,548)
As at December 31, 2025	63,715	700	64,415

Note: It mainly comprise incentives provided by local authorities. The amounts received are treated as deferred income and will be released to profit or loss over the estimated useful lives of the underlying property, plant and equipment or over the year. There is no unfulfilled obligations for the recognised income at the end of reporting date for each of the Track Record Period.

34. SHARE CAPITAL

	Number of ordinary shares	Authorised shares	Issued and paid shares
		RMB'000	*RMB'000*
Group and Company			
As at January 1, 2023, December 31, 2023, January 1, 2024, December 31, 2024 and January 1, 2025	862,688,641	862,689	862,689
Issuance of shares *(Note)*	7,660,672	7,660	7,660
As at December 31, 2025	870,349,313	870,349	870,349

Note: For the year ended December 31, 2025, a total of 7,660,672 A shares has been issued, and capital reserve of approximately amounted to RMB1,868,727,000 were recognised. The shares were issued with an average price of RMB248.02 per share.

35. TREASURY SHARES

Group and Company

	2023		2024		2025	
	Number of shares	*RMB'000*	*Number of shares*	*RMB'000*	*Number of shares*	*RMB'000*
At January 1	9,108,543	150,106	3,402,663	56,075	4,101,163	84,404
Repurchase of shares *(note a)*	–	–	698,500	28,329	944,600	41,682
Vested under 2022 restricted share scheme during the year *(note 40)*	(5,705,880)	(94,031)	–	–	(4,828,320)	(120,652)
At December 31	3,402,663	56,075	4,101,163	84,404	217,443	5,434

Notes:

(a) For the year ended December 31, 2023, a total of 9,108,543 A shares has been repurchased, and treasury shares amounted to RMB150,106,000 were recognised. The shares were repurchased with an average price of RMB16.48 per share.

For the year ended December 31, 2024, a total of 698,500 A shares has been repurchased, and treasury shares of approximately amounted to RMB28,329,000 were recognised. The shares were repurchased with an average price of RMB40.56 per share.

For the year ended December 31, 2025, a total of 944,600 A shares has been repurchased, and treasury shares of approximately amounted to RMB41,682,000 were recognised. The shares were repurchased with an average price of RMB44.12 per share.

36. RESERVES

Reserve movement of the Company:

	Capital reserve	Treasury shares	Surplus reserve	Other reserve	Retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	3,263,479	(150,106)	316,728	136,391	1,902,316	5,468,808
Profit for the year	–	–	–	–	664,482	664,482
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	114,818	–	114,818
Dividend paid	–	–	–	–	(163,264)	(163,264)
Share-based payment expenses	25,035	–	–	–	–	25,035
Exercise of share options under 2022 Restricted Share Scheme	(26,930)	94,031	–	–	–	67,101
Transferred to surplus reserve	–	–	66,448	–	(66,448)	–
As at December 31, 2023 and January 1, 2024	3,261,584	(56,075)	383,176	251,209	2,337,086	6,176,980
Profit for the year	–	–	–	–	930,032	930,032
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	291,911	–	291,911
Dividend paid	–	–	–	–	(163,264)	(163,264)
Share-based payment expenses	10,709	–	–	–	–	10,709
Transferred to surplus reserve	–	–	93,003	–	(93,003)	–
Repurchase of share	–	(28,329)	–	–	–	(28,329)
As at December 31, 2024 and January 1, 2025	3,272,293	(84,404)	476,179	543,120	3,010,851	7,218,039
Profit for the year	–	–	–	–	3,793,226	3,793,226
Dividend paid	–	–	–	–	(257,576)	(257,576)
Share-based payment expenses	11,201	–	–	–	–	11,201
Deferred tax asset recognised on share-based payment	306,677	–	–	–	–	306,677
Issue of shares	1,868,727	–	–	–	–	1,868,727
Repurchase of share	–	(41,682)	–	–	–	(41,682)
Exercise of share options under 2022 Restricted Share Scheme	(66,237)	120,652	–	–	–	54,415
Fair value change on financial assets at fair value through other comprehensive income, net of tax	–	–	–	1,426,466	–	1,426,466
As at December 31, 2025	5,392,661	(5,434)	476,179	1,969,586	6,546,501	14,379,493

Description of the Group's reserves as below:

(a) Capital Reserve:

The amount mainly represents capital contribution in excess of nominal value of share capital.

(b) Surplus reserve:

In accordance with the articles of association of subsidiaries established in the PRC, these subsidiaries are required to transfer 10% of the profit after taxation in accordance to China Accounting Standards for Business Enterprises to the statutory reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve shall be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

(c) Exchange reserve:

The amount represents gains/losses arising on retranslating the net assets of foreign operations into presentation currency of the Group.

(d) Other reserve:

Other reserves mainly comprise of investment revaluation reserves and safety fund reserves.

Investment revaluation reserve represents the change in fair value of equity investments classified as financial assets at fair value through other comprehensive income.

Pursuant to certain regulations issued by the Ministry of Finance ("財政部") and the State Administration of Work Safety ("安全監管總局") of the PRC, the Group entities which are engaged in communication and manufacturing of electronic equipment are required to set aside an amount to a safety fund at 2.35% per revenue on revenue amount below RMB10,000,000, 1.25% per revenue on revenue amount between RMB10,000,000 to RMB100,000,000, 0.25% per revenue on revenue amount between RMB100,000,000 to RMB1,000,000,000, 0.1% per revenue on revenue amount between RMB1,000,000,000 to RMB5,000,000,000 and 0.05% per revenue on revenue amount over RMB5,000,000,000. The Group entities which are engaged in communication and manufacturing of electronic equipment and other relevant business are required to set aside an amount of certain percentage of revenue to a safety fund. The safety fund can be used for safety facilities and environment improvement, and is not available for distribution to shareholders. Upon incurring qualifying safety expenditure, an equivalent amount should be transferred from safety fund to retained earnings.

(e) Retained earnings:

Cumulative net gains and losses recognised in profit or loss.

37. OVERVIEW OF THE GROUP'S EXPOSURE TO CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of each reporting period, the Group's maximum exposure to credit risk which cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of the financial position.

In order to minimise credit risk, the Group has tasked its finance team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. Management uses publicly available financial information and the Group's own historical repayment records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate exposure is spread amongst approved counterparties.

The Group's credit risk is primarily attributable to trade receivables and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables

For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. Except for trade receivables that are credit-impaired, the Group determines the ECL on these items collectively based on loss patterns as reflected in the debtors' historical payment pattern. The Group determines the ECL on these items by using a provision matrix as at December 31, 2023, 2024 and 2025 within lifetime ECL (not credit impaired) estimated based on the financial quality of debtors and historical credit loss experience, adjusted as appropriate to reflect current conditions and estimates of future economic conditions with reference to general macroeconomic conditions that may affect the ability of debtors to settle receivables. To measure the ECL, the trade receivables have been grouped into the categories based on share credit risk characteristics and the aging as disclosed in note 26.

Notes and Other receivables

For notes and other receivables, management of the Group makes periodic assessment on the recoverability based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The Group measures the loss allowance equal to 12m ECL, unless when there are indicators that the financial asset is credit-impaired, the Group recognises lifetime ECL. The Group recognises lifetime ECL for notes and other receivables when there is evidence indicating (i) there has been significant increase in credit risk since initial recognition; (ii) the asset is credit-impaired but the Group has realistic prospect of recovery; or (iii) the debtor is in severe financial difficulty.

Categories	Description
Other receivables, other than credit impaired	Management of the Group makes periodic assessment on the recoverability based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.
Notes receivables, other than credit impaired	Management of the Group makes periodic assessment on the recoverability based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.
Credit impaired	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.

Cash and bank balances, restricted bank deposits and bills receivables from bank

Credit risk for bank balances, deposits and cash is considered to be immaterial, as the counterparts are banks/financial institutions with high credit ratings by international credit rating agencies.

The following table details the credit risk exposures of the Group's trade receivables, presented by due date, which are subject to ECL assessment:

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at December 31, 2023			
Current (not past due)	1%	3,138,256	31,383
0-90 days past due	1%	69,139	691
91-180 days past due	1%	135	1
181-365 days past due	1%	510	5
Over 1 year past due	30%	42,718	12,887
		3,250,758	44,967
As at December 31, 2024			
Current (not past due)	1%	3,833,110	38,331
0-90 days past due	1%	86,381	864
91-180 days past due	1%	2,881	29
181-365 days past due	1%	2,733	27
Over 1 year past due	62%	1,997	1,247
		3,927,102	40,498

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at December 31, 2025			
Current (not past due)	1%	5,803,924	58,039
0-90 days past due	1%	114,394	1,144
91-180 days past due	1%	8,665	87
181-365 days past due	17%	3,574	598
Over 1 year past due	81%	2,530	2,040
		5,933,087	61,908

In view of the credit risk of the debtors, historical payment pattern and forward looking information, the Group considers the expected credit risk for receivables aged within 1 year is 1%. There is no significant change in credit risk rating of the debtors, historical payment pattern and forward looking information during the Track Record Period.

The table below details the credit risk exposures of the Group's notes receivables which are subject to ECL assessment:

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at December 31, 2023			
Not credit-impaired	0.92%	217,220	2,009
As at December 31, 2024			
Not credit-impaired	1.00%	194,476	1,945
As at December 31, 2025			
Not credit-impaired	1.00%	191,692	1,917

The table below details the credit risk exposures of the Group's other receivables which are subject to ECL assessment:

	Average expected credit loss rate	Gross amounts	Loss allowance
		RMB'000	*RMB'000*
As at December 31, 2023			
Not credit-impaired	17.51%	90,108	15,779
As at December 31, 2024			
Not credit-impaired	9.38%	133,350	12,502
As at December 31, 2025			
Not credit-impaired	7.56%	380,887	28,789

The Group makes full provision for a trade receivable when there is information indicating that the receivable is in severe financial difficulty and there is no realistic prospect of recovery.

38. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities comprising the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of lease liabilities, borrowings (net of cash and bank balances) and equity attributable to owners of the Company (comprising capital and reserves).

Management of the Group regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts.

39. FINANCIAL INSTRUMENTS

Categories of financial instruments

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Financial assets			
Financial assets measured at amortised cost			
Restricted bank deposits	1,391,920	735,280	73,075
Cash and cash equivalents	749,376	926,746	3,206,572
Trade receivables	3,205,791	3,886,604	5,871,179
Notes receivables	215,211	192,531	189,775
Other receivables	74,329	120,848	352,098
Subtotal	5,636,627	5,862,009	9,692,699
Financial assets measured at FVOCI			
Financial investments measured at FVOCI	765,228	1,116,269	2,854,295
Bills receivables measured at FVOCI	122,797	37,371	69,600
Subtotal	888,025	1,153,640	2,923,895
Financial assets measured at FVTPL			
Financial assets at FVTPL	3,549	–	137,000
Derivative financial assets	31,318	15,796	–
Subtotal	34,867	15,796	137,000
	6,559,519	7,031,445	12,753,594
Financial liabilities			
Financial liabilities measured at amortised cost			
Borrowings	5,071,536	4,217,809	6,341,262
Lease liabilities	70,209	75,063	104,434
Trade and other payables	3,938,361	5,387,354	10,963,711
Other current liabilities	177,146	18,846	15,108
Other non-current liabilities	1,227	1,192	1,172
Subtotal	9,258,479	9,700,264	17,425,687
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	58	–	1,736
	9,258,537	9,700,264	17,427,423

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Company			
Financial assets			
Financial assets measured at amortised cost			
Restricted bank deposits	1,390,553	735,277	72,975
Cash and cash equivalents	507,087	410,797	1,323,443
Trade receivables	2,788,088	3,174,145	5,831,664
Notes receivables	198,886	178,786	145,852
Other receivables	227,239	210,056	806,024
Subtotal	5,111,853	4,709,061	8,179,958
Financial assets measured at FVOCI			
Financial investments measured at FVOCI	661,663	1,005,087	2,683,283
Bills receivables measured at FVOCI	122,797	37,371	69,600
Subtotal	784,460	1,042,458	2,752,883
Financial assets measured at FVTPL			
Financial assets at FVTPL	3,549	–	137,000
Derivative financial assets	31,318	15,796	–
Subtotal	34,867	15,796	137,000
	5,931,180	5,767,315	11,069,841
Financial liabilities			
Financial liabilities at amortised cost			
Borrowings	4,711,055	4,217,809	5,908,629
Trade and other payables	4,502,085	5,038,379	9,121,554
Other current liabilities	1,453	16,693	8,265
	9,214,593	9,272,881	15,038,448

Financial risk management objectives and policies

The Group's major financial assets and liabilities include restricted bank deposits, trade and other receivables, cash and bank balances, financial assets at fair value through profit or loss, derivative financial assets, other current asset, trade and other payables, borrowings, other current liabilities, derivative financial liabilities and lease liabilities. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group's activities expose it primarily to currency risk, interest rate risk and price risk. There has been no change in the Group's exposure to these risks or the manner in which it managed and measured the risks during each of the reporting year.

Currency risk

Several subsidiaries of the Company have foreign currency sales, trade and other receivables, bank deposits and cash and bank balances, trade and other payables, and borrowings which expose the Group to foreign currency risk.

The subsidiaries are mainly exposed to foreign currency of US$, Euro dollar ("EUR"), Hong Kong dollar ("HKD"), Thailand baht ("THB"), and New Zealand dollar ("NZD").

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. The carrying amounts of the Group's foreign currency denominated monetary assets (trade and other receivables and cash and bank balances) and liabilities (trade and other payables and borrowings) at the end of each reporting period are summarised as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Assets			
US$	622,448	2,608,100	1,069,774
EUR	5,230	274,393	3,074
HKD	–	149,956	6,139
THB	–	55,516	820,099
Liabilities			
US$	483,859	882,550	25,328
EUR	446,787	2,083	289
HKD	438,176	134	83
THB	–	105,301	2,307,879
NZD	205,955	–	–

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against foreign currencies, the foreign currencies with which the Group may have a material exposure. 5% represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis uses outstanding foreign currency denominated monetary items as a base and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rate. A positive number below indicates an increase in profit before tax where foreign currencies strengthens 5% against RMB. For a 5% weakening of foreign currencies against RMB, there would be an equal and opposite impact on profit before tax.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Impact on profit before income tax			
US$	6,929	86,277	52,222
EUR	(22,078)	13,615	139
HKD	(21,909)	7,491	303
THB	–	(2,489)	(74,389)
NZD	(10,298)	–	–

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Interest rate risk

The Group's interest rate risk mainly originates from its interest-bearing borrowings. Variable-rate borrowings expose the Group to cash flow interest rate risk, while fixed-rate borrowings and lease liabilities with fixed rates subject the Group to fair value interest rate risk.

The Group has been monitoring the level of interest rates. The increase in interest rates will increase the interest costs of borrowings at variable rates, which will further impact the performance of the Group. To hedge against the variability in the cash flows arising from a change in market interest rates, the Group may enter into certain interest rate swap contracts to swap variable rates into fixed rates.

The following tables list out the interest rate profiles of the Group's variable interest-bearing financial instruments as at December 31, 2023, 2024 and 2025:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Group			
Floating rate instruments			
Borrowings	2,540,322	2,671,898	5,988,824
Fixed rate instruments			
Borrowings	–	–	347,955

If interest rates of floating rate instruments had been 50 basis points higher/lower with all other variables held constant, the profit before income tax would be lower/higher RMB10,796,000, RMB11,356,000 and RMB18,854,000 as at December 31, 2023, 2024 and 2025, respectively.

Price risk

The Group is exposed to equity price risk through its financial investments at FVOCI (see Note 22).

A 10% increase/decrease in the price of the financial assets at FVOCI would increase/decrease the other comprehensive income by RMB76,523,000, RMB111,630,000 and RMB285,430,000 for the year ended December 31, 2023, 2024 and 2025, respectively.

The Group monitors the pricing change of these equity securities during each reporting period to manage the price risk.

Credit risk

As at the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

Credit terms are granted to customers who are in good credit reputation. In order to minimise the credit risk, management has designated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the directors of the Company review the recoverability of each significant trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

As at December 31, 2023, 2024 and 2025, the Group has concentration of credit risk as 5.92%, 12.80% and 33.04%, respectively, of the total trade receivables was due from the Group's largest customer. The Group's concentration of credit risk on the top five largest customers accounted for 23.21%, 29.30% and 52.67% of the total trade receivables as at December 31, 2023, 2024 and 2025, respectively.

The Group expects that there is no significant credit risk associated with cash deposits since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group also expects that there is no significant credit risk associated with amounts due from related parties since counterparties are mainly related parties with good reputation.

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintain a level of cash and bank balances and unused banking facilities deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

Liquidity and interest risk table

	Effective interest rate	On demand or less than one year	One to two years	Two to five years	Over five years	Total undiscounted cash flows	Carrying amount
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Group							
As at December 31, 2023							
Trade and other payables	N/A	4,005,013	–	–	–	4,005,013	4,005,013
Borrowings	1.07%-5.56%	3,370,954	550,552	957,575	416,864	5,295,945	5,071,536
Lease liabilities	3.65%	19,672	18,651	28,732	22,347	89,402	70,209
Total		7,395,639	569,203	986,307	439,211	9,390,360	9,146,758
As at December 31, 2024							
Trade and other payables	N/A	5,473,479	5,585	–	–	5,479,064	5,479,064
Borrowings	0.63%-5.82%	1,985,874	831,168	1,400,018	196,795	4,413,855	4,217,809
Lease liabilities	3.45%	19,481	16,123	25,547	29,115	90,266	75,063
Total		7,478,834	852,876	1,425,565	225,910	9,983,185	9,771,936
As at December 31, 2025							
Trade and other payables	N/A	11,143,930	5,171	–	–	11,149,101	11,149,101
Borrowings	0.80%-2.90%	2,587,169	1,191,836	2,578,726	258,940	6,616,671	6,341,262
Lease liabilities	3%-5.28%	26,302	20,141	36,296	39,089	121,828	104,434
Total		13,757,401	1,217,148	2,615,022	298,029	17,877,600	17,594,797

	Effective interest rate	On demand or less than one year	One to two years	Two to five years	Over five years	Total undiscounted cash flows	Carrying amount
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Company							
As at December 31, 2023							
Trade and other payables	N/A	4,510,524	–	–	–	4,510,524	4,510,524
Borrowings	0.01%-5.56%	3,010,473	550,552	957,575	416,864	4,935,464	4,711,055
Total		7,520,997	550,552	957,575	416,864	9,445,988	9,221,579
As at December 31, 2024							
Trade and other payables	N/A	5,049,772	–	–	–	5,049,772	5,049,772
Borrowings	0.63%-5.82%	1,985,874	831,168	1,400,018	196,795	4,413,855	4,217,809
Total		7,035,646	831,168	1,400,018	196,795	9,463,627	9,267,581
As at December 31, 2025							
Trade and other payables	N/A	9,206,511	–	–	–	9,206,511	9,206,511
Borrowings	0.80%-2.90%	2,161,971	1,190,814	2,572,583	257,974	6,183,342	5,908,629
Lease liabilities	3%	3,600	2,761	–	–	6,361	6,201
Total		11,372,082	1,193,575	2,572,583	257,974	15,396,214	15,121,341

This note provides information about how the Group determines fair value of the following financial assets or liabilities that are measured at fair value on a recurring basis.

The Group's assets that are measured at fair value is disclosed by levels of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value:

	Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*
For the year ended December 31, 2023			
Financial assets at FVOCI			
– Listed equity investments	661,663	–	–
– Unlisted equity investments	–	–	103,565
Financial assets at FVTPL			
– Wealth management product	–	3,549	–
– Foreign exchange forward contract	–	31,318	–
	661,663	34,867	103,565

	Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*
For the year ended December 31, 2024			
Financial assets at FVOCI			
– Listed equity investments	1,005,087	–	–
– Unlisted equity investments	–	–	111,182
Financial assets at FVTPL			
– Foreign exchange forward contract	–	15,796	–
	1,005,087	15,796	111,182

	Level 1	Level 2	Level 3
	RMB'000	*RMB'000*	*RMB'000*
For the year ended December 31, 2025			
Financial assets at FVOCI			
– Listed equity investments	2,683,283	–	–
– Unlisted equity investments	–	–	171,012
Financial assets at FVTPL			
– Wealth management product	–	137,000	–
	2,683,283	137,000	171,012

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regular occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.

These instruments are included in level 1. Instruments included in level 1 comprise primarily listed equity investments classified as financial assets at FVOCI.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no changes made to the valuation techniques applied throughout the Track Record Period.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the years ended December 31, 2023, 2024 and 2025.

For the years ended December 31, 2023, 2024 and 2025, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets.

The movements in assets included in level 3 are as follows:

	RMB'000
At January 1, 2023	138,949
Fair value changes during the year	(35,384)
At December 31, 2023 and January 1, 2024	103,565
Fair value changes during the year	7,617
At December 31, 2024 and January 1, 2025	111,182
Fair value changes during the year	59,830
At December 31, 2025	171,012

The valuation technique and inputs used in the fair value measurements within Level 3 for unlisted financial assets at FVOCI are summarised as follows:

Description	**Fair value at**			**Valuation technique**	**Unobservable input**
	December 31, 2023	**December 31, 2024**	**December 31, 2025**		
	RMB'000	*RMB'000*	*RMB'000*		
Unlisted equity investment	103,565	111,182	171,012	Market multiples	Enterprise value/sales ratio ("EV/S") and discount for lack of marketability ("DLOM")

EV/S is used when the entity has determined that market participants would use such multiples when pricing the investment. An increase of 5% of EV/S will increase the carrying amount of the investment of RMB5,178,000, RMB5,559,000 and RMB8,551,000 at December 31, 2023, 2024 and 2025, respectively.

DLOM is used when the entity has determined that market participants would take into account the discount when pricing the investment. An increased of 5% of DLOM will decrease the carrying amount of the investment of RMB5,178,000, RMB5,559,000 and RMB8,551,000 at December 31, 2023, 2024 and 2025, respectively.

Fair value of financial assets and financial liabilities that are not measured at fair value

The directors of the Company consider that the carrying amount of the Group's and the Company's financial assets and financial liabilities recorded at amortised cost in the Historical Financial Information approximate to their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

40. SHARE-BASED PAYMENT

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Share-based compensation	25,035	10,709	11,201

(a) During the Track Record Period, the Company launched and adopted a restricted share scheme in 2022 (the "2022 Restricted Share Scheme") for the primary purpose of attracting, retaining and motivating the employees of the Group. Under the 2022 Restricted Share Scheme, the directors of the Company may grant up to 25,588,500 restricted shares under the scheme to eligible employees, including the employees of the Group, to obtain ordinary shares of the Company upon vesting.

The 2022 Restricted Share Scheme will be valid and effective for a period of 4 years.

On September 5, 2022, the Group granted 25,588,500 restricted shares to its employees at exercise price of RMB11.95 per share. On May 22, 2023, the Group had distributed final dividend in relation to the results in 2022. The exercise price of the restricted shares has been changed to RMB11.76 accordingly.

On September 13, 2025, the exercise price of the restricted shares has been changed to RMB11.27, after taken account into the final dividend in relation to the results in 2023 and 2024.

Set out below are details of the movements of the outstanding restricted shares granted under the 2022 Restricted Share Scheme during the Track Record Period:

	Weighted average exercise price	2023	Weighted average exercise price	2024	Weighted average exercise price	2025
At the beginning of the year	11.95	25,588,500	11.76	17,878,350	11.76	9,821,640
Vested and exercised during the year	11.76	(5,705,880)	–	–	11.27	(4,828,320)
Cancelled or lapsed during the year	11.76	(2,004,270)	11.76	(8,056,710)	11.27	(2,785,320)
At the end of the year	11.76	17,878,350	11.76	9,821,640	11.27	2,208,000

The weighted average remaining contractual lives of the restricted shares outstanding at December 31, 2023, 2024 and 2025 were 2.25 years, 1.68 years and 0.68 years respectively. There are no restricted shares exercisable at December 31, 2023 and 2024. The number of restricted shares exercisable at December 31, 2025 was 2,208,000.

Subject to the Company's performance appraisal and individual performance appraisal, 30%, 30% and 40% of restricted shares granted in September 5, 2022 will be exercisable respectively. The lock-up periods and the details of the Company's performance appraisal are summarised in the table below:

	Performance target	
Unlocking period	**Basic Growth (A)**	**Target Growth (B)**
First unlocking period: Commencing from the first trading day after the expiry of the 12-month period from date of grant and ending on the last trading day of the 24-month from the date of grant	Revenue growth in 2022 compared to 2021 is not less than 20% or Net profit growth in 2022 compared to 2021 is not less than 20%	Revenue growth in 2022 compared to 2023 is not less than 30% or Net profit growth in 2022 compared to 2021 is not less than 30%
Second unlocking period: Commencing from the first trading day after the expiry of the 24-month period from date of grant and ending on the last trading day of the 36-month from the date of grant	Revenue growth in 2023 compared to 2021 is not less than 44% or Net profit growth in 2023 compared to 2021 is not less than 44%	Revenue growth in 2023 compared to 2021 is not less than 69% or Net profit growth in 2023 compared to 2021 is not less than 69%
Third unlocking period: Commencing from the first trading day after the expiry of the 36-month period from date of grant and ending on the last trading day of the 48-month from the date of grant	Revenue growth in 2024 compared to 2021 is not less than 72.8% or Net profit growth in 2024 compared to 2021 is not less than 72.8%	Revenue growth in 2024 compared to 2021 is not less than 119.7% or Net profit growth in 2024 compared to 2021 is not less than 119.7%

Indicator	**Performance Completion Ratio**	**Company-Level Vesting Restricted Shares Ratio**
Subject year net profit or revenue growth rate compared with that of in 2021 (X)	X≥B	100%
	B>X≥A	80% + (X-A)/(B-A) × 20%
	A<X	0

Apart from above-mentioned Company's performance appraisal, eligible employees have to fulfill requirement of individual performance appraisal. The number of shares granted will be calculated based on the results of the appraisal.

The total fair value of the restricted shares granted under the 2022 Restricted Share Scheme during the year ended December 31, 2022 was approximately RMB127,584,000. The fair value was calculated using the Black-Scholes model. The major inputs in the model are as follows:

A Share price at grant date (RMB)	RMB15.87 per share
Expected volatility in the black-out period	25.76%, 25.47% and 26.32% for 12 months, 24 months and 36 months, respectively
Dividend yield	0%
Risk-free rate	1.50%, 2.10% and 2.75% for 12 months, 24 months and 36 months, respectively

Expected volatility was determined by using the historical volatility of ChiNext Composite Index. The risk-free interest rate was based on the 1-year, 2-year, and 3-year deposit benchmark interest rates determined by the People's Bank of China. The variables and assumptions used in computing the fair value of the restricted shares are based on management's best estimate. The value of restricted shares varies with different variables of certain subjective assumptions. Change in variables and assumptions may result in change in fair values of the restricted shares.

41. BUSINESS COMBINATIONS

(a) Acquisition of Pole Star Limited

On November 30, 2023, the Group acquired 100% of the issued capital in Pole Star Limited. The main business of Pole Star Limited and its subsidiaries ("MFS CGU") included design and production of high-density, multi-layer flexible circuit boards and focuses on terminal industries such as medical, data storage, automotive and industrial control.

The fair value of identifiable assets and liabilities of the acquiree as at the date of acquisition were:

	November 30, 2023
	RMB'000
Intangible assets	597,127
Property, plant and equipment	902,385
Right-of-use assets	138,460
Other non-current assets	30,798
Deferred tax assets	25,582
Cash and cash equivalents	103,241
Trade receivables	531,829
Other receivables	50,503
Inventory	316,807
Trade payables	(396,929)
Other payables	(223,956)
Contract liabilities	(2,234)
Borrowings	(109,567)
Lease liabilities	(7,035)
Provisions	(57,238)
Government grant	(1,925)
Deferred tax liabilities	(177,475)
Total identifiable net assets at fair value	1,720,373
Goodwill	1,156,331
Fair value of consideration paid:	
Cash and cash equivalents	(2,876,704)
Net cash outflow arising from acquisition	(2,773,463)

Since the acquisition date, Pole Star Limited has contributed approximately RMB142,708,000 and RMB17,601,000 to the Group's revenue and profit for the year respectively. If the acquisition had occurred on January 1, 2023, Group revenue and profit for the year ended December 31, 2023 would have been increased by approximately RMB1,712,496,000 and RMB211,212,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2023, nor is it intended to be a projection of future performance.

(b) Acquisition of Victory Giant Technology (Thailand) Co., Ltd

On September 30, 2024, the Group acquired 100% of the issued capital in Victory Giant Technology (Thailand) Co., Ltd. The main business of Victory Giant Technology (Thailand) Co., Ltd ("VGT Thailand CGU") included manufacturing and sales of high-precision multilayer printed circuit boards.

The fair value of identifiable assets and liabilities of the acquiree as at the date of acquisition were:

	September 30, 2024
	RMB'000
Intangible assets	24,445
Property, plant and equipment	208,219
Other non-current assets	348
Cash	51,352
Trade receivables	99,818
Other receivables	3,063
Inventory	49,469
Trade payables	(86,226)
Other payables	(16,588)
Borrowings	(82,559)
Deferred tax liabilities	(24,234)
Total identifiable net assets at fair value	227,107
Goodwill	47,757
Fair value of consideration paid:	
Cash and cash equivalents	(274,864)
Net cash outflow arising from acquisition	(223,512)

Since the acquisition date, Victory Giant Technology (Thailand) Co., Ltd has contributed approximately RMB56,435,000 and RMB12,563,000 to the Group's revenue and profit for the year respectively. If the acquisition had occurred on January 1, 2024, Group revenue and profit for the year ended December 31, 2024 would have been increased by approximately RMB225,740,000 and RMB50,252,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2024, nor is it intended to be a projection of future performance.

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	3,507,730	41,029	3,548,759
Financing cash flows			
– Proceeds from borrowings	4,071,492	–	4,071,492
– Repayment of borrowings	(2,617,270)	–	(2,617,270)
– Interest paid on borrowings	(83,619)	–	(83,619)
– Repayment of lease liabilities	–	(8,819)	(8,819)
– Interest paid on lease liabilities	–	(1,624)	(1,624)
Non-cash changes			
– New leases	–	31,377	31,377
– Termination of leases	–	(401)	(401)
– Exchange difference	(40)	(12)	(52)
– Acquired through business combination *(note 41(a))*	109,567	7,035	116,602
– Interest expense recognised	83,676	1,624	85,300
At December 31, 2023 and January 1, 2024	5,071,536	70,209	5,141,745

	Borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At December 31, 2023 and January 1, 2024	5,071,536	70,209	5,141,745
Financing cash flows			
– Proceeds from borrowings	2,273,524	–	2,273,524
– Repayment of borrowings	(3,208,069)	–	(3,208,069)
– Interest paid on borrowings	(107,444)	–	(107,444)
– Repayment of lease liabilities	–	(17,140)	(17,140)
– Interest paid on lease liabilities	–	(3,197)	(3,197)
Non-cash changes			
– New leases	–	28,426	28,426
– Termination of leases	–	(6,468)	(6,468)
– Exchange difference	(1,531)	36	(1,495)
– Acquired through business combination *(note 41(b))*	82,559	–	82,559
– Interest expense recognised	107,234	3,197	110,431
At December 31, 2024	4,217,809	75,063	4,292,872

	Borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At December 31, 2024 and January 1, 2025	4,217,809	75,063	4,292,872
Financing cash flows			
– Proceeds from borrowings	4,914,512	–	4,914,512
– Repayment of borrowings	(2,795,386)	–	(2,795,386)
– Interest paid on borrowings	(128,501)	–	(128,501)
– Repayment of lease liabilities	–	(268,310)	(268,310)
– Interest paid on lease liabilities	–	(4,794)	(4,794)
Non-cash changes			
– New leases	–	297,737	297,737
– Exchange difference	(156)	(56)	(212)
– Interest expense recognised	132,984	4,794	137,778
At December 31, 2025	6,341,262	104,434	6,445,696

43. CAPITAL COMMITMENTS

The Group has capital commitments under non-cancellable contracts as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Acquisition of property, plant and equipment	67,776	386,457	8,788,609

The Company has capital commitments under non-cancellable contracts as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Acquisition of property, plant and equipment	41,144	292,100	8,496,070

44. RELATED PARTY TRANSACTION AND BALANCES

The related parties of the Group during the Track Record Period are as follows:

Names of related parties	Relationship
甘肅興隴上酒業有限公司 *(Note)*	Controlled by close family member of the controlling shareholder of the Company

Note: The English names of the related parties registered in the PRC mentioned above represent the best efforts made by management of the Company to translate their Chinese names as they do not have official English names.

In addition to the transactions and balances disclosed in respective notes, the Group had the following significant transactions and balances with related parties during the Track Record Period:

(a) Related party transactions:

(i) Fee paid to related parties for services/goods

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
甘肅興隴上酒業有限公司	2,680	2,796	3,491

(b) Related party balances:

Saved as disclosed in note 31, there is no balances with related parties at the end of each of the Track Record Period.

(c) Compensation of key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of the directors of the Company and other members of key management of the Group during the Track Record Period were as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Directors' fee, salaries and other benefits	7,256	12,857	19,717
Performance-based bonus	55	372	732
Retirement benefit scheme contributions	–	–	–
Share-based payment expenses	6,318	2,458	2,733
	13,629	15,687	23,182

The remuneration of key management is determined with reference to the performance of the individuals and market trends.

45. SUBSEQUENT EVENTS

On January 23, 2026, the Company's wholly owned subsidiary, MFS(S) entered into an equity purchase agreement with SunPower Technology Ltd., which MFS(S) would acquire 100% equity interest of SunPower Malaysia Manufacturing Sdn. Bhd. for a total consideration of US$51 million. The acquisition is not considered as a business combination under IFRS 3. The acquisition was completed on February 13, 2026.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries have been prepared in respect of any period subsequent to December 31, 2025.

The information set out in this appendix does not form part of the Accountants' Report prepared by BDO Limited, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out 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 section headed "Financial Information" in this prospectus and the "Accountants' Report" set forth in Appendix I to this prospectus.

(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29 of the Listing Rules is for illustrative purpose only, and is set forth here to illustrate the effect of the Global Offering on the audited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 as if the Global Offering had taken place on December 31, 2025.

This unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 or at any future dates following the Global Offering. It is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 as set out in the Accountants' Report of the Group, the text of which is set out in Appendix I to this Prospectus, and adjusted as described below.

	Audited consolidated net tangible assets attributable to the owners of the Company as of December 31, 2025	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company as of December 31, 2025**	**Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company as of December 31, 2025**	
	RMB'000	*RMB'000*	*RMB'000*	*RMB*	*HK$*
	(note 1)	*(note 2)*		*(note 3)*	*(note 4)*
Based on the Offer Price of HK$209.88 per Share	14,836,452	15,202,726	30,039,178	31.50	35.82

(1) The audited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 is extracted from the Accountants' Report set out in Appendix I to this Prospectus, which is based on the audited consolidated net assets of our Group attributable to owners of the Company as of December 31, 2025 of approximately RMB16,617,608,000 with an adjustment for intangible assets and goodwill as of December 31, 2025 of approximately RMB587,624,000 and RMB1,193,532,000.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK$209.88 after deduction of the estimated underwriting fees and other related listing expenditure payable by the Company (excluding the listing expense that have been charged to profit or loss during the Track Record Period), taking into no account of shares which may be issued upon the exercise of the offer size adjustment option and the over-allotment option and upon the vesting of restricted shares that have been or may be granted from time to time under the restricted share scheme.

(3) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per share is calculated based on a total of 953,479,870 shares (representing 870,349,313 shares in issue as of December 31, 2025, excluding 217,443 treasury shares as of December 31, 2025, adding 83,348,000 offer shares under the Global Offering), assuming that the Global Offering had been completed on December 31, 2025 but does not take into account of any shares which may be issued upon the exercise of the offer size adjustment option and the over-allotment option and upon the vesting of restricted shares that have been or may be granted from time to time under the restricted share scheme.

(4) For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per Share, the amounts stated in Renminbi are converted from or into Hong Kong dollars at an exchange rate of HK$1.0 to RMB0.87945. No representation is made that RMB has been, could have been or may be converted into HK$, or vice versa, at that rate.

(5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 to reflect any trading results or other transactions of the Group entered into subsequent to December 31, 2025.

(6) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as shown on page II-1 have not been adjusted to illustrate the effect of the following:

In March 2026, the Company declared a dividend of approximately RMB1,740,264,000 to the existing shareholders prior to the Listing on the Company's retained profits as of December 31, 2025. Had the payment of the declared dividend been made on December 31, 2025, the unaudited pro forma adjusted consolidated net tangible assets of the Group would decrease from RMB30,039,178,000 to RMB28,298,914,000 based on Offer Price of HK$209.88 per Share, and the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share would be RMB29.68 (equivalent to HK$33.75) based on Offer Price of HK$209.88 per Share. Except for the information as disclosed above, no other adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets. These amounts are converted from Renminbi to Hong Kong dollars or Hong Kong dollars to Renminbi at an exchange rate of HK$1.0 to RMB0.87945. No representation is made that Renminbi/Hong Kong dollars amount have been, could have been or may be converted to Hong Kong dollars/Renminbi at that rate or at all.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the directors of Victory Giant Technology (HuiZhou) Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Victory Giant Technology (HuiZhou) Co., Ltd. (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 consolidated net tangible assets of the Group as at December 31, 2025 and related notes (the "Unaudited Pro Forma Financial Information") as set out on II-1 to II-2 of Appendix II of the Company's prospectus dated April 13, 2026 (the "Prospectus") in connection with the proposed initial public offering of the H shares of the Company (the "Proposed Public Offer"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on II-1 to II-2 of the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Proposed Public Offer on the Group's consolidated financial position as at December 31, 2025 as if the Proposed Public Offer had taken place at December 31, 2025. As part of this process, information about the Group's consolidated financial position has been extracted by the Directors from the Group's financial information for the year ended December 31, 2025, on which an Accountants' Report set out in Appendix I of the Prospectus has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited 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 behavior.

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" issued by the HKICPA, 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 Unaudited 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 Unaudited 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 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 of the Company have compiled the Unaudited 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 purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited 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 Unaudited Pro forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity 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 the Proposed Public Offer at December 31, 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited 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 unaudited 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 unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) or standards and practices of any professional body in any other overseas jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors 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 Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

BDO Limited
Certified Public Accountants
Hong Kong

April 13, 2026

TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares is subject to the laws and practices of Chinese mainland and of jurisdictions in which holders of the H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken into account the expected change or amendment to the relevant laws and policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an investment in the H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulations. Accordingly, you should consult your own tax advisors regarding the tax consequences of an investment in the H shares. The discussion is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not address any aspects of Chinese mainland taxation other than income tax, capital gains tax and profits tax, sales tax, VAT, stamp duty and estate duty. Prospective investors are urged to consult their financial advisors regarding Chinese mainland and elsewhere tax consequences of owning and disposing of the H shares.

Taxation in Chinese Mainland

Tax on Dividends

Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》), or the Individual Income Tax Law, lastly amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》) lastly amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by Chinese mainland companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《上市公司股息紅利差別化個人所得稅政策有關問題的通知》) jointly issued by the MOF, the SAT and the CSRC on September 7, 2015 and effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering and market transfer, if the holding period is more than one year, the dividends and bonus income shall be temporarily exempted from individual income tax. Where an individual holds shares of a listed company from the public offering and market transfer, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, executed on August 21, 2006, the government may impose tax on dividends paid by a company in Chinese mainland to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a company in Chinese mainland and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the company in Chinese mainland. The Fifth Protocol to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《國家稅務總局關於<內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排>第五議定書》), or the Fifth Protocol, issued by the SAT and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Enterprise Investors

Pursuant to the EIT Law, lastly amended by the SCNPC and effective on December 29, 2018, and the Implementation Rules of the EIT Law of the PRC (《中華人民共和國企業所得稅法實施條例》), or the Implementation Rules of the EIT Law, lastly amended by the State Council on December 6, 2024 and effective on January 20, 2025, a non-resident enterprise is subject to a 10% EIT on Chinese mainland-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the Chinese mainland or has an establishment or place of business in the Chinese mainland but the Chinese mainland-sourced income is not actually connected with such establishment or place of business in the Chinese mainland. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the EIT on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises by State Administration of Taxation (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the SAT and effective on November 6, 2008, a PRC resident enterprise is required to withhold EIT at a unified rate of 10% on dividends paid to non-PRC resident enterprise holders of H shares which are derived out of profit generated since 2008. The Reply on the Collection of EIT on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares by State Administration of Taxation (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), promulgated by the SAT on July 24, 2009 and effective on the same day, further provides that PRC-resident enterprises listed on Chinese mainland and overseas

stock exchanges by issuing stocks must withhold EIT at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that the PRC government has concluded with a relevant country or region, where applicable.

According to the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the PRC government may impose tax on dividends paid by a Chinese mainland company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the Chinese mainland company. If a Hong Kong resident directly holds 25% or more of equity interest in a Chinese mainland company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the Chinese mainland company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the tax authorities in Chinese mainland for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the Chinese mainland tax authorities' verification.

Tax Related to Share Transfer Income

Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals by Ministry of Finance and State Administration of Taxation (《財政部 國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》), which was promulgated by the MOF and the SAT on March 30, 1998 and effective on the same day, from January 1, 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. The SAT does not specify whether to continue to exempt individuals from individual income tax on the income from the transfer of shares in listed company in the newly revised EIT Law and Implementation Rules of the EIT Law.

Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to EIT at the rate of 10% with respect to Chinese mainland-sourced income, including gains derived from the disposal of shares in a Chinese mainland resident enterprise, if it does not have an establishment or place of business in the Chinese mainland or has an establishment or place of business in the Chinese mainland but the Chinese mainland-sourced income is not

actually connected with such establishment or place of business in the Chinese mainland. The aforementioned income tax payable by non-PRC resident enterprises is subject to source withholding, and the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted under the applicable tax treaties or arrangements on the avoidance of double taxation.

Shenzhen-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated by the MOF, the SAT and the CSRC on November 5, 2016 and effective on December 5, 2016, transfer spread income derived by enterprise investors in Chinese mainland from stock investment listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to EIT according to law. For dividends and bonuses received by individual investors in Chinese mainland from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to China Securities Depository and Clearing Company Limited for providing the register of individual investors in Chinese mainland to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors.

Pursuant to the Announcement on the Continued Implementation of the Individual Income Tax Policies on the Inter-connected Mechanisms for Trading on the Shanghai and Hong Kong Stock Markets and for Trading on the Shenzhen and Hong Kong Stock Markets and on the Mutual Recognition of Funds between the Mainland and Hong Kong (《關於繼續執行滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated by the MOF, the SAT and the CSRC on December 4, 2019 and effective on December 5, 2019, and the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mainland-Hong Kong Mutual Recognition of Funds (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) which promulgated on August 21, 2023 and implemented on the same day, the transfer spread income derived by individual investors in Chinese mainland from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax from December 5, 2019 to December 31, 2027.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), dividends derived by enterprise investors in Chinese mainland from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect are included in their total income and subject to EIT according to law. In particular, dividends and bonus income obtained by resident enterprises in Chinese mainland from holding H shares for 12 consecutive months shall be exempted from EIT according to law. H-share companies shall not withhold income tax on dividends and bonus income for enterprise investors in Chinese mainland. The tax payable shall be declared and paid by the enterprise itself.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated by the SCNPC on June 10, 2021 and came into effect on July 1, 2022, the purchase and disposal of H shares by non-Chinese mainland investors outside of Chinese mainland are not subject to the requirements of the Stamp Duty Law of the PRC.

Estate Duty

Pursuant to the laws of Chinese mainland, no estate duty is currently levied in Chinese mainland.

MAJOR TAXATION OF OUR COMPANY IN CHINESE MAINLAND

EIT

According to the EIT Law, enterprises and other income-generating organizations (hereinafter collectively referred to as "enterprises") within the territory of the Chinese mainland are the taxpayers of EIT and shall pay EIT in accordance with the provisions of the EIT Law. The EIT rate is 25%.

According to the Administrative Measures for Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology, the MOF and the SAT on April 14, 2008, amended on January 29, 2016 and became effective on January 1, 2016, an enterprise recognized as a high and new technology enterprise may apply for a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the Enterprise Income Tax Law.

Enterprises are classified into resident enterprises and non-resident enterprises. A non-resident enterprise that does not have an establishment or place of business in the Chinese mainland, or has an establishment or place of business in the Chinese mainland but the income has no actual connection to such establishment or place of business, shall pay EIT on its income within the Chinese mainland and withhold at source, where the payer is the withholding agent. The tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Meanwhile, any gains realized on the transfer of shares by such investors are subject to EIT and shall be withheld at source if such gains are regarded as income derived from the transfer of property within the Chinese mainland.

VAT

Pursuant to the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例》) lastly amended by the State Council on November 19, 2017 and effective on the same day and the Detailed Rules for the Implementation of the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例實施細則》) lastly amended by the MOF on October 28, 2011 and effective on November 1, 2011, all

entities and individuals in Chinese mainland engaging in the sale of goods, the provision of processing, repairs and replacement services, and the importation of goods are required to pay VAT. For taxpayers selling or importing goods, the general tax rate shall be 17% unless otherwise specified in the aforesaid regulations.

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》) (Cai Shui [2018] No. 32), promulgated by the MOF and the SAT on April 4, 2018, and became effective as of May 1, 2018, the VAT rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively.

Pursuant to the Announcement on Relevant Policies for Deepening VAT Reform (《關於深化增值稅改革有關政策的公告》) (2019 No. 39 of MOF, SAT and GACC), promulgated by the MOF, the SAT and the GACC on March 20, 2019 and became effective on April 1, 2019, the VAT rates of 16% and 10% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 13% and 9%, respectively.

On December 25, 2024, the SCNPC promulgated the VAT Law of the PRC (《中華人民共和國增值稅法》), which will come into effective on January 1, 2026, and replace the Provisional Regulations on Value-added Tax of the PRC.

FOREIGN EXCHANGE ADMINISTRATION

The lawful currency of Chinese mainland is the Renminbi. The SAFE, authorized by the People's Bank of China, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the PRC on Foreign Exchange Control (《中華人民共和國外匯管理條例》) announced by the State Council on August 5, 2008 and effective on the same day, all international payments and transfers are classified into current account items and capital account items. Chinese Mainland does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of enterprises in Chinese Mainland may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

Pursuant to relevant laws and regulations of the Chinese mainland, Chinese mainland enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprise that need to distribute profits to their shareholders in foreign exchange and Chinese enterprise that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

Pursuant to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council and effective on October 23, 2014, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled.

Pursuant to the Circular of the State Administration of Foreign Exchange of the PRC on Relevant Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE on December 26, 2014 and effective on the same day, the relevant provisions on foreign exchange administration of domestic joint stock companies (hereinafter referred to as "**domestic companies**") listed overseas are as follows:

(i) The SAFE and its branches and the Foreign Exchange Management Department, or the Foreign Exchange Bureau, supervise, manage and inspect the business registration, account opening and use, cross-border income and expenditure, and capital exchange involved in the overseas listing of domestic companies.

(ii) A domestic company shall, within 15 working days after the completion of the overseas listing and issuance, register the overseas listing with the Foreign Exchange Bureau at the place where it is registered with relevant material.

(iii) A domestic company (other than banking financial institutions) shall, by virtue of its registration certificate for overseas listing business, open a "special foreign exchange account for overseas listing of domestic companies" with a domestic bank for its initial offering (or additional offering) and repurchase business to handle the remittance and transfer of funds for the relevant business.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) issued on February 13, 2015 and effective on June 1, 2015, the SAFE has cancelled the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment, instead, banks

shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionize and Regulate Capital Account Settlement Management Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued by the SAFE on June 9, 2016 and effective on the same day, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.

Pursuant to the Notice of the State Administration of Foreign Exchange of the PRC on Promulgation of the Guidelines on Foreign Exchange Businesses under Capital Accounts (Edition 2024) (《國家外匯管理局關於印發<資本專案外匯業務指引(2024年版)>的通知》) promulgated by the SAFE on April 3, 2024, for domestic companies listed overseas, the funds raised shall in principle be repatriated to China in a timely manner, either in RMB or foreign currency. The use of these funds must comply with the relevant content disclosed in public documents, such as the document, bond issuance documents, shareholder circulars, board or shareholder meeting resolutions. If a domestic company uses overseas-raised funds for outbound direct investment, overseas securities investment, or cross-border lending, it must comply with the relevant foreign exchange regulations.

This Appendix summarizes certain aspects of the laws and regulations of Chinese Mainland which are relevant to our Company's operations and business. Laws and regulations relating to taxation in Chinese mainland are discussed separately in "Appendix III — Taxation and Foreign Exchange" to this prospectus. This Appendix also contains a summary of laws and regulatory provisions of the PRC Company Law. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulatory provisions applicable to our Company. This summary is not intended to include all the information which is important to the potential investors. For a discussion of laws and regulations which are relevant to our Company's business, see "Regulatory Overview" in this prospectus.

THE LEGAL SYSTEM OF CHINESE MAINLAND

The legal system of Chinese mainland is based on the Constitution of the PRC (《中華人民共和國憲法》), or the "**Constitution**", and is made up of written laws, administrative regulations, local regulations, separate regulations, rules and regulations of departments of the State Council, rules and regulations of local governments, autonomous regulations, separate regulations of autonomous regions, special administrative region laws and international treaties and other regulatory documents signed by the PRC government. Court decisions do not constitute binding precedents, although they are used for the purposes of judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》), or the "**Legislation Law**", lastly amended by National People's Congress (the "**NPC**") on March 13, 2023 and effective on March 15, 2023, the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provisions of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their standing committees may formulate local regulations on matters such as urban and rural construction and management, environmental protection and historical and cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of such provinces or

autonomous regions. Where laws have other stipulations on matters of local regulations formulated by cities divided into districts, such stipulations shall prevail. The local regulations of cities divided into autonomous regions shall be submitted for approval before implementation.

The standing committees of the people's congresses of provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned. The ministries, commissions, the People's Bank of China, National Audit Office of the State Council and institutions with administrative functions directly under the State Council may formulate rules and regulations within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the power to amend or annul any inappropriate laws formulated by the SCNPC, and to annul any autonomous regulations and separate regulations which have been approved by the SCNPC but which contravene the Constitution and the Legislation Law. The SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but which contravene the Constitution and the Legislation Law. The State Council has the power to amend or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The standing committees of the local people's congresses have the power to annul inappropriate rules enacted by the people's governments at the corresponding level. The people's governments of provinces and autonomous regions have the power to amend or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed by the SCNPC and effective on June 10, 1981, the SCNPC shall give interpretation and make provisions by means of decrees on issues related to the further clarification or supplement of laws or decrees. The Supreme People's Court shall give interpretations on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate shall interpret all issues involving the specific application of laws and decrees in the procuratorial work. If there are principled differences in the interpretation of the Supreme People's Court and the Supreme People's Procuratorate, they shall be submitted to the SCNPC for interpretation or decision. Interpretation of questions involving the specific application of laws and decrees in areas unrelated to judicial and procuratorial work shall be provided by the State Council and competent authorities.

Where the scope of local regulations needs to be further defined or additional stipulations need to be made, the standing committees of the people's congresses of provinces, autonomous regions and municipalities which have enacted these regulations shall provide interpretations or make the stipulations. Interpretation of questions involving the specific application of local regulations shall be provided by the competent departments of the people's governments of provinces, autonomous regions and municipalities.

JUDICIAL SYSTEM OF CHINESE MAINLAND

According to the Constitution and the Law of the PRC of Organization of the People's Courts (《中華人民共和國人民法院組織法》) lastly amended by the SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Court is made up of the Supreme People's Court, the local people's courts, and other special people's courts. The local people's courts are divided into three levels, namely the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at higher levels shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) lastly amended by SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-instance trial system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present

a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts become final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the president of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》), or the "**Civil Procedure Law**" lastly amended by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the Chinese mainland must comply with the Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed, or the object of the action is located. However, the choice of the court cannot conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or defending any proceedings at a people's court. If a foreign court limits the litigation rights of PRC citizens, legal person or other organizations, the PRC court may apply the same limitations to the citizens, legal person or other organizations of such foreign country. A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must engage a lawyer from Chinese Mainland if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. Under an international treaty or the principle of reciprocity signed or acceded to by the Chinese mainland, the people's court and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions on behalf of each other. If the request by a foreign court would result in the violation of the PRC's sovereignty, security or public interest, the people's court shall decline the request.

All parties involved must comply with legally effective civil judgments and rulings. If any party to a civil action refuse to comply with a judgment or order made by a people's court or an award made by an arbitration tribunal, the other party may apply to the people's court for enforcement within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the Chinese mainland or whose property is not within the Chinese mainland, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to the Chinese mainland enforcement procedures if the Chinese mainland has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the Chinese mainland, its sovereignty or security, or for reasons of social and public interests.

THE PRC COMPANY LAW, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in Chinese mainland seeking a listing on Hong Kong Stock Exchange is mainly subject to the following laws and regulations of Chinese Mainland.

The Company Law of the PRC, or the "**Company Law**", was lastly revised on December 29, 2023 and came into effect on July 1, 2024.

The Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》), or the **"Overseas Listing Trial Measures**" and its five interpretative guidelines, were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023 and were applicable to the direct and indirect overseas offering and listing of PRC domestic companies' securities.

According to the Overseas Listing Trial Measures and its interpretative guidelines, where a domestic company directly conducts offering and listing overseas, it shall formulate its articles of association in line with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), or the "**Guidelines for Articles of Association**," which was issued by the CSRC as amended and effective from time to time, in place of the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》) which ceased to apply from March 31, 2023. The latest revision of the Guidelines for Articles of Association of Listed Companies became effective on March 28, 2025.

Set out below is a summary of the major provisions of the Company Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association which are applicable to our Company.

General Provisions

A joint stock limited company means a corporate legal person incorporated under the Company Law, whose registered capital is divided into shares of equal par value. The liability of its shareholders is limited to the extent of the shares held by them and the liability of a company is limited to the full value of all the property owned by it.

A company must conduct its business in accordance with laws and regulations as well as public and commercial ethics, be honest and trustworthy and accept the supervision of the government and the public. A company may invest in other companies. If it is prescribed by any law that a company shall not become a capital contributor that shall bear the joint and several liability for the debts of the enterprises it invests in, such provisions shall prevail.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the Chinese Mainland.

The promoters of subscription of a joint stock company shall convene an inaugural meeting of the company within 30 days after the share capital has been paid up and shall notify all subscribers of the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only with the presence of subscribers holding more than 50% of the voting rights. The convening and voting procedures for the inaugural meeting of a joint stock limited company incorporated by promotion shall be stipulated in the agreement of the promoters. Powers to be exercised at the inaugural meeting include but are not limited to the adoption of articles of association and the election of members of the board of directors and the supervisory committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be cast by subscribers presented at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall apply to the registration authority for registration of the incorporation of the joint stock limited company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Shares

Under the Company Law, shareholders may make capital contributions in cash, or with non-monetary property that may be valued in money and legally transferred, such as contribution in kind or with an intellectual property right, land use right, shareholding or claim.

The Overseas Listing Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issues of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. A joint stock limited company may issue shares at a par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with the Overseas Listing Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholders information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer itself shall file with the CSRC. If a domestic enterprise is indirectly listed overseas, the issuer shall designate a major domestic operating entity as the domestic person responsible and file with the CSRC.

Increase in Share Capital

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders' meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to original shareholders, if any. If no par value stock is issued, more than one-half of the proceeds from the issuance of the new stocks shall be included in the registered capital. Additionally, if a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the prospectus.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) to prepare a balance sheet and a property list; (ii) a company makes a resolution at shareholders' meeting to reduce its registered capital; (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of resolution of reducing registered capital; (iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice; (v) when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

Share Buy-Back

Under the Company Law, a company shall not purchase its own shares. Except for any following circumstances:

(i) reducing the registered capital; (ii) merging with other company that holds the shares of the company; (iii) using the shares for employee stocks plan or equity incentives; (iv) with respect to shareholders voting against any resolution adopted at the shareholders' meeting on the merger or division of our Company, the right to demand our Company to acquire the shares held by them; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; (vi) as required for maintenance of the corporate value and shareholders' rights and interests of a listed company.

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the shareholders' meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the board meetings attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the meeting.

Following the purchase of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

A listed company purchasing its own shares shall perform information disclosure obligations in accordance with the Securities Law of the PRC. A listed company purchasing its own shares for reasons specified in the case of (iii), (v) and (vi) above shall purchase the shares in a public and centralized trading manner.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder of a joint stock limited company should affect a transfer of his shares on securities exchange established according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall

record the name and address of the transferee in the register of shareholders. No changes of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholder's meeting or 5 days prior to the record date for a company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions should prevail.

Under the Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of the company are listed and traded on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by them shall not be transferred within one year from the date of a company's listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted transfer period.

Shareholders

Under the Company Law and Guidelines for Articles of Association the rights of a shareholder of a company include: (i) to receive dividends and other forms of interest distribution according to the number of shares held; (ii) to legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the shareholders' meeting and exercise corresponding voting rights; (iii) to supervise business operations of the company, provide suggestions or submit queries; (iv) to transfer, grant or pledge the company's shares held according to the provisions of the laws, administrative regulations and the articles of association; (v) to read and copy the articles of association, the register of Shareholders, counterfoil of company debentures, General Meeting minutes, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors and financial and accounting reports; (vi) shareholders who hold more than 3% of the company's shares individually or collectively for more than 180 consecutive days may inspect the company's accounting books and accounting vouchers in accordance with laws; (vii) to participate in the distribution of the remaining assets of the company according to the proportion of shares held upon our termination or liquidation; (viii) to require our company to acquire the shares from Shareholders voting against any resolutions adopted at the General Meeting concerning the merger and division of the company; (ix) other rights conferred by laws, administrative regulations, regulations of the authorities or the articles of association.

The obligations of a shareholder of a company include: (i) to abide by laws, administrative regulations and the articles of association; (ii) to provide share capital according to the shares subscribed for and share participation methods; (iii) not to abuse shareholders' rights to infringe upon the interests of the company or other shareholders; not to abuse the company's status as an independent legal entity or the limited liability of shareholders to damage the interests of the company's creditors; (iv) to perform other duties prescribed in laws, administrative regulations, departmental rules and articles of association.

Shareholder's Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers: (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors; (ii) to examine and approve reports of the board of directors; (iii) to examine and approve reports of the supervisory committee; (iv) to examine and approve a company's profit distribution plans and loss recovery plans; (v) to resolve on the increase or reduction of a company's registered capital; (vi) to resolve on the issuance of corporate bonds; (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company; (viii) to amend the company's articles of association; (ix) other functions and powers specified in provision of the articles of association.

Under the Company Law, annual shareholders' meetings are required to be held once every year. An interim shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances: (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association; (ii) when the unrecovered losses of a company amount to one-third of the total share capital; (iii) shareholders individually or jointly holding 10% or more of the company's shares request; (iv) when deemed necessary by the board of directors; (v) the supervisory committee proposes to convene the meeting; (vi) other circumstances as stipulated in the articles of association.

Shareholders' meeting shall be convened by the board of directors, and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the supervisory board should convene and preside over shareholders' meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of interim meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the board of directors in writing 10 days before the shareholders' meeting. The board of directors shall notify other shareholders within two days after receiving the proposal and submit the interim proposal to the shareholders' meeting for consideration.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' meeting. Under the accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Directors

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of offices hall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. The board of directors exercises the following functions and powers: (i) to convene shareholder's general meetings and report its work to the shareholder's general meetings; (ii) to implement the resolutions of the shareholder's general meeting; (iii) to decide on a company's business plans and investment plans; (iv) to formulate a company's profit distribution plan and loss recovery plan; (v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds; (vi) to formulate plans for cake, division, dissolution or change of corporate form of a company; (vii) to decide on the internal management structure of a company; (viii) to decide on the appointment or dismissal of the manager of a company and their remuneration; (ix) to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration; (x) to formulate a company's basic management system; (xi) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

The board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he/she may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is: (i) a person without capacity or with restricted capacity; (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period; (iii) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise; (iv) a person who was legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who were personally liable, where

less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and (v) being listed as one of "dishonest persons subject to enforcement" by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairperson, who shall be elected by more than half of all the directors. The chairperson shall exercise the following functions and powers (including but not limited to): (i) to preside over shareholders' meetings and convene and preside overboard meetings; and (ii) to examine the implementation of resolutions of the board of directors; (iii) to exercise other powers conferred by the board of directors.

Supervisors

Under the Company Law, a joint stock limited company may have a board of supervisors which shall comprise 3 members or more. The members of the board of supervisors shall include shareholders' representatives and an appropriate proportion of employees' representatives of the company, among which the proportion of the employees' representatives shall not be lower than one third, and the concrete proportion shall be specified in the articles of association. The employees' representatives who serve as members of the board of supervisors shall be democratically elected by employees through the employees' representative congress, employees' congress or by other means. No director or senior executive may concurrently hold the post of supervisor.

The board of supervisors shall have one chairman and may have deputy chairmen. The chairman and deputy chairmen of the board of supervisors shall be elected by more than half of all the supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform his/her duties, the deputy chairman of the board of supervisors shall convene and preside over the meeting. If the deputy chairman is unable or fails to perform his/her duties, a supervisor jointly elected by more than half of the supervisors shall convene and preside over such meeting.

The board of supervisors shall exercise the following functions and powers: (i) examining the financial affairs of the company; (ii) supervising the acts of the directors and senior executives in the performance of their duties, and proposing the removal of the directors and senior executives who have violated laws, administrative regulations, the articles of association or the resolutions of the Shareholders' Meeting; (iii) requiring the directors and senior executives to correct their acts if such acts damage the interests of the company; (iv) proposing to convene an interim Shareholders' Meeting, and convening and presiding over the Shareholders' Meeting when the board of directors fails to implement the duties to convene and preside over the Shareholders' Meeting as prescribed in the Company Law; (v) presenting proposals to the Shareholders' Meeting; (vi) initiating lawsuits against the directors and senior executives according to Article 189 of the Company Law; and (vii) other functions and powers provided for in the articles of association.

A joint-stock company may, instead of setting up board of supervisors, in accordance with the provisions of its articles of association, set up an audit committee consisting of directors on its board of directors to exercise the powers and functions of the board of supervisors.

On December 27, 2024, the CSRC promulgated the Transitional arrangements relating to the implementation of the rules under the new Company Law (《關於新<公司法>配套制度規則實施相關過渡期安排》), Listed companies shall, before January 1, 2026, in accordance with the provisions of the Company Law, the Provisions of the State Council on Implementation of the Registered Capital Management System under the Company Law of the PRC and the supporting rules of the CSRC, provide in the articles of association for the establishment of an audit committee in the board of directors, exercising the powers and functions of the supervisory board as stipulated in the Company Law, the listed companies will then have no supervisory board or supervisors. Before a listed company adjusts the establishment of the company's internal supervisory body, the supervisory board or supervisors shall continue to comply with the provisions in the original rules of the CSRC.

Managers and Senior Management

According to the Company Law, a company should have a manager who is appointed or removed by the board of directors. The manager is responsible to the board of directors and exercise his/her functions and powers according to the articles of association or the authorization of the board of directors. The manager attends the meetings of the board of directors as a non-voting member.

According to the Company Law, senior management shall refer to the manager, deputy manager(s), financial controller, secretary of the board of directors and other personnel as stipulated in the articles of association of the company.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company's properties.

Directors, supervisors and senior management are prohibited from: (i) embezzling the company's property or misappropriating of the company's capital; (ii) depositing the company's capital into accounts under his/her own name or the name of other individuals; (iii) giving bribes or accepting any other illegal proceeds by taking advantage of their power; (iv) accept and possess commissions paid by a third party for transactions conducted with the company; (v) unauthorized divulgence of confidential business information of the company; or (vi) other acts in violation of their fiduciary duty to the company.

If any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the company, he/she should report the matters relating to the conclusion of the contract or transaction to the board of directors or the shareholders' meeting, subject to the approval of the board of directors or the shareholders' meeting according to the articles of association.

The provisions of the preceding paragraph shall apply if any near relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the directors, supervisors or senior management, concludes a contract or conducts a transaction with the company.

Neither director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances: (i) where he/she has reported to the board of directors or the shareholders' meeting and has been approved by a resolution of the board of directors or the shareholders' meeting according to the articles of association; or (ii) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior management fails to report to the board of directors or the shareholders' meeting and obtain an approval by resolution of the board of directors or the shareholders' meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

A director, supervisor or senior management who contravenes any law, regulation or the company's articles of association in the performance of his/her duties resulting in any loss to the company shall be personally liable for the damages to the company.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

A joint stock limited company may distribute profits in proportion to the number of shares held by its shareholders, except for profit distributions that are not in proportion to the number of shares held in accordance with the provisions of the articles of association of the joint stock limited company.

The premium over the nominal value of the shares of a joint stock limited company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounts other than those provided by law.

Appointment and Dismissal of Accounting Firms

Pursuant to the Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting, the board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

The Guidelines for Articles of Association provides that the company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the employed accounting firm, and shall not refuse, conceal or falsely report. And the audit fee of the accounting firm shall be decided by the shareholders' meeting.

Profit Distribution

When distributing each year's after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw statutory reserve fund if it has accumulated to more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year profits shall be used to make up for the losses before making allocations to the statutory

reserve in accordance with the preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the shareholders' meeting. The residual after-tax profits after a company has made up its losses and accrued reserve shall be distributed by the company (in the case of a joint stock limited company) in proportion to the shares held by its shareholders, except as otherwise provided for in the company's articles of association. Profit shall not be distributed for a company's shares held by this company.

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders and directors, supervisors, and senior management who are responsible for causing losses to the company shall bear compensation liability.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons: (i) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders' meeting resolves to dissolve the company; (iii) dissolution is necessary due to a merger or division of the company; (iv) the business license is revoked, or the company is ordered to close down or is revoked in accordance with laws; (v) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the company may present a petition to a people's court for the dissolution of the company.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with item (i) above, it may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting. Where the company is dissolved pursuant to items (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company's articles of association or it is otherwise elected by the shareholders' meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

The liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation group to conduct liquidation. The people's court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation group shall exercise the following functions and powers during the liquidation period: (i) to liquidate the company's property and respectively prepare balance sheet and list of property; (ii) to notify creditors by notice or public announcement; (iii) to deal with the outstanding business of the company involved in the liquidation; (iv) to pay all outstanding taxes and taxes arising in the course of liquidation; (v) to liquidate claims and debts; (vi) to distribute the remaining property of the company after paying off debts; (vii) to participate in civil litigations on behalf of the company.

The liquidation group shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

The remaining property of the company after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to their shareholdings. During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The company's assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation group, having thoroughly examined the company's assets and having prepared a balance sheet and an inventory of assets, discovers that the company's assets are insufficient to pay its debts in full, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation group shall prepare a liquidation report to be submitted to the shareholders' meeting or the people's court for confirmation, and submit to the company registration authority to apply for cancellation of the company's registration.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Overseas Listing Trial Measures, where an issuer makes an overseas initial public offering or listing, it shall file with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of Article 16 of the Overseas Listing Trial Measures.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The Securities Law has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Overseas Listing Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

SECURITIES LAW AND REGULATIONS

In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the Chinese mainland and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by companies in

Chinese mainland or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking research and analysis. On March 29, 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》), promulgated by the State Council on April 22, 1993 and came into effect on the same day, provide the application and approval procedures for public offerings of shares, trading in shares, the acquisition of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information with respect to a listed company, investigation and penalties and dispute arbitration.

The Regulations of the State Council Concerning the Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》), promulgated by the State Council on December 25, 1995 and came into effect on the same day, mainly provide for the issue, subscription, trading and payment of dividends of domestic listed foreign shares and disclosure of information of joint stock limited companies with domestic listed foreign shares.

The Securities Law, which was lastly amended by the SCNPC on December 28, 2019 and came into effect on March 1, 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities in the Chinese mainland, and comprehensively regulates activities in the securities market of Chinese mainland. The Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the Chinese mainland or listing and trading its securities outside the Chinese Mainland. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the PRC (《中華人民共和國仲裁法》), or the "**Arbitration Law**", last amended by the SCNPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the Civil Procedure Law. If there is evidence to prove that any of the following circumstances exists: the parties have not stipulated an arbitration clause in the

contract or have not reached a written arbitration agreement afterwards; the respondent has not been notified of the appointment of the Court of Arbitration or the arbitration proceedings or failed to present views for other reasons for which the respondent is not responsible; the composition of the arbitral tribunal or the arbitration procedures are not in accordance with the arbitration rules; the matters awarded are outside the scope of the arbitration agreement, or the arbitration committee has no jurisdiction to arbitrate, the people's court may rule not to enforce such award. A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the Chinese mainland shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by arbitral authorities in Chinese mainland can be applied for enforcement in Hong Kong, and Hong Kong arbitration awards can also be applied for enforcement in the Chinese mainland.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Chinese Mainland and of the Hong Kong Special Administrative Region (《最高人民法院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 》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, except for judgments in civil and commercial cases that are not applicable under Article 3 of this Arrangement, judgments that can be recognized and enforced in both places are those made by mainland and Hong Kong Special Administrative Region courts on or after January 29, 2024. The mutually recognized and enforced judgments include monetary judgments and non-monetary judgments. Upon implementation of this Arrangement, the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Chinese Mainland and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) which was adopted by the Judicial Committee of the Supreme People's Court on June 12, 2006 and took effect on August 1, 2008 has been repealed.

This Appendix is primarily intended to provide potential investors with an overview of the Articles of Association, the following information is a summary and therefore may not contain all the information that is material to potential investors.

ISSUANCE OF SHARES

The shares of the Company shall be issued in a fair and equal manner. Each share of the same class shall rank *pari passu* with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Subscribers shall pay the same price for each share subscribed for.

INCREASE, DECREASE AND REPURCHASE OF SHARES

According to the operation and development needs of the Company, subject to the laws and regulations, the Company may increase the share capital in the following ways upon approval of resolutions at the shareholders' meeting:

(i) Issuance of shares to unspecified parties;

(ii) Issuance of shares to specified parties;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Converting the reserve funds into share capital;

(v) Other methods as provided for by laws and administrative regulations and approved by the CSRC and other securities regulatory authorities and the stock exchanges in the places where the shares of the Company are listed.

The Company may decrease the registered share capital. When the Company reduces its registered capital, it shall comply with the procedures stipulated in the Company Law of the PRC (《中華人民共和國公司法》) and other regulations, the Articles of Association.

The Company may repurchase its own shares in accordance with laws, administrative regulations, departmental rules, and the provisions of this Articles of Association under the circumstances:

(i) Reducing the Company's registered share capital;

(ii) Merging with other companies which hold our shares;

(iii) Using the shares for an employee stock ownership plan or equity incentive plan;

(iv) Purchasing its shares from shareholders who have voted against the resolutions on the merger or division of the Company at a shareholders' meeting upon their request;

(v) Use of shares for conversion of convertible corporate bonds issued by the Company;

(vi) Necessary for the Company to maintain its value and protect the interests of the Shareholders.

The repurchase of the Company's shares by the Company may be carried out through public centralized trading on stock exchanges, or other methods recognized under laws, regulations, the CSRC and the stock exchanges at the places where the Company's shares are listed.

A resolution shall be passed at the shareholders' meeting when the Company is to repurchase its own shares under the circumstances (i) and (ii) set out above. In case of the circumstances stipulated in (iii), (v) and (vi) above, subject to compliance with the applicable securities regulatory rules of the places where the Company's shares are listed, a resolution of the Company's Board shall be passed by two-thirds or more of the Directors attending the Board meeting in accordance with the provisions of the Articles of Association or the authorization of the shareholders' meeting.

After the Company has repurchased its own shares in accordance with the circumstances above, the shares repurchased shall be canceled within ten days from the date of purchase (under the circumstance set out in (i) above), or shall be transferred or canceled within six months (under the circumstances set out in (ii) and (iv) above). If the Company repurchases its shares under the circumstances set out in (iii), (v) and (vi) above, the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

When the Company repurchases its own shares, it shall perform the obligation of information disclosure in accordance with the Securities Law and the regulatory rules of securities of the places where the Company's shares are listed.

TRANSFER OF SHARES

Shares issued prior to the initial public offering of shares of the Company shall not be transferred within one year from the date on which the shares of the Company are listed and traded on the stock exchange. Where laws, administrative regulations, or the securities regulatory authority of the State Council provide otherwise for the transfer of shares of the company held by the company's shareholders or actual controllers, such provisions shall prevail.

Any gains from sale of Company's shares by the Directors, senior management members or shareholders holding 5% or more of the Company's shares (excluding shareholders who are the recognized clearing houses and their agents) within six months after their purchase of the same, and any gains from the purchase of the shares by any of the aforesaid parties within six months after sale of the same shall be disgorged and paid to the Company, and the Board of Directors of the Company shall recover such gains from the abovementioned parties. However,

there is an exception for securities companies that hold more than 5% of the shares due to the purchase of surplus shares after the package sale, and other circumstances stipulated by the CSRC. If the securities regulatory rules of the places where the Company's shares are listed impose additional restrictions on the transfer restrictions of the Company's shares, such provisions shall prevail.

Shares or other securities with the nature of equity held by Directors, senior management and individual shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts.

If the Board of Directors fails to implement the provisions set forth above, the responsible Directors shall bear joint and several liability in accordance with law.

FINANCIAL ASSISTANCE FOR THE ACQUISITION OF SHARES IN OUR COMPANY

The Company or its subsidiaries (including affiliates of enterprises) shall not offer gift, advance, guarantee, loan etc. for others to acquire the shares of the Company or its parent company except for those implemented by employee stock ownership plans by the Company.

For the benefit of the Company, upon the resolution of the shareholders' meeting or the resolution adopted by the Board of Directors as authorized by the Articles of Association of the Company or by the shareholders' meeting, the Company may provide financial assistance for other persons to acquire shares in the Company or its parent company, provided that the aggregate amount of such financial assistance shall not exceed ten percent of the total issued share capital of the Company. The resolution of the Board of Directors shall be passed by two-thirds or more of all the Directors.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

Shareholders

The Company shall establish a register of shareholders in accordance with evidentiary documents provided by the securities registration authorities. The register of shareholders is sufficient evidence to prove that the shareholders hold the Company's Shares. The original register of shareholders of H shares is kept in Hong Kong and is available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the places where the Company's shares are listed. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The rights of our shareholders are as follows:

(i) To receive dividends and other forms of interest distribution according to the number of shares held;

(ii) To legally require, convene, preside over, participate in or authorize proxies of shareholders to attend the shareholders' meeting and exercise corresponding speeching rights and voting rights;

(iii) To supervise operations of the Company, provide suggestions or submit queries;

(iv) To transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles of Association;

(v) To read and copy the Articles of Association, the register of shareholders, shareholders' meeting minutes, resolutions of meeting of the Board of Directors and accounting reports. The shareholders who comply with the regulations may also consult the Company's accounting books and accounting vouchers;

(vi) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

(vii) To require our Company to acquire the shares from shareholders voting against any resolutions adopted at the shareholders' meeting concerning the merger and division of the Company;

(viii) Other rights conferred by laws, administrative regulations, regulations of the authorities, regulatory rules where the Company's shares are listed, or the Articles of Association.

Shareholders of the Company who inspect or replicate the relevant materials shall also comply with the provisions of the Company Law of the PRC (《中華人民共和國公司法》), the Securities Law and other laws and administrative regulations, and rules of the places where the Company's shares are listed.

If a shareholder who individually or jointly holds 3% or more of the Company's shares for more than 180 consecutive days requests to inspect and replicate the Company's accounting books or accounting vouchers, the provisions of the second, third and fourth paragraphs of Article 57 of Company Law of the PRC (《中華人民共和國公司法》) shall apply.

The provisions of the above articles shall apply to shareholders who request to inspect or replicate the relevant materials of a wholly-owned subsidiary of the Company.

If the content of the resolution of the Company's shareholders' meeting or Board of Directors violates laws, administrative regulations, or regulatory rules of securities of the places where the Company's shares are listed, the shareholders have the right to request the court to declare it invalid. If the convening procedures or voting methods of the shareholders' meeting or the Board of Directors violate laws, administrative regulations, regulatory rules of securities of the places where the Company's shares are listed or the Articles of Association, or the content of the resolution violates the Articles of Association, the shareholders have the right to request the court to revoke the resolution within 60 days from the date on which the resolution is made, except where there are only some minor defects in the convening procedures or the voting method of the shareholders' meeting or the Board of Directors, which do not materially affect the resolution.

In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations, regulatory rules of securities of the places where the Company's shares are listed or Articles of Association by the Directors or senior management who are not members of the Audit Committee when performing their duties in the Company, the shareholders holding more than 1% shares separately or jointly for over 180 consecutive days may submit a written request to the Audit Committee to file an action with the court. Where members of the Audit Committee violate laws, administrative regulations, regulatory rules of securities of the places where the Company's shares are listed or the Articles of Association in their duty performance and cause loss to the Company, the shareholders holding 1% or more shares separately or jointly for 180 or more consecutive days may submit a written request to the Board of Directors to file an action with the court.

In the event that the Audit Committee or the Board of Directors refuse to file an action upon receipt of the shareholders' written request specified in the preceding paragraph, or fail to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the shareholder(s) specified in the preceding paragraph may, in their own name, directly file an action to the court for the interest of the Company. In the event of any other person infringes upon the legitimate rights and interests of the Company and causes losses thereto, the shareholder(s) specified in this Articles of Association may file an action with the court pursuant to the provisions of the preceding paragraphs.

The obligations of shareholders are as follows:

(i) To abide by laws, administrative regulations and the Articles of Association;

(ii) To provide Share capital according to the Shares subscribed and the subscription methods;

(iii) Not to withdraw Shares unless prescribed otherwise in laws and administrative regulations;

(iv) Not to abuse shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

Shareholders of a company who abuse their shareholders' rights and cause the company or other shareholders to suffer damages shall bear compensation liability in accordance with the law.

Shareholders of a company who abuse the independent legal person status of the company and limited liability of shareholders to evade debts and cause damage to the interests of the creditors of the company shall bear joint liability for the company's debt.

(v) To perform other duties prescribed in laws, administrative regulations, the listing rules of the places where the Company's shares are listed and the Articles of Association.

Where 5% or more of the shares in the Company held by the Company's controlling shareholders or actual controllers are pledged, frozen, judicially marked, judicially auctioned, entrusted, placed in trust, or subject to lawful restrictions on voting rights, or where there is a risk of compulsory transfer of ownership, such controlling shareholders or actual controllers shall promptly inform the Company and cooperate with the Company in fulfilling its information disclosure obligations.

The controlling shareholders and actual controllers of the Company shall comply with the following provisions:

(i) Exercise their shareholder rights in accordance with the law, and shall not abuse their controlling power or utilize connected relationships to damage the legitimate rights and interests of the Company or other shareholders;

(ii) Strictly perform their public statements and various commitments, and shall not arbitrarily modify or grant exemptions therefrom;

(iii) Strictly fulfill their information disclosure obligations in accordance with relevant provisions, actively cooperate with the Company in information disclosure work, and promptly inform the Company of major events that have occurred or are proposed to occur;

(iv) Shall not occupy the Company's funds in any manner;

(v) Shall not coerce, instigate, or require the Company and relevant personnel to provide guarantees in violation of laws or regulations;

(vi) Shall not use the Company's undisclosed major information to seek benefits, shall not disclose undisclosed major information related to the Company in any manner, and shall not engage in illegal or irregular acts such as insider trading, short-term trading, or market manipulation;

(vii) Shall not damage the legitimate rights and interests of the Company and other shareholders through any means such as unfair connected transactions, profit distribution, asset restructuring, or external investments;

(viii) Ensure the Company's asset integrity, personnel independence, financial independence, organizational independence, and business independence, and shall not affect the Company's independence in any manner;

(ix) Comply with other provisions of laws, administrative regulations, regulatory rules of securities of the places where the Company's shares are listed, and the Articles of Association.

The controlling shareholders and actual controllers of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the provisions of the CSRC and the securities regulatory rules of the places where the Company's shares are listed, and safeguard the interests of the Company.

Where the controlling shareholders or actual controllers of the Company does not serve as a Director of the Company but actually executes the Company's affairs, the provisions of the Articles of Association regarding the duty of loyalty and diligence of Directors shall apply. Where the controlling shareholders or actual controllers of the Company instructs Directors or senior management personnel to engage in acts that harm the interests of the Company or shareholders, they shall bear joint and several liability with such Directors or senior management personnel.

General Provisions for Shareholders' Meeting

The shareholders' meeting is the organ of authority of the Company, which exercises its powers in accordance with the law:

(i) To elect and replace the Directors, and to decide on matters relating to the remuneration of Directors;

(ii) To review and approve reports of the Board of Directors;

(iii) To review and approve the Company's proposals for profit distribution plans and loss recovery plans;

(iv) To decide on any increase or decrease of the Company's registered capital;

(v) To decide on the issue of corporate bonds by the Company;

(vi) To decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;

(vii) To amend the Articles of Association;

(viii) To appoint or remove the accounting firm undertaking the Company's auditing business by the Company;

(ix) To review and approve the guarantees stipulated in the Articles of Association;

(x) To review matters relating to the purchases and sales of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;

(xi) To review and approve matters relating to changes in the use of proceeds;

(xii) To review and approve the equity incentive plans and employee stock ownership plans;

(xiii) Review and approve the major transactions (excluding guarantees and financial assistance) which meet the following standards:

1. The total assets involved in the transaction account with the amount more than 50% of the Company's most recent audited total assets. Where the total assets involved in the transaction have both book value and valuation value, it shall be calculated on the basis of whichever is higher;

2. The related operating income of the subject matter of transaction (such as equity) in the most recent fiscal year accounts with the amount more than 50% of the Company's audited operating income in the most recent fiscal year and the absolute amount is more than RMB50 million;

3. The related net profit of the subject matter of transaction (such as equity) in the most recent fiscal year accounts with the amount more than 50% of the Company's audited net profit in the most recent fiscal year and the absolute amount is more than RMB5 million;

4. The transaction amount (including commitment debts and expenses) accounts for more than 50% of audited net assets of the Company of the latest period with the absolute amount of more than RMB50 million;

5. The profit generated by the transaction accounts for more than 50% of the audited net profit of the Company in the most recent fiscal year with the absolute amount of more than RMB5 million.

If the data involved in the above index calculation is negative, the absolute value of the data shall be taken.

(xiv) To review all transactions where the Company's percentage ratios calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules relating to percentage ratios are not less than 25% (including one-off transactions and a series of transactions which require combined percentage ratio calculation) and connected transactions where the percentage ratios are not less than 5% (including one-off transactions and a series of transactions which require combined percentage ratio calculation);

(xv) To review other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed or the Articles of Association of the Company, which shall be decided by the shareholders' meeting.

The shareholders' meeting may authorize the board of Directors to make resolutions on issuance of bonds by the Company. Except as otherwise provided by laws, administrative regulations, departmental rules or the securities regulatory rules of the places where the Company's shares are listed, the aforesaid powers of the shareholders' meeting shall not be exercised by the board of Directors or any other institution or individual on its behalf upon authorization.

The following connected transaction of the Company shall be submitted to the shareholders' meeting for review and approval:

(i) The transactions (except the Company providing guarantee) that are entered into between the Company and a connected person with a transaction amount of more than RMB30,000,000, representing more than 5% of the absolute value of the latest audited net assets of the Company; In addition to timely disclosure, the company shall engage an intermediary institution qualified to engage in securities and futures-related businesses to evaluate or audit the subject matter of the transaction, and submit the transaction to the shareholders' meeting for consideration;

(ii) The guarantee to be provided to a connected person thereof, after approval by the Board of Directors, shall be submitted to the shareholders' meeting for review and approval, regardless of the amount.

Where any connected transaction referred to in the preceding paragraph of this Article falls under any of the following circumstances, no audit or valuation is required:

(i) Routine connected transactions as provided in Article 7.2.15 of the Shenzhen Stock Exchange ChiNext Stock Listing Rules;

(ii) The Company and the connected persons, together with the other participants, all make cash capital contributions, and the ownership interests in the investee entity are allocated strictly pro rata to their respective capital contributions;

(iii) Other circumstances as prescribed by the securities regulatory authority and the stock exchange of the place where the Company's shares are listed.

The following acts of guarantee of the Company shall be submitted to the shareholders' meeting for review and approval:

(i) The single guarantee for an amount more than 10% of the Company's net assets audited in the latest period;

(ii) Any guarantee to be provided after the total amount of external guarantees provided by the Company and the subsidiaries it controls has exceeded 50% of the Company's net assets as audited in the latest period;

(iii) Any guarantee to be provided for a party whose ratio of liabilities to assets exceeds 70%;

(iv) The cumulative and total amount of guarantees within twelve consecutive months provided by the Company has exceeded 50% of the Company's net assets audited in the latest period and the absolute amount is more than RMB50 million;

(v) The cumulative and total amount of guarantees within twelve consecutive months provided by the Company has exceeded 30% of the Company's total assets audited in the latest period;

(vi) Any guarantee to be provided after the total amount of external guarantees provided by the Company and the subsidiaries it controls has exceeded 30% of the Company's total assets audited in the latest period;

(vii) The guarantee to be provided to a connected person thereof, after approval by the Board of Directors, shall be submitted to the shareholders' meeting for review and approval, regardless of the amount;

(viii) Other guarantees required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed or the guarantees to be decided by the shareholders' meeting in accordance with the Articles of Association.

For guarantee matters within the authority of the Board of Directors, they shall also be agreed upon by two-thirds or more of the Directors attending the board meeting. When the shareholders' meeting of the Company deliberates on the guarantee as stipulated in item (vi) of the preceding paragraph, it shall be approved by two-thirds or more of the voting rights held by the shareholders present at the meeting.

Where any of the following matters of the Company — external investments (including entrusted wealth management and investments in subsidiaries), purchase or sale of assets, lease-in or lease-out of assets, execution of management-related contracts (including entrusting operation or entrusted operation), gifting or receipt of assets, restructuring of debt or credit, transfer of research-and-development projects, execution of license agreements, and other similar matters (excluding the guarantee and the financial assistance) — reaches any standard set out below, the matter shall first be reviewed and approved by the Board of Directors and then submitted to the shareholders' Meeting for consideration:

(i) The total assets involved in the transaction account with the amount more than 50% of the Company's most recent audited total assets. Where the total assets involved in the transaction have both book value and valuation value, it shall be calculated on the basis of whichever is higher;

(ii) The related operating income of the subject matter of transaction (such as equity) in the most recent fiscal year accounts with the amount more than 50% of the Company's audited operating income in the most recent fiscal year and the absolute amount is more than RMB50 million;

(iii) The related net profit of the subject matter of transaction (such as equity) in the most recent fiscal year accounts with the amount more than 50% of the Company's audited net profit in the most recent fiscal year and the absolute amount is more than RMB5 million;

(iv) The transaction amount (including commitment debts and expenses) accounts for more than 50% of audited net assets of the Company of the latest period with the absolute amount of more than RMB50 million;

(v) The profit generated by the transaction accounts for more than 50% of the audited net profit of the Company in the most recent fiscal year with the absolute amount of more than RMB5 million.

If the data involved in the above index calculation is negative, the absolute value of the data shall be taken.

The shareholders' meeting is divided into annual shareholders' meeting and extraordinary shareholders' meeting. The annual shareholders' meeting shall be convened once a year and be held within six months after the end of the previous fiscal year.

The Company shall convene an extraordinary shareholders' meeting within two months from the date of the occurrence of any of the following circumstances:

(i) The number of Directors is less than the number provided for in the Company Law of the PRC (《中華人民共和國公司法》) or less than two-thirds of the number prescribed in the Articles of Association;

(ii) The uncovered losses of our Company reach one-third of its total share capital;

(iii) A written request from shareholders who separately or jointly hold 10% or more shares in the Company;

(iv) The Board of Directors considers it necessary;

(v) The Audit Committee proposes that such a meeting shall be held;

(vi) Other circumstances conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Assembling of Shareholders' Meeting

The Board of Directors shall convene the shareholders' meeting within the time limit specified in the Company's Articles of Association. After obtaining the consent of a majority of all independent Directors, an independent Director has the right to propose to the Board of Directors to convene a special shareholders' meeting. Upon receiving such a proposal, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene a special shareholders' meeting. If the Board of Directors agrees to convene a special shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days after making the board resolution. If the Board of Directors disagrees to convene a special shareholders' meeting, it shall state the reasons and make an announcement.

Where the Board of Directors does not give consent to convening of an extraordinary shareholders' meeting or does not issue feedback within 10 days from receipt of the proposal, the Board of Directors shall be deemed as unable to perform or failed to perform the duties of convening of shareholders' meeting, and the audit committee may convene and chair a shareholders' meeting on its own. Where the audit committee does not issue a notice of shareholders' meeting within the stipulated period, the audit committee shall be deemed not to convene and chair a shareholders' meeting, and a shareholder who individually or jointly holds 10% or more of the Company's shares (including preferred shares with resumed voting rights etc.) for 90 or more consecutive days may convene and chair a shareholders' meeting on his/her own.

If Audit Committee proposes to the Board of Directors to convene a special shareholders' meeting, it shall submit such proposal in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene a special shareholders' meeting.

If the Board of Directors agrees to convene a special shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days after making the board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee. If the Board of Directors disagrees to convene a special shareholders' meeting, or fails to provide feedback within 10 days of receipt, it shall be deemed that the Board of Directors is unable or fails to perform its duty to convene the shareholders' meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold 10% or more of the Company's shares have the right to request the Board of Directors to convene a special shareholders' meeting and shall submit such request in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene a special shareholders' meeting.

If the Board of Directors agrees to convene a special shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days after making the board resolution. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the Board of Directors disagrees to convene a special shareholders' meeting, or fails to provide feedback within 10 days of receipt, shareholders who individually or collectively hold 10% or more of the Company's shares have the right to propose to the Audit Committee to convene a special shareholders' meeting and shall submit such request in writing to the Audit Committee.

If the Audit Committee agrees to convene a special shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days after receiving the request. Any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

If the Audit Committee fails to issue a notice of the shareholders' meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the shareholders' meeting. In such cases, shareholders who individually or collectively hold 10% or more of the Company's shares for a continuous period of 90 days or more may convene and preside over the meeting on their own.

Where the Audit Committee or the shareholders proceed to convene a general meeting, the Board of Directors shall be notified in writing, and the required filings or public announcements shall be made in accordance with the securities regulatory rules and the stock exchange regulations of the place where the Company's shares are listed. Prior to announcement of resolutions passed by the shareholders' general meeting, the shareholding percentage of the convening shareholders (holders of ordinary shares and preferential shareholders with restored voting rights) shall not be less than 10%. The Audit Committee or the convening shareholders shall submit the relevant proof materials and complete the required filings or public announcements in accordance with the securities regulatory rules and the stock exchange regulations at the place where the Company's shares are listed prior to the time of issuance of notice of the general meeting and announcement of resolutions passed by the shareholders' meeting.

Proposals and Notices of Shareholders' Meeting

The Company may convene a shareholders' meeting, and the Board of Directors, the Audit Committee, as well as shareholders who individually or collectively hold more than 1% of the Company's shares, have the right to submit proposals to the Company. Shareholders who individually or collectively hold more than 1% of the Company's shares may submit a temporary proposal in writing to the convener 10 days prior to the shareholders' meeting. The contents of proposals shall contain clear topics and detailed resolutions. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days after receiving the proposal, announcing the content of the temporary proposal and submit the temporary proposal to the shareholders' meeting for deliberation, but the proposal which violates applicable laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, or falls outside the scope of the shareholders' meeting shall be excluded. If, according to the securities regulatory rules of the places where the Company's shares are listed, the shareholders' meeting must be postponed due to the issuance of a supplementary notice, the meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the places where the Company's shares are listed. Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the shareholders' meeting, it shall not modify the proposals already listed in the notice or add new proposals.

The shareholders' meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the shareholders' meeting or that do not comply with the provisions of the Articles of Association.

A notice of a shareholders' meeting shall include the following:

(i) the time, venue and duration of the meeting;

(ii) matters and proposals submitted to the meeting for consideration;

(iii) a prominent written statement that all Shareholders are entitled to attend shareholders' meeting and are entitled to appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a shareholder of the Company;

(iv) the record date of registration of Shareholders entitled to attend the shareholders' meeting;

(v) the name and telephone number of the regular contact person for the meeting;

(vi) the time and procedure for voting online or through other means.

After the shareholders' meeting notice has been issued, the meeting should not be postponed or canceled without a valid reason, and the proposals listed in the notice should not be canceled. In the event of a postponement or cancellation, the convener shall announce and explain the reasons at least two trading days before the originally scheduled date. If the securities regulatory rules of the places where the Company's shares are listed have special provisions regarding the procedures for postponing or canceling a shareholders' meeting, these provisions shall be followed, provided that they do not violate the regulatory requirements of the domestic jurisdiction.

Convening of Shareholders' Meeting

All shareholders on the record date for equity registration are entitled to attend the shareholders' meeting and, in accordance with applicable laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, to speak at the meeting and exercise their voting rights. Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend, speak and vote on their behalf.

The shareholders' meeting shall be presided over by the chairman of the board. If the chairman is unable or fails to perform his duties, the meeting shall be presided over by the vice chairman (if the company has two or more vice chairman, the vice chairman nominated by more than half of the directors shall preside over the meeting); if the vice chairman is unable or fails to perform their duties, one Director shall be elected by more than half of the Directors to preside over the meeting. If the shareholders' meeting is convened by the Audit Committee, it shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform his duties, one member of the Audit Committee shall be elected by more than half of the members of the Audit Committee to preside over the meeting. If the shareholders' meeting is convened by the shareholders themselves, the convener or a representative shall be elected by the convener to preside over the meeting. If the presiding officer of the meeting violates the rules of procedure and prevents the meeting from proceeding, upon the agreement of more than half of the shareholders present and entitled to vote, the shareholders' meeting may elect one person to serve as the presiding officer to continue the meeting.

The Company shall establish rules of procedure for the shareholders' meeting, which shall detail the procedures for convening, holding and voting at the shareholders' meeting, including notification, registration, review of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, record-keeping and signing, and announcement. The rules shall also specify the principles and specific content of the authorization granted by the shareholders' meeting to the Board of Directors. The rules of procedure for the shareholders' meeting shall be an appendix to the Articles of Association, drafted by the Board of Directors, and approved by the shareholders' meeting.

Voting at the Shareholders' Meeting

The resolutions of the shareholders' meeting are divided into ordinary resolutions and special resolutions. An ordinary resolution at a shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders present at the shareholders' meeting (including proxies). A special resolution at a shareholders' meeting shall be passed by at least two-thirds of the voting rights held by the shareholders present at the shareholders' meeting (including proxies).

The following matters shall be approved by the shareholders' meeting through ordinary resolutions:

(i) Work reports of the Board of Directors;

(ii) Plans of earnings distribution and recovery of losses schemes drafted by the Board of Directors;

(iii) Appointment or dismissal of the members of the Board of Directors, their remunerations and the payment method;

(iv) Engage and dismiss the engagement of accounting firms;

(v) Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, securities regulatory rules of the places where the Company's Shares are listed or the Articles of Association.

The following matters shall be approved by special resolution at the shareholders' meeting:

(i) The increase or reduction of the registered capital of the Company;

(ii) The division, spin-off, merger, dissolution and liquidation or any change in its corporate form (including a voluntary winding-up) of the Company;

(iii) Any amendment to the Articles of Association and its appendices (including the Rules of Procedure for the shareholders' meeting and the Rules of Procedure for the Board of Directors);

(iv) the listing of any subsidiary through spin-off;

(v) The purchase and sale of material assets or amount of guarantee provided by the Company within twelve consecutive months valued at more than 30% of the audited total assets of the Company as at the most recent period;

(vi) The issuance of shares, convertible corporate bonds, preference shares, and other types of securities recognized by the CSRC;

(vii) The repurchase of shares for the purpose of reducing the registered capital;

(viii) Any material asset restructuring;

(ix) Share incentive plan;

(x) Any resolution of the shareholders' meeting to voluntarily withdraw the listing of the Company's shares on the Shenzhen Stock Exchange and/or The Stock Exchange of Hong Kong Limited and to cease trading thereon, or to apply for trading or transfer on another trading venue.

(xi) other matters as required by the laws, administrative regulations, the securities regulatory rules of the places where the shares of the Company are listed or the Articles of Association, and considered by the shareholders' meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company, shall be passed by a special resolution.

Shareholders (including proxies) shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be entitled to one vote, except for class share shareholders.

Where material issues affecting the interests of minority shareholders are considered at the shareholders' meeting, the votes of minority shareholders shall be counted separately. The separate votes counting results shall be disclosed publicly in a timely manner.

The Company's own shares held by the Company do not carry voting rights and such shares shall not count towards the total number of shares with voting rights at shareholders' meeting. If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the "Securities Law," the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights present at the shareholders' meeting for 36 months after the purchase.

In accordance with the requirements of relevant laws and regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on the relevant proposal, or restricts any shareholder from voting only for or against the designated proposal, any vote taken by such shareholder or his representative in violation of the aforesaid provisions or restrictions shall not be counted in the voting results.

The Board of Directors of a company, independent Directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established in accordance with the laws, administrative regulations, the provisions of the CSRC, may publicly exercise shareholders' voting rights. Except for the statutory conditions, the Company shall not impose a minimum shareholding restriction on the solicitation of voting rights.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be individuals, and a person may not serve as a Director of the Company in case of any of the following circumstances:

(i) the person without civil conduct capacity or with limited civil conduct capacity;

(ii) the person who has committed an offense of corruption, bribery, conversion of property, misappropriation of property or sabotaging the market economic order of socialism and has been punished therefor; or who has been deprived of his/her political rights, in each case where less than 5 years have elapsed since the date of the completion of implementation of such punishment or deprivation; in the case of a suspended sentence, for a period not exceeding two years from the date of expiry of the probationary period;

(iii) the person who is a former Director, factory Director or General Manager (President) of a company or enterprise which is insolvent and under liquidation and he/she is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of such insolvency and liquidation of the company or enterprise;

(iv) the person who is a former legal representative of a company or enterprise which had its business license revoked and was ordered to shut down due to a violation of the law and who incurred personal liability, where less than 3 years have elapsed since the date of such revocation of the business license;

(v) the person listed as a judgment defaulter by the court of the PRC because the amount of debt he bears is relatively large and the debt is not paid off when it is due;

(vi) the person has been banned by the CSRC or the Hong Kong Stock Exchange from access to the securities market, and the term of prohibition has not expired;

(vii) the person has been publicly identified by the stock exchange as unsuitable to serve as Directors, senior management personnel, etc. of the listed companies, and the term of prohibition has not expired;

(viii) other contents stipulated by laws, administrative regulations or departmental rules or the securities regulatory rules of the places where the shares of the Company are listed.

Where a Director is elected or appointed in violation of the provisions above, the election, appointment or appointment shall be invalid. If a Director falls under the provisions above during his or her tenure, the Company shall dismiss him or her from office.

Directors are elected or replaced by the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term. The term of office for Directors is three years, and they may be re-elected for consecutive terms. The term of office for Directors begins on the date of their appointment and ends when the current Board of Directors' term expires. If the term of office for Directors expires and a timely re-election has not taken place, the outgoing Directors shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association until the newly elected Directors take office.

Directors may concurrently hold the position of senior management positions, but the total number of Directors who concurrently hold the position of senior management positions and Directors who is representative of the employees shall not exceed half of the total number of Directors of the Company.

Directors shall comply with laws, administrative regulations, regulatory rules where the Company's shares are listed, and the Articles of Association and owe the following duties of diligence to the Company:

(i) They shall exercise the rights granted to them by the Company with prudence, diligence, and care to ensure that the Company's business activities comply with national laws, administrative regulations, and all national economic policies, and that business operations do not exceed the scope of business specified in the business license;

(ii) They shall treat all shareholders fairly;

(iii) They shall promptly understand the status of the Company's business operations and management;

(iv) They shall sign a written confirmation on the Company's regular reports to ensure that the information disclosed by the Company is true, accurate, and complete;

(v) They shall provide relevant information and materials to the Audit Committee truthfully and shall not obstruct the Audit Committee from exercising their powers;

(vi) Other duties of diligence as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed, and the Articles of Association.

Directors may resign before the expiration of their term. Resignation of a Director shall be submitted to the Board of Directors in writing. The Company shall disclose the relevant circumstances within two days or within the period required by the securities regulatory rules of the places where the Company's shares are listed. If the resignation of a Director causes the number of Directors on the board to fall below the statutory minimum or there are no independent directors who are usually resident in Hong Kong, or the number of independent directors is less than one-third of the board members due to the resignation of independent directors, or there are no accounting professionals or appropriate professional qualifications among independent directors, the outgoing Director shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, until the newly elected Director takes office.

Without the provisions of the Articles of Association or the lawful authorization of the Board of Directors, no Director shall act on behalf of the Company or the Board of Directors in their personal capacity. When a Director acts in their personal capacity, if a third party would reasonably believe that the Director is acting on behalf of the Company or the Board of Directors, the Director shall make a prior declaration of their position and identity.

A person shall meet the following conditions to serve as an independent director of the Company:

(i) Possess the qualifications to serve as a director of a listed company in accordance with laws, administrative regulations, regulatory rules of securities of the places where the Company's shares are listed, and other relevant provisions;

(ii) Meet the independence requirements specified in the Articles of Association;

(iii) Have basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations, and rules;

(iv) Have at least five years of work experience in fields such as law, accounting, or economics, which is necessary for performing the duties of an independent director;

(v) Have good personal ethics and no major dishonest or other adverse records;

(vi) Meet other conditions stipulated by laws, administrative regulations, the CSRC, regulatory rules of securities of the places where the Company's shares are listed, and the Articles of Association.

As members of the board of directors, independent directors owe fiduciary duties and duties of diligence to the Company and all shareholders, and shall prudently perform the following responsibilities:

(i) Participate in the decision-making of the board of directors and express clear opinions on the matters under discussion;

(ii) Supervise potential major conflicts of interest between the Company and its controlling shareholders, actual controllers, directors, or senior management, and protect the legitimate rights and interests of minority shareholders;

(iii) Provide professional and objective suggestions on the Company's business development to help improve the decision-making level of the board of directors;

(iv) Perform other responsibilities stipulated by laws, administrative regulations, CSRC, regulatory rules of securities of the places where the Company's shares are listed, and the Articles of Association.

Independent directors shall exercise the following special powers:

(i) Independently engage intermediary institutions to audit, consult on, or verify specific matters of the Company;

(ii) Propose to the board of directors to convene an extraordinary shareholders' meeting;

(iii) Propose to convene a meeting of the board of directors;

(iv) Publicly solicit shareholder rights from shareholders in accordance with the law;

(v) Express independent opinions on matters that may damage the interests of the Company or minority shareholders;

(vi) Exercise other powers stipulated by laws, administrative regulations, CSRC, regulatory rules of securities of the places where the Company's shares are listed, and the Articles of Association.

The exercise of the powers listed in Items (i) to (iii) of the preceding paragraph by independent directors shall be subject to the approval of more than half of all independent directors.

Board of Directors

The Company has established a Board of Directors which shall be accountable to the shareholders' meeting.

The Board of Directors shall consist of 9 Directors, including one employee representative Director, 4 independent Directors.

The Board shall exercise the following duties and powers:

(i) to convene shareholders' meeting and report its work to the shareholders' meeting;

(ii) to implement the resolutions of the shareholders' meeting;

(iii) to resolve business operation plans and investment plans of the Company;

(iv) to formulate the profit distribution plans and plans for recovery of losses of the Company;

(v) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;

(vi) to draft plans for significant acquisitions of the Company, the purchase of Shares of the Company, merger, division, dissolution or change of the form of the Company;

(vii) to determine, to the extent authorized by the shareholders' meeting, on such matters as the external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, connected transactions, external donations of the Company;

(viii) to determine the internal management structure of the Company;

(ix) to determine the appointment or dismissal of the President of the Company and the Board secretary; and based on the nomination of the President, to determine the appointment or dismissal of the senior management including Deputy President and Financial Officer of the Company and determine their remuneration, rewards and penalties;

(x) to formulate the basic management system of the Company;

(xi) to formulate proposals for any amendment of the Articles of Association;

(xii) to manage the information disclosure of the Company;

(xiii) to propose to the shareholders' meeting for appointment or replacement of the accounting firms which provide audit services to the Company;

(xiv) to listen to work reports of the President of the Company and review his or her work;

(xv) other duties as stipulated in laws, administrative regulations, departmental rules, securities regulatory rules of the places where the shares of the Company are listed, the Articles of Association or the shareholders' meeting.

The Board of Directors establishes special committees such as Strategy and Investment Committee, Nomination Committee, Remuneration and Appraisal Committee, etc. The special committees perform duties pursuant to the Articles of Association and the authorization of the Board of Directors.

Meetings of the Board of Directors are divided into regular meetings and interim meetings. The Board of Directors shall hold at least two regular meetings each year, which shall be convened by the chairman. All directors shall be given written notice 10 days prior to the convening of the meeting.

Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, or the Audit Committee may propose the convening of an interim meeting of the board of directors. The chairman shall convene and preside over the board meeting within 10 days from the date of receiving such proposal.

A meeting of the Board of Directors shall be held only if more than half of the Directors are present. Resolutions of the Board of Directors must be passed by a majority of all Directors. When the Board of Directors reviews external guarantee matters, such matters shall also be approved by more than two-thirds of the directors present at the board meeting, unless otherwise stipulated more strictly by laws, regulations, regulatory rules of securities of the places where the Company's shares are listed, or the Articles of Association.

Voting on resolutions of the Board of Directors shall be conducted on a one person, one vote basis.

Where a director is related to an enterprise or individual involved in a board resolution, the director shall promptly submit a written report to the Board of Directors. A related director shall not vote for the said resolution and shall not represent another director in exercise of voting rights. The board meeting may be held with more than half of unrelated directors present, and resolutions passed by the board meeting shall require more than half of votes of unrelated directors. Where the number of unrelated directors present at the board meeting is less than three, the said matter shall be tabled at a shareholders' meeting for deliberation.

Secretary to the Board

The Company shall have a secretary to the Board, and shall be responsible for the preparation of the shareholders' meeting and Board meeting, document keeping and management of information regarding the shareholders of the Company and other matters. The secretary to the Board shall comply with the relevant provisions of the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

President and Other Senior Management Members

The Company shall have one President and several Deputy Presidents, all of whom shall be appointed or dismissed by the Board of Directors. The President is responsible to the Board of Directors and exercises the following powers:

(i) To be in charge of the production, operation and management of the Company, organize and implement the resolutions of the Board of Directors, and report the work to the Board of Directors;

(ii) To implement the Company's annual business plan and investment programs;

(iii) To draft proposals for the establishment of internal management institutions of the Company;

(iv) To draft the Company's basic management systems;

(v) To formulate specific regulations of the Company;

(vi) To propose to the Board of Directors the appointment or dismissal of Deputy Presidents and other senior management personnel;

(vii) To decide on the appointment or dismissal of management personnel other than those who should be appointed or dismissed by the Board of Directors;

(viii) Other powers granted by the Articles of Association or the Board of Directors.

Senior management personnel of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders. If senior management personnel fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and the public shareholders, they shall be liable for compensation in accordance with the law.

FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Financial Accounting System

The Company shall formulate its financial and accounting systems in accordance with laws, administrative regulations and regulations of relevant departments.

The Company shall, within four months after the end of each fiscal year, file its annual financial accounting report with the local branch of the CSRC and the stock exchange of the place where its shares are listed; within two months after the end of the first six months of each fiscal year, file its semi-annual financial accounting report; and within one month after the end of the first three months and the first nine months of each fiscal year, file its quarterly financial accounting reports, in each case with the foregoing authorities.

The Company shall not establish the statutory accounts books other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

Distribution of Profits

When distributing after-tax profits of the year, the Company shall allocate 10% of its after-tax profits for the Company's statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached 50% or more of the Company's registered capital, the Company needs not to make any further allocations to that fund. Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve in accordance with the preceding provision. After allocating the statutory reserve fund from the after-tax profits, the Company may also allocate a discretionary reserve fund from the after-tax profits upon a resolution of the shareholders' meeting.

The remaining after-tax profit after the Company has made up for losses and extracted surplus reserves shall be distributed in proportion to the shares held by the shareholders, unless the Articles of Association provide that the distribution is not made as per the proportion of shareholding. If the shareholders' meeting violates the Company Law by distributing profits to the shareholders, the shareholders shall return the profits distributed in violation of the regulations to the company. If losses are caused to the Company, the shareholders and the responsible directors and senior executives shall be liable for compensation. Shares held by the Company itself do not participate in the profit distribution.

The company's surplus reserves are used to make up for the Company's losses, to expand the Company's production and operations, or to increase the Company's registered capital. When the legal reserve fund is converted into share capital, the retained reserve fund shall not be less than 25% of the Company's registered capital before the conversion.

Internal Audit

The Company implements an internal audit system which is equipped with dedicated audit personnel to conduct internal audits for supervision of financial income and expenditure and economic activities of the Company.

The Company's internal audit system shall supervise and examine the Company's business activities, risk management, internal controls, financial information, and related matters, and shall be subject to the oversight and guidance of the Audit Committee. The internal audit department is accountable to the Board of Directors.

Appointment of an Accounting Firm

The Company shall appoint such accounting firm which has complied with the Securities Law, and the securities regulatory rules of the places where the shares of the Company are listed for carrying out the audit for the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be 1 year and can be re-appointed.

The appointment, removal, or non-renewal of the accounting firm shall, after approval by a majority of all members of the Audit Committee, be submitted to the Board of Directors for consideration and shall be finally approved by the shareholders' meeting. The Board shall not appoint accounting firm before the approval of the shareholders' meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting proofs, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding, and misrepresentation.

The auditing fee of the accounting firm or the method of determining audit fee shall be approved by the shareholders' meeting.

In the event of termination of the appointment or non-renewal of appointment of an accounting firm, the Company shall notify the accounting firm 30 days in advance; and the accounting firm shall be allowed to make its representation. An accounting firm proposing to resign shall state its opinions in the shareholders' meeting whether the Company has committed any improper act.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase, and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company. In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a property list. The Company shall notify its creditors within 10 days as of the date of the resolution for the merger and shall publish an announcement on the designated information disclosure media, or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) or website (including the Hong Kong Stock Exchange Disclosures Website (**www.hkexnews.hk**)) within 30 days as of the date of such resolution. A creditor may within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days as of the date of the resolution for the division and shall publish an announcement on the press or the National Enterprise Credit Information Publicity System within 30 days as of the date of such resolution. Unless a written agreement has been entered into, before the division, by the Company and its creditors in relation to the repayment of debts, debts of the Company prior to the division shall be jointly assumed by the surviving companies after the division.

Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and property list. The Company shall notify its creditors within 10 days as of the date of the resolution for the reduction of its registered capital and shall publish an announcement on the press, or the National Enterprise Credit Information Publicity System or website (including the Hong Kong Stock Exchange Disclosures Website (www.hkexnews.hk)) within 30 days as of the date of such resolution. A creditor may within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts.

In the event of a merger or division of a company, if there is a change in the registration items, the Company shall go through the change registration with the company registration authority in accordance with the law; If the Company is dissolved, it shall go through the deregistration of the procedures company in accordance with the law; If a new company is established, the company establishment registration shall be completed in accordance with the law.

If the Company increases or decreases its registered capital, it shall go through the change registration with the company registration authority in accordance with the law.

Dissolution and Liquidation

The Company shall be dissolved upon the occurrence of the following events:

(i) expiry of the term of business as specified by the Articles of Association or the occurrence of other matters for dissolution as specified by the Articles of Association;

(ii) a resolution on dissolution is passed by a shareholders' meeting;

(iii) dissolution is required due to the merger or division of the Company;

(iv) the business license of the Company is revoked or the Company is ordered to close down or dissolved in accordance with the laws;

(v) the Company suffers significant hardships in operation and management, and its continued existence would cause significant losses to shareholders' interests, and such issues cannot be resolved through other means, Shareholders representing 10% or above of the total voting rights of the Company may plead the court to dissolve the Company.

If the Company is in the situation as described in item (i) and (ii) of the preceding paragraph, and has not yet distributed its properties to shareholders, it can continue to exist by amending the Articles of Association. The amendment of the Articles of Association or the resolution of the shareholders' meeting as per the preceding paragraph must be passed by two-thirds or more of the voting rights held by the shareholders attending the shareholders' meeting.

If the company is dissolved due to the provisions mentioned in items (i), (ii), (iv), and (v) above, a liquidation shall be conducted and a liquidation group within 15 days from the date the cause for dissolution arises to carry out the liquidation. Directors are the liquidation obligors of the Company and shall form a liquidation group to conduct liquidation within 15 days from the date on which the cause of dissolution arises. The liquidation group shall be composed of directors, unless otherwise provided in the Articles of Association or another person is designated by a resolution of the shareholders' meeting.

The liquidation group shall notify the creditors within 10 days from the date of its establishment and announce it in the designated press, or the National Enterprise Credit Information Publicity System within 60 days or website (including the Hong Kong Stock Exchange Disclosures Website (**www.hkexnews.hk**)). Creditors shall declare their claims to the liquidation group within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement if they have not received the notice.

When declaring claims, creditors shall specify the relevant matters of the claims and provide supporting documents. The liquidation group shall register the claims.

During the period for declaring claims, the liquidation group shall not make repayments to the creditors.

After the liquidation group has sorted out the Company's assets, prepared the balance sheet and inventory of assets, it shall formulate a liquidation plan and submit it to the shareholders' meeting or the court for confirmation. The Company's assets shall be used to pay the liquidation expenses, employees' wages, social insurance fees, and statutory compensation, to pay the taxes owed, and to repay the Company's debts. The remaining assets shall be distributed among the shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue to exist but shall not engage in any business activities unrelated to the liquidation. After sorting out the Company's assets and preparing the balance sheet and inventory of assets, the liquidation group finds that the Company's assets are insufficient to repay the debts, it shall apply to the court for bankruptcy liquidation in accordance with the law. After the court accepts the bankruptcy application, the liquidation group shall transfer the liquidation affairs to the court.

After the completion of the Company's liquidation, the liquidation group shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and submit it to the company registration authority to apply for cancellation of the Company's registration.

If the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association in any of the following circumstances:

(i) after amendments are made to the Company Law of the PRC (《中華人民共和國公司法》) or other relevant laws, administrative regulations and regulatory rules of the places where the shares of the Company are listed, the matters stipulated in the Articles of Association are in conflict with the provisions of the revised laws, administrative regulations and regulatory rules of the places where the shares of the Company are listed;

(ii) if certain changes of the Company occur resulting in the inconsistency with certain terms specified in the Articles of Association;

(iii) the shareholders' meeting has resolved to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolutions of the shareholders' meeting require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved changes shall be registered in accordance with the laws.

The Board shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting on amendment to the Articles of Association and the examination and approval opinions from relevant authorities.

Any amendment to the Articles of Association that is required to be disclosed in accordance with laws and regulations shall be announced in accordance with provisions thereof.

A. FURTHER INFORMATION ABOUT THE COMPANY

1. Incorporation of Our Company

Our Company was established as a limited liability company under the laws of the PRC on July 28, 2006 and was converted into a joint stock company with limited liability on February 27, 2012. Our Company completed the listing of our A Shares on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300476) on June 11, 2015. As at the Latest Practicable Date, the total issued share capital of our Company was RMB872,557,313.

Our registered office is located at Hangcheng Technology Park, Xinqiao Village, Danshui Town, Huiyang District, Huizhou City, Guangdong Province, the PRC. Additionally, our principal place of business in Hong Kong is 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong. We have been registered as a registered non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) on August 21, 2025, with Ms. Lin Sio Ngo (練少娥) of 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong appointed as the Hong Kong authorised representative of the Company for acceptance of the service of process and any notices required to be served on our Company in Hong Kong.

As our Company was incorporated in the PRC, its operations are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and the Articles of Association is set out in Appendix IV and Appendix V, respectively.

2. Changes in the Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure" for changes in the share capital of the Company, there has been no alteration in the share capital of the Company within two years immediately preceding the date of this prospectus.

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in the Accountants' Report in Appendix I to this prospectus.

The following sets out the changes in the share capital of the Company's subsidiaries during the two years immediately preceding the date of this prospectus:

- On April 17, 2024, Victory Giant Technology (S) Pte Ltd was established in Singapore as a private limited company with an issued capital of USD54,000,000 and RMB250,830,000.

- On July 4, 2024, Vietnam VGT was established in Vietnam as a single-member limited liability company with the charter capital of VND720,000,000,000 (approximately USD30,000,000).

- On August 23, 2024, October 28, 2024, November 26, 2024, December 16, 2024 and April 8, 2025, the shareholders of Thailand VGT have approved its capital increase of THB592,736,100, THB339,300,000, THB172,500,000, THB57,000,000 and THB311,940,000 respectively.

- On December 20, 2024, Yiyang Weisheng increased its registered capital by USD0.5 million from USD13.5 million to USD14.0 million. On July 15, 2025, Yiyang Weisheng further increased its registered capital by USD3.0 million from USD14.0 million to USD17.0 million.

- On March 14, 2025, MFSM allotted 39,223,811 ordinary shares to MFSS.

Save as disclosed above and the section headed "History, Development and Corporate Structure", there have been no other alterations to the share capital of our subsidiaries within the two years preceding the date of this prospectus.

4. Resolutions Passed by Our Shareholders' General Meeting in Relation to the Global Offering

At the 2025 fourth extraordinary general meeting of the Shareholders held on August 15, 2025, the following resolutions, among other things, were duly passed:

(i) the issue by the Company of H Shares with a nominal value of RMB1.00 each and such H Shares be listed on the Stock Exchange;

(ii) the number of H shares to be issued shall be no more than 10% of the total issued share capital upon the Global Offering (before the exercise of the Over-allotment Option), and the grant of the Over-allotment Option in respect of no more than 15% of the number of H Shares issued pursuant to the Global Offering;

(iii) authorisation of the Board or its authorised individual to handle all matters relating to, among other things, the Global Offering, the issue and listing of H Shares on the Stock Exchange; and

(iv) subject to the completion of the Global Offering, the conditional adoption of the revised Articles of Association, which shall become effective on the Listing Date.

5. Restrictions on Repurchase

Please refer to Appendices IV and V of this prospectus for details.

B. FURTHER INFORMATION ABOUT THE BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that is or may be material:

(a) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, CPE Rosewood Investment Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$75 million;

(b) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Janchor Partners Pan-Asian Master Fund, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$75 million;

(c) the cornerstone investment agreement dated April 9, 2026, were entered into among the Company, New Alternative Limited, New Golden Future Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited, and GF Securities (Hong Kong) Brokerage Limited, pursuant to which New Alternative Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$40 million and New Golden Future Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(d) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Deliante Holdings Co., Ltd., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$53 million;

(e) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Hong Kong Mason Electronics Co., Ltd. (香港麥遜電子有限公司), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage

Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$50 million;

(f) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Morgan Stanley & Co. International plc, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$35 million;

(g) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Foresight Global Superior Choice SPC — Global Superior Choice Fund 1 SP, Foresight Global Superior Choice SPC — Vision Fund 1 SP, Foresight Global Superior Choice SPC — Horizon Fund 1 SP, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(h) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, HHLR Advisors, Ltd., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(i) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Pinpoint Asset Management Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(j) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Sunshine Life Insurance Corporation Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(k) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Tanwan Inc., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited, GF Securities (Hong Kong)

Brokerage Limited and ABCI Capital Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(l) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Tropical Terrain Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(m) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Yong Rong (HK) Asset Management Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$30 million;

(n) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Huizhou Huilian Investment Partnership (Limited Partnership) (惠州市惠聯投資合夥企業(有限合夥)), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$28.75 million;

(o) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Greenwoods Asset Management Hong Kong Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$25 million;

(p) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Bosera Asset Management (International) Co., Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(q) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Cloudview Capital Limited, Profit Rainbow Holdings Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate

Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(r) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, CNCB (Hong Kong) Investment Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(s) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Greater Bay Area Development Fund Management Limited (for and on behalf of the managed account of Mega Prime Development Limited), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$12.5 million;

(t) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Poly Platinum Enterprises Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$7.5 million;

(u) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Golden K2 Falcon Open-ended Fund Company — Golden K2 Falcon 2 Investment Fund, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(v) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Infore Funds Series 1 Open-ended Fund Company — Infore Global Equity Fund, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong)

Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(w) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Metazone Link (HK) Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(x) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, MY Asian Opportunities Master Fund, L.P., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(y) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Ovata Capital Management Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(z) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, SR Wealth Securities Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(aa) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Ruihua (International) Investment Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(bb) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Tianhong Asset Management Co., Ltd. (天弘基金管理有限公司), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(cc) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Ye Guofu (葉國富), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$20 million;

(dd) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, CloudAlpha Capital Management Limited, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(ee) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Everbright Wealth Management Co., Ltd. (for and on behalf of its managed wealth management products), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(ff) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Jump Trading Pacific Pte. Ltd., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(gg) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Luhua Daosheng (Beijing) Enterprise Management & Development Co., Ltd. (魯花道生(北京)企業管理發展有限公司), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF

Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(hh) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Mirae Asset Securities Co., Ltd., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(ii) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Panjing Harbourview Investment Fund (盤京港景投資基金), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(jj) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Wind Sabre Fund SPC (on behalf and for the account of Wind Sabre Opportunities Fund SP), J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(kk) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, Black Dragon AP SPV1, J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$10 million;

(ll) the cornerstone investment agreement dated April 9, 2026 entered into among the Company, HQ TELECOM SINGAPORE PTE. LTD., J.P. Morgan Securities (Far East) Limited, China Securities (International) Corporate Finance Company Limited, GF Capital (Hong Kong) Limited, J.P. Morgan Securities (Asia Pacific) Limited and GF Securities (Hong Kong) Brokerage Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$10 million; and

(mm) the Hong Kong Underwriting Agreement.

2. Intellectual Property

As at the Latest Practicable Date, the following intellectual property rights are material to our Group's business:

(a) Trademarks

As of the Latest Practicable Date, our Group had registered the following trademarks which are material to our business:

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry date (Year-Month-Date)
1. . .	Shpcb	9; 35	Our Company	PRC	23777705	2028.4.13
2. . .	VGTPCB	9	Our Company	PRC	23735462	2028.4.13
3. . .		9	Our Company	PRC	11303709	2034.3.20
4. . .		9	Our Company	PRC	44729837	2030.11.13
5. . .		9	Our Company	PRC	49168395	2031.4.6
6. . .		9	Our Company	PRC	9419893	2032.05.20
7. . .	胜宏	9	Our Company	PRC	9419826	2034.03.06
8. . .	胜宏科技	9	Our Company	PRC	11910808	2034.6.27
9. . .	胜宏科技	9	Our Company	PRC	44727639	2030.11.13
10. . .	胜宏科技	9	Our Company	PRC	49183487	2031.4.6
11. . .	MFS	9	Weisheng Circuit Board	PRC	15908888	2026.11.6
12. . .	MFSY	9	Weisheng Technology, Weisheng Circuit Board and Yiyang Weisheng	PRC	69150541	2033.7.13

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry date (Year-Month-Date)
13. . .	MFS TECHNOLOGY	9	Weisheng Technology, Weisheng Circuit Board and Yiyang Weisheng	PRC	69150996	2033.9.20
14. . .	MFSP	9	Weisheng Technology; Weisheng Circuit Board; Yiyang Weisheng	PRC	69155284	2033.10.20
15. . .		9	Our Company	Hong Kong	304098330	2027.04.01

(b) Domain Names

As of the Latest Practicable Date, our Group had registered the following domain names which are material to our business:

No.	Domain Name	Registered owner	Expiry date (Year-Month-Date)
1.	shpcb.com	Our Company	2029.11.10

(c) Patents

As of the Latest Practicable Date, our Group had registered the following patents which are material to our business:

No.	Patent	Type	Patent holder	Jurisdiction of registration	Patent Number	Application date (Year-Month-Date)	Duration of patent right
1. . .	A method to prevent the lead wire residue in the segmented position of the gold finger of the segmented high-frequency connector (一種杜絕分段高頻連接器金手指分段位置引線殘留的方法)	Invention	Our Company	PRC	ZL201510549747.7	2015.09.01	20 years
2. . .	A new method for making a mixed material printed circuit board (一種混合材料印製線路板新型製作方法)	Invention	Our Company	PRC	ZL201510693313.4	2015.10.21	20 years
3. . .	A method for making a high-frequency board with mixed pressing of different board materials (一種不同板料混壓的高頻板製作方法)	Invention	Our Company	PRC	ZL201710593847.9	2017.7.20	20 years
4. . .	A method for making an optical module PCB (一種光模塊PCB製作方法)	Invention	Our Company	PRC	ZL201810609433.5	2018.6.13	20 years
5. . .	A circuit board for a power battery of a new energy vehicle (一種用於新能源汽車的動力電池的線路板)	Utility Model	Our Company	PRC	ZL201720091748.6	2017.1.24	10 years

No.	Patent	Type	Patent holder	Jurisdiction of registration	Patent Number	Application date (Year-Month-Date)	Duration of patent right
6. . .	A circuit board with local mixed pressure of high-frequency materials (一種高頻材料局部混壓的電路板)	Utility Model	Our Company	PRC	ZL201821176210.6	2018.7.24	10 years
7. . .	An anti-corrosion agent for aluminum-based circuit boards and a method for making aluminum-based circuit boards using the same (一種鋁基電路板防侵蝕劑及使用其進行鋁基電路板製作的方法)	Invention	Shenghua Electronics	PRC	ZL201510847354.4	2015.11.30	20 years
8. . .	A method for making a selected PCB board (一種選化PCB板的製作方法)	Invention	Our Company	PRC	ZL201910477323.2	2019.6.3	20 years
9. . .	A method for making a core board of a buried magnetic core circuit board (一種埋電磁芯線路板芯板製作方法)	Invention	Our Company	PRC	ZL201810885315.7	2018.8.6	20 years
10. .	A method for making a circuit board with a BGA boss (一種設有BGA凸台的線路板製作方法)	Invention	Our Company	PRC	ZL201911407951.X	2019.12.31	20 years
11. .	An optical point structure (一種光學點結構)	Utility Model	Our Company	PRC	ZL202021570524.1	2020.7.31	10 years
12. .	A coil board single PCS glue removal jig (一種線圈板單PCS撕膠治具)	Utility Model	Our Company	PRC	ZL202220710358.3	2022.3.30	10 years
13. .	A tool for easily removing PCB inspection tape (一種便於摘取PCB檢測膠紙的工具)	Utility Model	Our Company	PRC	ZL202121071998.6	2021.5.19	10 years
14. .	A method for making a 5G high-frequency board with precise inter-layer alignment (一種層間精準對位的5G高頻板的製作方法)	Invention	Our Company	PRC	ZL202010767304.6	2020.8.3	20 years
15. .	A compensation method for gold finger etching (一種金手指蝕刻的補償方法)	Invention	Our Company	PRC	ZL202010326869.0	2020.4.23	20 years

No.	Patent	Type	Patent holder	Jurisdiction of registration	Patent Number	Application date (Year-Month-Date)	Duration of patent right
16.	A surface treatment method for a high-speed optical module board (一種高速光模塊板的表面處理方法)	Invention	Our Company	PRC	ZL201910915702.5	2019.9.26	20 years
17.	A method for manufacturing a communication base station RRU board (一種通信基站RRU板製作方法)	Invention	Our Company	PRC	ZL201910650909.4	2019.7.18	20 years
18.	A method for manufacturing a radio frequency module transfer PCB board (一種射頻模塊轉接PCB板的製作方法)	Invention	Our Company	PRC	ZL201910085529.0	2019.1.29	20 years
19.	A 3D transfer PCB board and its manufacturing method (一種3D轉接式PCB板及其製作方法)	Invention	Our Company	PRC	ZL201811060435.X	2018.9.12	20 years
20.	A method for detecting drilling deviation of a multi-layer circuit board (一種檢測多層線路板鑽孔偏移的方法)	Invention	Our Company	PRC	ZL201811026979.4	2018.9.4	20 years
21.	A mini LED backlight board dustproof cutting and grinding integrated mechanism (一種mini LED背光板防塵切磨一體機構)	Utility Model	Shenghua Electronics	PRC	ZL202222510220.1	2022.9.22	10 years
22.	A high-brightness mini LED circuit board (一種高亮度mini LED電路板)	Utility Model	Shenghua Electronics	PRC	ZL202120854393.8	2021.4.25	10 years
23.	A method for plugging holes with copper paste on a circuit board (一種線路板銅漿塞孔方法)	Invention	Shenghua Electronics	PRC	ZL202110214475.0	2021.2.26	20 years
24.	A PCB substrate structure and hybrid substrate for embedded processing (一種嵌入式加工的PCB基板結構及混合基板)	Utility Model	Our Company	PRC	ZL202420056332.0	2024.1.10	10 years

No.	Patent	Type	Patent holder	Jurisdiction of registration	Patent Number	Application date (Year-Month-Date)	Duration of patent right
25.	A visual detection device and method for controlling the depth of deep holes (一種控深孔深度可視檢測裝置及方法)	Invention	Our Company and Shenghua Electronics	PRC	ZL20221028232.58	2022.3.22	20 years

(d) Software Copyrights

As of the Latest Practicable Date, our Group had registered the following software copyrights which are material to our business:

No.	Software Name	Registrant	Registration number	Registration date (Year-Month-Date)
1.	CAM integrated circuit design system V1.0 (CAM集成線路設計系統V1.0)	Weisheng Circuit Board	2009SR045035	2009.10.10
2.	Integrated circuit modification system V1.0 (集成線路修改系統V1.0)	Weisheng Circuit Board	2009SR044927	2009.10.10
3.	Milling machine CNC device control system V1.0 (銑床數控裝置控制系統V1.0)	Weisheng Circuit Board	2009SR044930	2009.10.10
4.	Circuit board fully automatic lamination system V1.0 (線路板全自動壓層系統V1.0)	Weisheng Circuit Board	2009SR044937	2009.10.10
5.	Circuit board production monitoring system V1.0 (線路板生產監控系統V1.0)	Weisheng Circuit Board	2009SR044929	2009.10.10
6.	Circuit board circuit auxiliary design system V1.0 (線路板線路輔助設計系統V1.0)	Weisheng Circuit Board	2009SR044928	2009.10.10
7.	MFSP self-produced panel automatic edge system V1.0 (MFSP自產拼板自動圍邊系統V1.0)	Weisheng Circuit Board	2012SR009101	2012.2.13
8.	Weisheng PCB design control system V1.0 (維勝PCB設計控制系統V1.0)	Weisheng Circuit Board	2012SR009106	2012.2.13
9.	MFSPCAM single PCS automatic production system V1.0 (MFSPCAM單PCS自動化製作系統V1.0)	Weisheng Circuit Board	2017SR511114	2017.9.13
10.	Circuit board production quality control system V1.0 (電路板生產質量控制系統V1.0)	Weisheng Technology	2019SR0405612	2019.4.28

No.	Software Name	Registrant	Registration number	Registration date (Year-Month-Date)
11.	Fully automatic exposure machine control software V1.0 (全自動曝光機控制軟件V1.0)	Weisheng Technology	2019SR0405836	2019.4.28
12.	Printed circuit board direct drawing system V1.0 (印製電路板直接描繪系統V1.0)	Weisheng Technology	2019SR0403487	2019.4.28
13.	Drilling machine control software V1.0 (鑽機控制軟件V1.0)	Weisheng Technology	2019SR0402866	2019.4.28
14.	Fully automatic plate placing machine software V1.0 (全自動擺盤機軟件V1.0)	Weisheng Technology	2019SR0411508	2019.4.29
15.	FPC CAM auxiliary design system 1.01 (FPC CAM輔助設計系統1.01)	Weisheng Circuit Board	2020SR1888523	2020.12.24
16.	Workshop model optimization training system based on deep reinforcement learning V1.0 (基於深度強化學習的車間模型優化訓練系統V1.0)	Weisheng Technology	2023SR0754071	2023.6.29
17.	SMT intelligent distribution planning system V1.0 (SMT智能配送計劃系統V1.0)	Weisheng Technology	2023SR0754072	2023.6.29
18.	SMT scheduling system based on deep reinforcement learning V1.0 (基於深度強化學習的SMT排程系統V1.0)	Weisheng Technology	2023SR0754074	2023.6.29
19.	Intelligent warehousing and precise distribution management system software (智能倉儲精準配送管理系統軟件)	Weisheng Technology	2023SR1115548	2023.9.20
20.	PCB appearance inspection intelligent confirmation management system V1.0 (PCB外觀檢查智能確認管理系統V1.0)	Weisheng Technology	2023SR1080996	2023.9.15
21.	Weisheng label printing system V1.0 (維勝標籤打印系統V1.0)	Weisheng Technology	2025SR0297863	2025.2.20

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interest

(a) Interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

The following table sets out the interests and short positions of our Directors and chief executive of our Company immediately following completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised) in our Shares, underlying Shares or debentures of our Company or any of our 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 in which they are 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 us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once our H Shares are listed:

Name	Capacity/Nature of Interest	Class of Shares held after the Global Offering	Number of Shares	Approximate % of shareholding in our A Shares as of the Latest Practicable Date	Approximate percentage of shareholding in the relevant class of Shares upon completion of the Global Offering[2]	Approximate percentage of shareholding in the issued share capital of our Company after the Global Offering[2]
Mr. Chen Tao	Interest in controlled corporation[3]	A Shares	266,269,191 (L)	30.52%	30.52%	27.86%
	Interest of Spouse[4]	A Shares	3,791,642 (L)	0.43%	0.43%	0.39%
Ms. Liu Chunlan. . . .	Beneficial Interest[3]	A Shares	3,791,642 (L)	0.43%	0.43%	0.39%
	Interest of Spouse[4]	A Shares	266,269,191 (L)	30.52%	30.52%	27.86%
Mr. Chen Yong	Beneficial owner[5]	A Shares	2,311,361 (L)	0.26%	0.26%	0.24%
Mr. Zhao Qixiang . . .	Beneficial Interest	A Shares	1,605,744 (L)	0.18%	0.18%	0.17%
Mr. Zhu Guoqiang . . .	Beneficial Interest	A Shares	1,302,444 (L)	0.15%	0.15%	0.14%
Mr. Wang Hui	Beneficial Interest	A Shares	500,000 (L)	0.06%	0.06%	0.05%
Mr. Xie Lanjun	Beneficial Interest	A Shares	6,500 (L)	0.00%	0.00%	0.00%

Notes:

(1) "L" denotes long position.

(2) The calculation is based on the total number of 955,905,313 Shares, consisting of 872,557,313 A Shares and 83,348,000 H Shares) in issue immediately after completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised). The calculation of the percentage includes 217,443 A Shares being held as treasury Shares repurchased by our Company pursuant to the repurchase mandates approved by Shareholders, accounting for approximately 0.02% of the total number of A Shares in issue as of the Latest Practicable Date.

(3) As of the Latest Practicable Date, (a) Mr. Chen Tao and Ms. Liu Chunlan (spouse of Mr. Chen Tao) holds 90% and 10% of Shenghua Xinye, which holds 134,837,190 A Shares; (b) Mr. Chen Tao holds 70% of Hongda Investment, which in turns is the sole shareholder of Hong Kong Victory Giant which holds 131,432,001 A Shares. As such, Mr. Chen Tao will be deemed to be interested in the A Shares held by Shenghua Xinye and Hong Kong Victory Giant.

(4) As of the Latest Practicable Date, Ms. Liu Chunlan, the spouse of Mr. Chen Tao, is interested in 3,791,642 A Shares (consisting of 640,000 restricted Shares under the 2022 Restricted A Share Incentive Scheme), while Mr. Chen Tao will be deemed to be interested in 266,269,191 A Shares. According to SFO, Ms. Liu Chunlan will be deemed to be interested in the A Shares held by her spouse and vice versa.

(5) On March 14, 2025, Mr. Chen Yong pledged his 1,240,000 A Shares to China Merchants Securities Co., Ltd. (招商證券股份有限公司), and such pledge was released on March 9, 2026. On March 6 and 10, 2026, Mr. Chen Yong pledged 500,000 and 710,000 of his A Shares respectively to China Merchants Securities Co., Ltd.. Such pledged Shares were used as collateral for his personal loan and accounted for approximately 0.14% of our total number of A Shares in issue as of the Latest Practicable Date.

(b) Interests of the substantial shareholders

Save as disclosed in the section headed "Substantial Shareholders" of this prospectus, immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company or any member of our Group.

2. Particulars of the Directors' Service Contracts

We have entered into a contract with each of our Directors in respect of, among other things (i) compliance with relevant laws and regulations, (ii) observance of the Articles of Association, and (iii) provisions on dispute resolution.

Save as disclosed above, none of the Directors has entered into any service contracts as a director with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

3. Remuneration of Directors

For details of the remuneration of Directors, see "Directors and Senior Management — Emolument of Directors and Senior Management" and notes 13 and 14 in "Appendix I — Accountants' Report" to this prospectus.

4. Agency fees or commissions received

Save as disclosed in this section no commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

5. Disclaimers

(i) Save as disclosed in "Substantial Shareholders" and "C. Further information about our Directors, and Substantial Shareholders" of this section, none of our Directors or our chief executive has any interest or short position in the Shares, underlying Shares or debentures of us or any of our associated corporations (within the meaning of Part XV 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, 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 us and the Stock Exchange pursuant to Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are listed on the Stock Exchange;

(ii) Save as disclosed in "Substantial Shareholders" and "C. Further information about our Directors and Substantial Shareholders" of this section, none of our Directors is a director or employee of a company which is expected to have an interest in the Shares falling to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO once the H Shares are listed on the Stock Exchange;

(iii) Save as disclosed in the section headed "History, Development and Corporate Structure" of this prospectus, none of the Directors nor any of the experts referred to in "E. Other Information — 8. Qualifications and Consents of Experts" below:

(i) has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by, or leased to, any member of the Group, or are proposed to be acquired or disposed of by, or leased to, any member of the Group; or

(ii) is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group;

(iv) Save in connection with the Underwriting Agreements, none of the Directors nor any of the experts referred to in "E. Other Information — 8. Qualifications and Consents of Experts" below:

(i) interested legally or beneficially in any shares in any member of our Group; or

(ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(v) So far as is known to the Directors, none of the Directors or their associates or any Shareholders who are expected to be interested in 5% or more of the issued share capital of the Company has any interest in the top five customers or our top five suppliers of the Group.

D. 2022 RESTRICTED A SHARE INCENTIVE SCHEME

Our Company adopted the 2022 Restricted A Share Incentive Scheme approved by the Shareholders on August 15, 2022, which was outstanding as of the Latest Practicable Date. The terms of 2022 Restricted A Share Incentive Scheme not subject to the provisions of Chapter 17 of the Listing Rules other than Rule 17.12 as they do not involve any grant of restricted Shares by our Company after our Listing but is partially funded by our treasury Shares which are not listed on the Stock Exchange. Our Company will comply with applicable requirements under Rule 19A.39E of the Listing Rules as and when appropriate and required. The terms of the 2022 Restricted A Share Incentive Scheme are summarized below:

(i) Purpose

The purpose of the 2022 Restricted A Share Incentive Scheme is to establish and enhance the long-term incentive mechanism of the Company, attract and retain talents and incentive the sense of mission of the Directors, senior and middle level managements and key technical employees to achieve a sustainable developing environment of our Group and thereby realize our Group's long-term objectives. The 2022 Restricted A Share Incentive Scheme is implemented under the premise of protecting shareholder's interests and with a principle of evaluating the benefits according to contributions.

(ii) Administration of the scheme

The 2022 Restricted A Share Incentive Scheme is subject to the approval of the Shareholders' meeting, the administration of the Board, and the supervision of the independent non-executive Directors of the Company.

(iii) Participants

The participants of the 2022 Restricted A Share Incentive Scheme include Directors, senior and middle management, and other key technical employees (excluding independent Directors and supervisors) of our Group who have made significant contributions to the business operations and development of our Group.

(iv) Source and maximum number of Shares

The Shares underlying the 2022 Restricted A Share Incentive Scheme shall be A Shares repurchased by our Company from the secondary market and/or the A Shares to be issued by our Company. Each restricted Share granted represents the right to purchase one A share within the agreed period at the grant price. The restricted Shares are subject to a vesting period and will only be vested upon fulfilling the unlocking conditions stipulated. The maximum number of restricted Shares that can be granted under the 2022 Restricted A Share Incentive Scheme is 28,178,000 A Shares, of which include 2,400,000 retained restricted Shares (the "**Retained Restricted Shares**"), the grantees of which shall be determined within 12 months after the approval of the 2022 Restricted A Share Incentive Scheme by the Shareholders' meeting.

(v) Date of grant and term of the scheme

Within 60 days following the approval of the 2022 Restricted A Share Incentive Scheme by the shareholders' meeting, the Board shall determine the grant date of the restricted shares and complete the necessary procedures for registration and announcement. The 2022 Restricted A Share Incentive Scheme shall be effective from the date of completion of the grant of restricted shares under the Scheme up to the date when all of the restricted shares granted to the participants have either fully vested or been repurchased and cancelled, provided that the term of the Scheme shall not exceed 48 months.

(vi) Lock-up for Directors and the senior management team

If the grantee is a Director or a senior management of our Company, during the period of employment, the A Shares to be transferred in each year shall not exceed 25% of the total Shares he or she holds. No A Share can be transferred within six months after termination of his or her employment. If the grantee is a Director or senior management of our Company, any income derived from the sale of A Shares within six months after purchase, or from the purchase of shares within six months after a sale shall belong to our Company and will be forfeited by the Board. If there is any change in the applicable laws and regulations on the foregoing lock-up requirements, the grantee shall comply with the amended laws and regulations.

(vii) Conditions to the grant of restricted Shares

The restricted Shares under the 2022 Restricted A Share Incentive Scheme will only be granted to selected participants when the following conditions are fulfilled:

(a) Regarding our Company, none of the following circumstances has occurred:

(1) an audit report with a disclaimer of opinion or an adverse opinion has been issued by the reporting accountant with respect to our Company's accountants' report for the most recent fiscal year;

(2) an audit report with a disclaimer of opinion or an adverse opinion has been issued by the reporting accountant with respect to the internal control contained in the accountants' report for the most recent fiscal year;

(3) our Company's failure to distribute dividends in accordance with the relevant laws and regulations, the Articles of Association, or the public commitment within the last 36 months after its listing on the ChiNext Market of the Shenzhen Stock Exchange;

(4) applicable laws and regulations prohibit the implementation of any share incentive scheme; or

(5) any other circumstances determined by CSRC.

(b) With respect to the grantee, none of the following circumstances has occurred:

(1) the grantee has been regarded as an inappropriate person by the relevant stock exchange within the last 12 months;

(2) the grantee has been regarded as an inappropriate person by CSRC or its regional office within the last 12 months;

(3) the grantee has been punished or prohibited from entering into the securities market by the CSRC or its regional office within the last 12 months;

(4) the grantee is not qualified to serve as a director or senior management according to the PRC Company Law;

(5) the grantee is prohibited from participating in any incentive plan of listed companies according to applicable laws and regulations; or

(6) any other circumstances determined by the CSRC.

(viii) Vesting of restricted Shares

The vesting period for the restricted Shares commences from the date of the first grant of these Shares to the grantee. The vesting period of the restricted Shares is divided into three phases: 12 months, 24 months and 36 months. During the vesting period, the restricted Shares granted to the grantee shall not be transferred, for repayment of debt or pledged. In addition, the restricted Shares will only be unlocked when (i) the conditions set out under paragraph (vii) above are fulfilled; and (ii) the annual assessment of the performance of targets (including our Company and grantees) set out under the scheme is achieved.

The restricted Shares will be unlocked after the vesting period in accordance with the vesting schedule as set out under the scheme during a period of 12 to 36 months as follows:

(a) The 30% shall be unlocked during the period from the first trading day after the expiration of the 12-month period from the date of the initial grant to the last trading day within 24 months from the initial grant date;

(b) The 30% shall be unlocked during the period from the first trading day after the expiration of the 24-month period from the date of the initial grant to the last trading day within 36 months from the initial grant date;

(c) The remaining 40% shall be unlocked during the period from the first trading day after the expiration of the 36-month period of the date of the initial grant to the last trading day within 48 months from the initial grant date.

The Retained Restricted Shares will be vested in tranches of 50% in each of the two vesting periods that occur between (i) the first trading date after 12 months from the date of grant and the last trading day up to 24 months from the date of grant; and (ii) the first trading date after 24 months from the date of grant and the last trading day up to 36 months from the date of grant.

The number of restricted Shares granted and/or the grant prices will be adjusted upon the occurrence of certain events, including but not limited to issue of bonus shares, right issue, subdivision of shares placing and share reduction. The Company may repurchase the restricted Shares upon the occurrence of certain events as set out in the Scheme, including but not limited to the change of the positions of the grantee or termination of employment.

(ix) Grant Price

The grantees shall pay a grant price of RMB11.76 or RMB11.27 per Share to purchase the restricted Shares from the Company upon the fulfilment of all conditions for the restricted Shares. The grant price of each restricted Shares under the 2022 Restricted A Share Incentive Scheme was determined based on the average share prices of the relevant trading dates.

(x) Dividend and voting rights

Upon transfer of the restricted Shares by our Company, the grantees of restricted Shares will be entitled to exercise the right of Shareholders, including but not limited to the right to receive dividends and voting rights. Before the unlocking of the restricted Shares, the restricted Shares (including the rights to voting and receive dividends) shall be locked and such shares shall not be transferred or used to guarantee or repay debts.

(xi) Vested restricted Shares

As of the Latest Practicable date, the number of restricted Shares granted and vested under the 2022 Restricted A Share Incentive Scheme was 7,036,320, representing approximately 0.74% of the total issued Shares immediately following the completion of the Listing (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

The following table sets forth the number of restricted Shares granted and vested to Directors and senior management under the 2022 Restricted A Share Incentive Scheme as of the Latest Practicable Date:

Name of grantee	Position	Date of grant	Number of restricted shares	Grant Price[2]	Vesting period	Approximate % of total issued Shares immediately after the completion of the Global Offering[1]
Ms. Liu Chunlan . .	Non-executive Director	September 5, 2022	640,000	11.27	30%, 30% and 40% of the share awards granted under the 2022 Restricted A Share Incentive Scheme will be vested in each of three periods that occur between the first trading date after the expiration of the 12-month period from the date of grant and the last trading day within the 48- month period of the date of grant, respectively.	0.07%
Mr. Zhao Qixiang . .	Executive Director and president	September 5, 2022	320,000	11.27		0.03%
Mr. Chen Yong . . .	Executive Director and vice manager	September 5, 2022	320,000	11.27		0.03%
Mr. Zhu Guoqiang . .	Chief financial officer	September 5, 2022	320,000	11.27		0.03%
Mr. Wang Hui	Executive vice president	September 5, 2022	320,000	11.27		0.03%
Mr. Zhou Dingzhong	Vice president	September 5, 2022	256,000	11.27		0.03%
Ms. Zhu Xiyao . . .	Vice president, secretary to our Board and one of the joint company secretaries	September 5, 2022	32,000	11.27		0.00%

Notes:

(1) The calculation is based on the assumption that the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

(2) The grant price under the 2022 Restricted A Share Incentive Scheme takes into account the adjustment due to our dividends distributions, including our Company's distribution of cash dividends of RMB1.9 (tax inclusive) per 10 Shares to our then existing Shareholders on May 22, 2023 and June 7, 2024, respectively and our Company's distribution of cash dividends of RMB3.0 (tax inclusive) per 10 Shares to our then existing Shareholders on April 30, 2025.

The table below sets forth the details of restricted Shares granted and vested to connected persons and other grantees (excluding Directors and senior management of our Company) under the 2022 Restricted A Share Incentive Scheme as of the Latest Practicable Date.

Position	Number of grantees	Date of grant	Number of restricted Shares	Grant price[2]	Vesting period	Approximate % of total issued Shares immediately after the completion of the Global Offering[1]
Connected person	1	September 5, 2022	48,000	11.27	30%, 30% and 40% of the share awards granted under the 2022 Restricted A Share Incentive Scheme will be vested in each of three periods that occur between the first trading date after the expiration of the 12-month period from the date of grant and the last trading day within the 48 month period of the date of grant, respectively.	0.01%
other grantees . .	615	September 5, 2022	4,780,320	11.27		0.50%

Notes:

(1) The calculation is based on the assumption that the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

(2) The grant price under the 2022 Restricted A Share Incentive Scheme takes into account the adjustment due to our dividends distributions, including our Company's distribution of cash dividends of RMB1.9 (tax inclusive) per 10 Shares to our then existing Shareholders on May 22, 2023 and June 7, 2024, respectively and our Company's distribution of cash dividends of RMB3.0 (tax inclusive) per 10 Shares to our then existing Shareholders on April 30, 2025.

E. OTHER INFORMATION

1. Estate Duty

The Directors have been advised that no material liability for estate duty is likely to fall on the Group.

2. Litigation

As of the Latest Practicable Date, the Company was not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial conditions.

3. The Joint Sponsors' Independence

The Joint Sponsors have made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, our H Shares. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive an aggregate of USD850,000 for acting as the sponsors for the Listing.

4. Compliance Adviser

The Company has appointed China Securities (International) Corporate Finance Company Limited as the compliance adviser upon Listing in compliance with Rules 3A.19 and 19A.05 of the Listing Rules.

5. Preliminary Expenses

The Company has not incurred any material preliminary expenses.

6. Taxation of holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration of or, if higher, of the fair value of our Shares being sold or transferred (in other words, a total of 0.20% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed stamp duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to 10 times the duty payable may be imposed.

7. Promoters

Our promoters comprised 9 of our then Shareholders immediately before our conversion into a joint stock limited liability company on February 27, 2012:

No.	Name of promoters
1. . . .	Shenghua Xinye
2. . . .	Hong Kong Victory Giant
3. . . .	Oriental Fortune (Wuhu) Equity Investment Fund (Limited Partnership)* (東方富海(蕪湖)股權投資基金(有限合夥))

No.	Name of promoters
4. . . .	Bodaxing
5. . . .	Guoke Ruihua Venture Capital Enterprise* (國科瑞華創業投資企業)
6. . . .	Oriental Fortune (Wuhu) No. 2 Equity Investment Fund (Limited Partnership)* (東方富海(蕪湖)二號股權投資基金(有限合夥))
7. . . .	Huizhou Kaichuang Venture Capital Partnership (Limited Partnership)* (惠州市愷創創業投資合夥企業(有限合夥))
8. . . .	Jiaxing Shidai Jingxuan Venture Capital Partnership (Limited Partnership)* (嘉興時代精選創業投資合夥企業(有限合夥))
9. . . .	Ningbo Fenghai Information Technology Development Co., Ltd.* (寧波市豐海信息科技開發有限公司)

Within the two years immediately preceding the date of this prospectus, no cash, securities, amount or benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the Global Offering or the related transactions described in this prospectus.

8. Qualifications and Consents of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) which have given opinions or advice in, or referred to in, this prospectus are as follows:

Name of Expert	Qualifications
J.P. Morgan Securities (Far East) Limited	A licensed corporation under the SFO carrying on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
China Securities (International) Corporate Finance Company Limited . .	A licensed corporation carrying on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
GF Capital (Hong Kong) Limited	A licensed corporation under the SFO for type 6 (advising on corporate finance) of the regulated activity as defined under the SFO
BDO Limited	Certified Public Accountants under Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)

Name of Expert	Qualifications
JunHe LLP	Legal advisor as to PRC law and as to PRC data privacy and cybersecurity law to our Company
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant
Robin Lynn & Lee (in collaboration with DFDL)	Legal advisor as to Malaysian law to our Company
CHP LAW LLC	Legal advisor as to Singaporean law to our Company
DFDL (Thailand) Limited	Legal advisor as to laws of Thailand to our Company

Each of the experts listed above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or references to its name and qualifications included herein in the form and context in which they respectively appear.

9. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of 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.

10. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in Section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

11. No Material Adverse Change

Save as disclosed in "Summary" and "Financial Information" of this prospectus, our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since December 31, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

12. Miscellaneous

Save as disclosed in "Financial Information," "History, Development and Corporate Structure," and "Underwriting" this prospectus:

(a) within the two years preceding the date of this prospectus, no share or loan capital of the Company or any of its subsidiary has been issued or has been agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

(b) no share or loan capital of the Company or any of its subsidiary is under option or is agreed conditionally or unconditionally to be put under option;

(c) no founder, management or deferred shares of the Company or any of its subsidiary have been issued or have been agreed to be issued;

(d) our Company has no outstanding convertible debt securities or debentures;

(e) none of the experts listed under "— 8. Qualifications and Consents of Experts":

    (i) is interested beneficially or non-beneficially in any shares in any member of the Group; or

    (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group save in connection with the Underwriting Agreements;

(f) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(g) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;

(h) the English text of this prospectus shall prevail over their respective Chinese text;

(i) there are no arrangements under which future dividends are waived or agreed to be waived;

(j) there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus;

(k) save for the A Shares of our Company that are listed on the ChiNext Market of the Shenzhen Stock Exchange, and save for the H Shares to be issued in connection with the Global Offering, 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; and

(l) there are no restriction affecting the remittance of profits or repatriation of capital by us into Hong Kong from overseas.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of the material contracts referred to in "Appendix VI — Statutory and General Information — B. Further Information about the Business — 1. Summary of Material Contracts"; and

(b) the written consents referred to in "Appendix VI — Statutory and General Information — E. Other Information — 8. Qualifications and Consents of Experts."

DOCUMENTS AVAILABLE ON DISPLAY

Electronic 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.shpcb.com** during a period of 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report from BDO Limited, the text of which is set out in "Appendix I — Accountants' Report" to this prospectus;

(c) the audited consolidated financial statements of the Group for the three years ended December 31, 2023, 2024 and 2025;

(d) the report on the unaudited pro forma financial information prepared by BDO Limited, the text of which is set out in "Appendix II — Unaudited Pro Forma Financial Information" to this prospectus;

(e) the legal opinion from JunHe LLP, the Company's PRC Legal Advisor, in respect of, among other things, the general matters of our Group and the property interests of our Group in the PRC;

(f) the legal opinion as to Malaysian law issued by Robin Lynn & Lee (in collaboration with DFDL), our legal advisor as to Malaysian law;

(g) the legal opinion as to Singaporean law issued by CHP LAW LLC, our legal advisor as to Singaporean law;

(h) the legal opinion as to laws of Thailand issued by DFDL (Thailand) Limited, our legal advisor as to laws of Thailand;

(i) the industry report prepared by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a summary of which is set forth in "Industry Overview";

(j) the PRC Company Law, the Securities Law and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies together with their unofficial English translations;

(k) the service contracts between each of the Directors and the Company referred to in "Appendix VI — Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of the Directors' Service Contracts";

(l) the material contracts referred to in "Appendix VI — Statutory and General Information — B. Further Information about the Business — 1. Summary of Material Contracts"; and

(m) the written consents referred to in "Appendix VI — Statutory and General Information — E. Other Information — 8. Qualifications and Consents of Experts".

勝宏科技（惠州）股份有限公司

Victory Giant Technology (HuiZhou) Co., Ltd.